

**Management's Discussion and Analysis of Financial Condition and Results  
of Operations for the three months ended September 30 and June 30, 2015 and nine months  
ended September 30, 2014 and 2015**

---

## Definitions and Conversions

The following discussion is intended to assist you in understanding the Group financial position as of September 30, 2015 and results of operations for the three months ended September 30 and June 30, 2015 and nine months ended September 30 2015 and 2014 and should be read in conjunction with the Interim Condensed 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 proportionally consolidated entities (Joint operations as defined in IFRS 11) ("Tomskneft", "Salym petroleum development" (SPD) and Yuzhno-Priobskiy GPZ). 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 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

| 3Q<br>2015                             | 2Q<br>2015 | Δ, %   |   | 9m        |           | Δ, %   |
|--|------------|--------|---|-----------|-----------|--------|
|  |            |        |   | 2015      | 2014      |        |
| <b>Financial results (RUB million)</b> |            |        |   |           |           |        |
| 434,988                                | 423,225    | 2.8    | Sales <sup>1</sup>  | 1,238,248 | 1,246,155 | (0.6)  |
| 112,457                                | 106,379    | 5.7    | Adjusted EBITDA <sup>2</sup>  | 312,223   | 285,536   | 9.3    |
| 5,419.6                                | 5,380.8    | 0.7    | RUB per toe of production   | 5,313.5   | 5,887.3   | (9.8)  |
| 11.6                                   | 13.8       | (15.9) | USD <sup>3</sup> per boe of production  | 12.1      | 22.6      | (46.6) |
| 18,527                                 | 73,225     | (74.7) | Profit attributable to Gazprom Neft   | 130,881   | 139,531   | (6.2)  |
| <b>Operational results</b>             |            |        |   |           |           |        |
| 154.36                                 | 146.92     | 5.1    | Hydrocarbon production including our share in joint ventures (MMboe)              | 436.42    | 357.03    | 22.2   |
| 20.75                                  | 19.77      | 5.0    | Hydrocarbon production including our share in joint ventures (MMtoe)              | 58.76     | 48.50     | 21.2   |
| 1.68                                   | 1.61       | 4.4    | Daily hydrocarbon production (MMboepd)  | 1.60      | 1.31      | 22.1   |
| 107.38                                 | 103.25     | 4.0    | Crude oil and condensate production including our share in joint ventures (MMbbl) | 310.09    | 284.89    | 8.9    |
| 281.88                                 | 262.07     | 7.6    | Gas production including our share in joint ventures (bcf)                        | 758.01    | 432.84    | 75.1   |
| 11.55                                  | 10.93      | 5.7    | Refining throughput at own refineries and joint ventures (MMtonnes)               | 32.87     | 33.45     | (1.7)  |

<sup>1</sup> Sales includes export duties and sales related excise tax

<sup>2</sup> EBITDA is a non-IFRS measure. A reconciliation of adjusted EBITDA to profit before income taxes is provided in the appendix

<sup>3</sup> Translated to USD at the average exchange rate for the period

## 9m 2015 Highlights

- Obtained control in March over Gazprom Resource Northgas LLC, which holds 50% of Northgas CJSC, increasing share in Northgas from 9.1% to 50%
- Increased share in SeverEnergiya (Arcticgas) from 45.1% to 46.7% in 3Q
- Began production from Yaro-Yakhinskoye, third SeverEnergiya (Arcticgas) oilfield
- Received first two shipments of oil in compensation for expenses at Badra
- Began commercial oil production at Garmian (Kurdistan) in February, producing 71,700 tonnes in February to September 2015
- Awarded exploration and production licenses for Maloyuganskiy, Zapadno-Zimniy, Panlorskiy 5, Nyalinskiy and Yuilskiy 3 areas
- Awarded exploration and production licenses for Rusanda Plitko and Martonosh Zapad gas fields in Serbia
- Startup in September 2015 of Yuzhno-Priobskiy gas processing joint venture with Sibur (UPGPZ), which will utilize associated gas and produce NGLs. Annual capacity of the processing facility is 0.9 bcm.
- China's largest independent rating credit agency, Dagong Global Credit Rating, awarded Gazprom Neft a strong long term credit rating for liabilities denominated in Russian rubles: AA with stable outlook.

## Results for 9m 2015 compared with 9m 2014

- Total hydrocarbon production including our share in joint ventures increased 21.2% to 58.76 MMtonnes on continued production growth at SeverEnergiya (Arcticgas) fields, Orenburg region and Prirazlomnoye, gain of controlling interest in Northgas and sustained production at major fields
- The Group optimized crude processing volumes relative to oil and oil products prices and demand conditions. Output of light products remained unchanged from 2014, while total refining throughput declined 1.7%, in part due to reforming plant repairs at Moscow in June 2015 and catalytic cracking reconstruction at Omsk in September-November 2015
- Lower oil and oil products prices on international market resulted in 0.6% decrease in sales
- Adjusted EBITDA rose 9.3% due to increased hydrocarbon production, management actions to offset negative effects of tax manoeuvre effective January 2015, and negative export duty lag
- Profit attributable to Gazprom Neft declined 6.2% in comparison with EBITDA increase due to negative impact of revaluing non-ruble debt at current foreign exchange rates, including at joint ventures.

## Results for 3Q 2015 compared with 2Q 2015

- Daily hydrocarbon production including our share in joint ventures increased to 1.68 MMboe
- Total hydrocarbon production including our share in joint ventures increased 5.0% (in boe) due to startup of new wells at Prirazlomnoye and Badra, summer oil shipments from Novoport, and increased utilization at Yaro-Yakhinskoye field gas processing complex (Arcticgas)
- Refining throughput increased 5.7% Q-o-Q due to efficiency improvements at Moscow refinery and completion of planned hydrocracking plant repairs at Yaroslavl in 2Q 2015
- Sales increased 2.8% as Group shifted sales of oil and oil products to more profitable domestic and CIS markets
- Adjusted EBITDA increased 5.7% due to increased hydrocarbon production and sales through premium channels, negative export duty lag effect and management actions
- Profit attributable to Gazprom Neft declined 74.7% in comparison with EBITDA increase due to negative impact of revaluing non-ruble debt at current foreign exchange rates, including at joint ventures.

## Operational Data and Analysis

### Production Drilling

| 3Q<br>2015                                   | 2Q<br>2015 | Δ, %   |  | 9m<br>2015 | 2014  | Δ, %  |
|--|------------|--------|--|------------|-------|-------|
| <b>Consolidated subsidiaries</b>             |            |        |  |            |       |       |
| 847  | 804        | 5.4    | Production drilling ('000 meters)      | 2,301      | 2,276 | 1.1   |
| 197  | 200        | (1.5)  | New production wells                   | 583        | 642   | (9.2) |
| 39.46  | 34.14      | 15.6   | Average new well flow (tonnes per day) | 36.65      | 37.70 | (2.8) |
| <b>Proportionally consolidated companies</b> |            |        |  |            |       |       |
| 196  | 226        | (13.1) | Production drilling ('000 meters)      | 590        | 539   | 9.5   |
| 52   | 52         | -      | New production wells                   | 153        | 139   | 10.1  |
| <b>Joint ventures</b>                        |            |        |  |            |       |       |
| 300  | 311        | (3.3)  | Production drilling ('000 meters)      | 872        | 859   | 1.6   |
| 51   | 64         | (20.3) | New production wells                   | 160        | 155   | 3.2   |

- Production drilling increased 1.1% Y-o-Y and 5.4% Q-o-Q due to:
  - Increased drilling at Novoport field
  - Drilling program realization at Kraynee, Eti-Purovskoye and Vingapurovskoye areas.
- Production drilling by proportionally consolidated subsidiaries decreased 13.1% Q-o-Q due to drilling of less deep wells at Tomskneft and SPD.
- Production drilling by proportionally consolidated subsidiaries increased 9.5% Y-o-Y due to drilling increase at SPD
- Production drilling by joint ventures decreased 3.3% Q-o-Q due to greater share of horizontal and multilateral wells drilled at Slavneft.

## Production

| 3Q<br>2015        | 2Q<br>2015    | Δ, %        |   | 9m<br>2015        | 2014          | Δ, %         |
|-------------------|---------------|-------------|---|-------------------|---------------|--------------|
| <b>(MMtonnes)</b> |               |             | <b>Crude oil and condensate</b>   | <b>(MMtonnes)</b> |               |              |
| 3.63              | 3.61          | 0.6         | Noyabrskneftegaz  | 10.82             | 11.26         | (3.9)        |
| 3.63              | 3.57          | 1.7         | Khantos   | 10.72             | 10.32         | 3.9          |
| 1.25              | 1.25          | -           | Tomskneft   | 3.73              | 3.69          | 1.1          |
| 0.78              | 0.76          | 2.6         | SPD   | 2.31              | 2.48          | (6.9)        |
| 0.69              | 0.64          | 7.8         | Orenburg  | 1.97              | 1.73          | 13.9         |
| 0.28              | 0.29          | (3.5)       | NIS   | 0.85              | 0.91          | (6.6)        |
| 0.44              | 0.38          | 15.8        | Vostok**  | 1.17              | 1.08          | 8.3          |
| 0.17              | 0.09          | 88.9        | Novy Port   | 0.33              | 0.12          | 175.0        |
| 0.24              | 0.16          | 50.0        | Prirazlomnoye   | 0.54              | 0.02          | 2,600.0      |
| 0.16              | 0.10          | 60.0        | Badra & Kurdistan   | 0.33              | 0.00          | -            |
| 0.01              | 0.05          | (80.0)      | Others  | 0.15              | 0.48          | (68.8)       |
| <b>11.28</b>      | <b>10.90</b>  | <b>3.5</b>  | <b>Total production by subsidiaries and proportionally consolidated companies</b> | <b>32.92</b>      | <b>32.09</b>  | <b>2.6</b>   |
| 1.94              | 1.93          | 0.5         | Share in Slavneft   | 5.81              | 6.08          | (4.4)        |
| 0.98              | 0.82          | 19.5        | Share in SeverEnergiya (Arcticgas)  | 2.44              | 0.46          | 430.4        |
| 0.14              | 0.16          | (12.5)      | Share in Northgas   | 0.35              | 0.03          | 1,066.7      |
| <b>3.06</b>       | <b>2.91</b>   | <b>5.2</b>  | <b>Share in production of joint ventures</b>                                      | <b>8.60</b>       | <b>6.57</b>   | <b>30.9</b>  |
| <b>14.34</b>      | <b>13.81</b>  | <b>3.8</b>  | <b>Total crude oil and condensate production MMtonnes</b>                         | <b>41.52</b>      | <b>38.66</b>  | <b>7.4</b>   |
| <b>(bcm)</b>      |               |             | <b>Gas*</b>   | <b>(bcm)</b>      |               |              |
| 2.06              | 2.30          | (10.4)      | Noyabrskneftegaz  | 6.85              | 6.82          | 0.4          |
| 0.22              | 0.15          | 46.7        | Khantos   | 0.53              | 0.32          | 65.6         |
| 0.24              | 0.18          | 33.3        | Tomskneft   | 0.67              | 0.64          | 4.7          |
| 0.04              | 0.03          | 33.3        | SPD   | 0.10              | 0.10          | -            |
| 0.68              | 0.49          | 38.8        | Orenburg  | 1.68              | 1.37          | 22.6         |
| 0.14              | 0.14          | -           | NIS   | 0.42              | 0.42          | -            |
| 0.03              | 0.02          | 50.0        | Vostok  | 0.07              | 0.06          | 16.7         |
| -                 | 0.02          | -           | Others  | 0.03              | 0.03          | -            |
| <b>3.41</b>       | <b>3.33</b>   | <b>2.4</b>  | <b>Total production by subsidiaries and proportionally consolidated companies</b> | <b>10.35</b>      | <b>9.76</b>   | <b>6.1</b>   |
| 0.11              | 0.11          | -           | Share in Slavneft   | 0.33              | 0.32          | 3.1          |
| 3.16              | 2.61          | 21.1        | Share in SeverEnergiya (Arcticgas)  | 7.70              | 1.95          | 294.9        |
| 1.31              | 1.37          | (4.4)       | Share in Northgas   | 3.09              | 0.23          | 1,243.5      |
| <b>4.58</b>       | <b>4.09</b>   | <b>12.0</b> | <b>Share in production of joint ventures</b>                                      | <b>11.12</b>      | <b>2.50</b>   | <b>344.8</b> |
| <b>7.99</b>       | <b>7.42</b>   | <b>7.7</b>  | <b>Total gas production</b>   | <b>21.47</b>      | <b>12.26</b>  | <b>75.1</b>  |
| <b>(MMtoe)</b>    |               |             | <b>Hydrocarbons</b>   | <b>(MMtoe)</b>    |               |              |
| 14.01             | 13.57         | 3.2         | Total production by subsidiaries and proportionally consolidated companies        | 41.22             | 39.92         | 3.3          |
| 6.74              | 6.20          | 8.7         | Share in production of joint ventures   | 17.54             | 8.58          | 104.4        |
| <b>20.75</b>      | <b>19.77</b>  | <b>5.0</b>  | <b>Total hydrocarbon production MMtoe</b>   | <b>58.76</b>      | <b>48.50</b>  | <b>21.2</b>  |
| <b>154.36</b>     | <b>146.92</b> | <b>5.1</b>  | <b>MMboe</b>  | <b>436.42</b>     | <b>357.03</b> | <b>22.2</b>  |
| <b>1.68</b>       | <b>1.61</b>   | <b>4.4</b>  | <b>Daily hydrocarbon production (MMboepd)</b>                                     | <b>1.60</b>       | <b>1.31</b>   | <b>22.1</b>  |

\* Production volume includes marketable gas and gas utilized in Company power plants

\*\* Production for Archinskoye and Urmanskoye fields is presented in Gazpromneft – Vostok effective 1 June 2015 due to merger of LLC Archinskoye into Gazpromneft-Vostok in June 2015 (previously were included in Others)

- Daily hydrocarbon production (toe) increased 22.1% Y-o-Y and 4.4% Q-o-Q
- Group oil production increased 7.4% Y-o-Y to 41.52 MMtoe, driven by increased production at SeverEnergiya (Arcticgas), continued growth at Orenburg region fields, growth at Prirazlomnoye, Iraq and Novoport, and consolidation of 50% of Northgas volume

- Group natural gas production increased 75.1% Y-o-Y and 7.7% Q-o-Q primarily due to higher production at Urengoykoye field, startup at Yaro-Yakhinskoye (SeverEnergiya (Arcticgas)) and consolidation of 50% of Northgas volume.

### Crude Oil Purchases

| 3Q          | 2Q          |            |                                     | 9m          |             |             |
|-------------|-------------|------------|-------------------------------------|-------------|-------------|-------------|
| 2015        | 2015        | Δ, %       | (MMtonnes)                          | 2015        | 2014        | Δ, %        |
| 2.29        | 2.16        | 6.0        | Crude oil purchases in Russia *     | 5.82        | 3.35        | 73.7        |
| 0.08        | -           | -          | Crude oil purchases internationally | 0.08        | 1.31        | (93.9)      |
| <b>2.37</b> | <b>2.16</b> | <b>9.7</b> | <b>Total crude purchased</b>        | <b>5.90</b> | <b>4.66</b> | <b>26.6</b> |

\* Crude oil purchases in Russia exclude purchases from the Group's joint ventures Slavneft and SeverEnergiya

- Crude oil purchases in Russia increased 73.7% Q-o-Q and 6% Y-o-Y due to more effective domestic trading operations.

### Refining

| 3Q           | 2Q           |            |   | 9m           |              |              |
|--------------|--------------|------------|---|--------------|--------------|--------------|
| 2015         | 2015         | Δ, %       | (MMtonnes)  | 2015         | 2014         | Δ, %         |
| 5.40         | 5.41         | (0.2)      | Omsk  | 16.02        | 16.00        | 0.1          |
| 3.10         | 2.94         | 5.4        | Moscow  | 8.62         | 9.05         | (4.8)        |
| 0.80         | 0.73         | 9.6        | Pancevo   | 2.14         | 1.89         | 13.2         |
| <b>9.30</b>  | <b>9.08</b>  | <b>2.4</b> | <b>Total throughput at refineries owned by subsidiaries</b> | <b>26.78</b> | <b>26.94</b> | <b>(0.6)</b> |
| 2.00         | 1.74         | 14.9       | Share in Yaroslavl  | 5.64         | 5.63         | 0.2          |
| 0.25         | 0.11         | 127.3      | Share in Mozyr  | 0.45         | 0.88         | (48.9)       |
| <b>11.55</b> | <b>10.93</b> | <b>5.7</b> | <b>Total refining throughput</b>                            | <b>32.87</b> | <b>33.45</b> | <b>(1.7)</b> |

#### Production of petroleum products

|              |              |            |                         |              |              |              |
|--------------|--------------|------------|-------------------------|--------------|--------------|--------------|
| 2.46         | 2.27         | 8.4        | Gasoline                | 7.04         | 6.85         | 2.8          |
| -            | -            | -          | Class 2 and below       | 0.02         | -            | -            |
| 0.01         | -            | -          | Class 3                 | 0.01         | 0.10         | (90.0)       |
| 0.04         | 0.11         | (63.6)     | Class 4                 | 0.30         | 0.53         | (43.4)       |
| 2.41         | 2.16         | 11.6       | Class 5                 | 6.71         | 6.22         | 7.9          |
| 0.32         | 0.36         | (11.1)     | Naphtha                 | 1.05         | 0.96         | 9.4          |
| 3.10         | 2.93         | 5.8        | Diesel                  | 8.96         | 9.37         | (4.4)        |
| 0.04         | 0.03         | 33.3       | Class 2 and below       | 0.08         | 0.04         | 100.0        |
| -            | -            | -          | Class 3                 | -            | 0.14         | -            |
| -            | -            | -          | Class 4                 | -            | 0.37         | -            |
| 3.06         | 2.90         | 5.5        | Class 5                 | 8.88         | 8.82         | 0.7          |
| 1.72         | 1.51         | 13.9       | Fuel oil                | 5.14         | 5.66         | (9.2)        |
| 0.90         | 0.83         | 8.4        | Jet fuel                | 2.36         | 2.35         | 0.4          |
| 1.01         | 1.05         | (3.8)      | Bunker fuel             | 2.90         | 3.05         | (4.9)        |
| 0.70         | 0.64         | 9.4        | Bitumen                 | 1.53         | 1.58         | (3.0)        |
| 0.11         | 0.09         | 22.2       | Lubricants              | 0.30         | 0.27         | 9.5          |
| 0.66         | 0.76         | (13.2)     | Other                   | 2.06         | 1.97         | 4.6          |
| <b>10.98</b> | <b>10.44</b> | <b>5.2</b> | <b>Total production</b> | <b>31.34</b> | <b>32.06</b> | <b>(2.3)</b> |

- Total throughput declined 1.7% Y-o-Y due to repairs at Moscow reforming plant in June 2015, planned repairs at Yaroslavl plant in April 2015, and reconstruction of Omsk catalytic cracking plant in September-November 2015. The Group optimized refining throughput relative to oil and oil products price and demand conditions. Most of the production decrease was in fuel oil (-9.2%), whereas output of light products was essentially unchanged due to higher gas condensate throughput at Omsk
- Refining throughput increased 5.7% Q-o-Q due to improved efficiency at Moscow refinery and completion of planned repairs at Yaroslavl in 2Q 2015
- Diesel production decreased 4.4% Y-o-Y due to Yaroslavl hydrocleaning plant repairs in May-June 2015

- Jet fuel production increased 8.4% Q-o-Q and bitumen production increased 9.4% Q-o-Q due to seasonal demand
- Gasoline production increased 8.4% Q-o-Q as Yaroslavl returned to normal production levels following completion of April 2015 repairs and Omsk increased Class 5 gasoline production due to higher gas condensate throughput.

### Petroleum Products Purchases on International Markets

|              | 3Q 2015      |             | 2Q 2015      |             | Δ, %          |               |
|--------------|--------------|-------------|--------------|-------------|---------------|---------------|
|              | RUB million  | MMtonnes    | RUB million  | MMtonnes    | RUB million   | MMtonnes      |
| Diesel       | 1,394        | 0.04        | 3,387        | 0.12        | (58.8)        | (66.7)        |
| Fuel oil     | -            | -           | 61           | 0.00        | -             | -             |
| Jet fuel     | 2,740        | 0.07        | 2,327        | 0.07        | 17.8          | -             |
| Bunker fuel  | 866          | 0.03        | 1,143        | 0.04        | (24.2)        | (25.0)        |
| Lubricants   | 281          | 0.01        | 323          | 0.00        | (13.0)        | -             |
| <b>Total</b> | <b>5,281</b> | <b>0.15</b> | <b>7,241</b> | <b>0.23</b> | <b>(27.1)</b> | <b>(34.8)</b> |

|              | 9m 2015       |             | 9m 2014       |             | Δ, %          |               |
|--------------|---------------|-------------|---------------|-------------|---------------|---------------|
|              | RUB million   | MMtonnes    | RUB million   | MMtonnes    | RUB million   | MMtonnes      |
| Naphtha      | -             | -           | 2,783         | 0.09        | -             | -             |
| Diesel       | 5,572         | 0.18        | 21,840        | 0.67        | (74.5)        | (73.1)        |
| Fuel oil     | 61            | 0.00        | 25,836        | 1.33        | (99.8)        | -             |
| Jet fuel     | 7,772         | 0.21        | 7,819         | 0.22        | (0.6)         | (4.6)         |
| Bunker fuel  | 3,883         | 0.14        | 2,364         | 0.10        | 64.3          | 40.0          |
| Lubricants   | 864           | 0.01        | 602           | 0.01        | 43.5          | -             |
| <b>Total</b> | <b>18,152</b> | <b>0.54</b> | <b>61,244</b> | <b>2.42</b> | <b>(70.4)</b> | <b>(77.7)</b> |

- Purchases on international markets declined Y-o-Y due to reduced international trading operations.

### Petroleum Products Purchases in CIS

|                      | 3Q 2015      |             | 2Q 2015      |             | Δ, %         |              |
|----------------------|--------------|-------------|--------------|-------------|--------------|--------------|
|                      | RUB million  | MMtonnes    | RUB million  | MMtonnes    | RUB million  | MMtonnes     |
| High octane gasoline | 3,442        | 0.09        | 628          | 0.02        | 448.1        | 350.0        |
| Low octane gasoline  | 356          | 0.01        | 15           | 0.00        | 2,273.3      | -            |
| Diesel               | 982          | 0.03        | 518          | 0.02        | 89.6         | 50.0         |
| Other                | 103          | 0.01        | 152          | 0.00        | (32.2)       | -            |
| <b>Total</b>         | <b>4,883</b> | <b>0.14</b> | <b>1,313</b> | <b>0.04</b> | <b>271.9</b> | <b>250.0</b> |

|                      | 9m 2015      |             | 9m 2014      |             | Δ, %        |               |
|----------------------|--------------|-------------|--------------|-------------|-------------|---------------|
|                      | RUB million  | MMtonnes    | RUB million  | MMtonnes    | RUB million | MMtonnes      |
| High octane gasoline | 4,286        | 0.11        | 4,266        | 0.16        | 0.5         | (31.3)        |
| Low octane gasoline  | 379          | 0.01        | 568          | 0.03        | (33.3)      | (66.7)        |
| Diesel               | 1,723        | 0.06        | 1,516        | 0.07        | 13.7        | (14.3)        |
| Fuel oil             | -            | -           | 165          | 0.01        | -           | -             |
| Other                | 398          | 0.02        | 151          | 0.01        | 163.6       | 100.0         |
| <b>Total</b>         | <b>6,786</b> | <b>0.20</b> | <b>6,666</b> | <b>0.28</b> | <b>1.8</b>  | <b>(28.6)</b> |

## Domestic Purchases of Petroleum Products

|                      | 3Q 2015       |             | 2Q 2015       |             | Δ, %        |              |
|----------------------|---------------|-------------|---------------|-------------|-------------|--------------|
|                      | RUB million   | MMtonnes    | RUB million   | MMtonnes    | RUB million | MMtonnes     |
| High octane gasoline | 11,754        | 0.33        | 9,025         | 0.30        | 30.2        | 10.0         |
| Diesel               | 5,312         | 0.17        | 4,088         | 0.13        | 29.9        | 30.8         |
| Fuel oil             | 110           | 0.01        | 314           | 0.03        | (65.0)      | (66.7)       |
| Jet fuel             | 2,762         | 0.09        | 3,021         | 0.11        | (8.6)       | (18.2)       |
| Bunker fuel          | 491           | 0.02        | 659           | 0.04        | (25.5)      | (50.0)       |
| Lubricants           | 166           | 0.00        | 177           | 0.00        | (6.2)       | -            |
| Other                | 267           | 0.00        | 513           | 0.02        | (48.0)      | -            |
| <b>Total</b>         | <b>20,862</b> | <b>0.62</b> | <b>17,797</b> | <b>0.63</b> | <b>17.2</b> | <b>(1.6)</b> |

|                      | 9m 2015       |             | 9m 2014       |             | Δ, %        |            |
|----------------------|---------------|-------------|---------------|-------------|-------------|------------|
|                      | RUB million   | MMtonnes    | RUB million   | MMtonnes    | RUB million | MMtonnes   |
| High octane gasoline | 28,422        | 0.90        | 24,350        | 0.80        | 16.7        | 12.5       |
| Diesel               | 13,120        | 0.42        | 10,360        | 0.34        | 26.6        | 23.5       |
| Fuel oil             | 803           | 0.08        | 437           | 0.03        | 83.8        | 166.7      |
| Jet fuel             | 7,166         | 0.26        | 12,367        | 0.48        | (42.1)      | (45.8)     |
| Bunker fuel          | 1,615         | 0.08        | 509           | 0.03        | 217.3       | 166.7      |
| Lubricants           | 387           | 0.00        | 126           | 0.00        | 207.1       | -          |
| Petrochemicals       | -             | -           | 228           | 0.01        | -           | -          |
| Other                | 992           | 0.03        | 1,005         | 0.05        | (1.3)       | (40.0)     |
| <b>Total</b>         | <b>52,505</b> | <b>1.77</b> | <b>49,382</b> | <b>1.74</b> | <b>6.3</b>  | <b>1.7</b> |

- Domestic jet fuel purchases decreased Y-o-Y due to lower consumption and decreased exports to Kyrgyzstan
- Domestic bunker fuel purchases increased Y-o-Y due to purchases of ultra-low sulfur fuel oil ULS FO connected with adoption of MARPOL standards in North-West Europe resulting in increased demand.

## Products Marketing

| 3Q 2015      | 2Q 2015           | Δ, %         |   | 9m 2015      | 9m 2014           | Δ, %         |
|--------------|-------------------|--------------|---|--------------|-------------------|--------------|
|              | <b>(units)</b>    |              | <b>Active retail stations</b>   |              | <b>(units)</b>    |              |
| 1,159        | 1,161             | (0.2)        | In Russia   | 1,159        | 1,077             | 7.6          |
| 247          | 249               | (0.8)        | In CIS  | 247          | 232               | 6.5          |
| 422          | 422               | 0.1          | In Eastern Europe   | 422          | 420               | 0.5          |
| <b>1,828</b> | <b>1,832</b>      | <b>(0.2)</b> | <b>Total retail stations (as at the end of the period)</b>            | <b>1,828</b> | <b>1,729</b>      | <b>5.7</b>   |
| <b>19.7</b>  | <b>18.7</b>       | <b>5.4</b>   | <b>Average daily sales per retail site in Russia (tonnes per day)</b> | <b>18.8</b>  | <b>19.4</b>       | <b>(3.1)</b> |
|              | <b>(MMtonnes)</b> |              | <b>Sales volume through premium channels</b>                          |              | <b>(MMtonnes)</b> |              |
| 5.13         | 4.74              | 8.2          | Gasoline and Diesel   | 13.98        | 13.92             | 0.4          |
| 0.83         | 0.80              | 3.8          | Jet   | 2.25         | 2.21              | 1.8          |
| 1.06         | 1.02              | 3.9          | Bunkering   | 3.00         | 3.16              | (5.1)        |
| 0.06         | 0.06              | -            | Lubricants  | 0.17         | 0.14              | 21.4         |
| <b>7.08</b>  | <b>6.62</b>       | <b>6.9</b>   | <b>Total sales volume through premium channels</b>                    | <b>19.40</b> | <b>19.43</b>      | <b>(0.2)</b> |

- Total number of active retail stations increased 5.7% Y-o-Y
- Average daily sales per retail site in Russia decreased 3.1% Y-o-Y due to decline in premium diesel demand
- Average daily sales per retail site in Russia increased 5.4% Q-o-Q due to higher seasonal demand



- Sales volume through premium channels remained essentially unchanged Y-o-Y as:
  - Management actions increased market share in all premium channels under weaker demand conditions
  - Bunkering sales decreased mainly due to lower demand at Russian ports
  - Jet fuel sales increased due to expanded sales network within and outside Russia, 100% ownership of Gazpromneft-Aero Sheremetyevo;
- Sales volumes through premium channels increased 6.9% Q-o-Q primarily due to higher seasonal demand
- Lubricants production increased 21.4% Y-o-Y due to full-period operation of the Omsk lubricants plant (Russia's largest) in 2015 compared to operation from April startup in 2014. Lubricants production also increased as domestic markets shifted from imported to locally produced lubricants.

## Results of Operations

| 3Q                                | 2Q               |               |   | 9m               |                  |               |
|-----------------------------------|------------------|---------------|---|------------------|------------------|---------------|
| 2015                              | 2015             | Δ, %          | (RUB million)   | 2015             | 2014             | Δ, %          |
| 434,988                           | 423,225          | 2.8           | Sales*  | 1,238,248        | 1,246,155        | (0.6)         |
| (50,262)                          | (36,378)         | 38.2          | Less export duties and excise tax**                   | (138,428)        | (183,838)        | (24.7)        |
| <b>384,726</b>                    | <b>386,847</b>   | <b>(0.5)</b>  | <b>Total revenue</b>                                  | <b>1,099,820</b> | <b>1,062,317</b> | <b>3.5</b>    |
| <b>Costs and other deductions</b> |                  |               |   |                  |                  |               |
| (90,392)                          | (98,291)         | (8.0)         | Purchases of oil, gas and petroleum products          | (251,236)        | (275,509)        | (8.8)         |
| (52,630)                          | (50,950)         | 3.3           | Production and manufacturing expenses                 | (149,723)        | (125,034)        | 19.7          |
| (23,183)                          | (23,496)         | (1.3)         | Selling, general and administrative expenses          | (67,840)         | (57,452)         | 18.1          |
| (6,469)                           | 58               | -             | Provision for doubtful accounts                       | (6,657)          | (339)            | 1,863.7       |
| (33,925)                          | (34,458)         | (1.5)         | Transportation expenses                               | (99,694)         | (84,026)         | 18.6          |
| (24,623)                          | (23,670)         | 4.0           | Depreciation, depletion and amortization              | (70,490)         | (63,159)         | 11.6          |
| (88,408)                          | (95,383)         | (7.3)         | Taxes other than income tax                           | (276,145)        | (263,801)        | 4.7           |
| (229)                             | (159)            | 44.0          | Exploration expenses                                  | (531)            | (716)            | (25.8)        |
| <b>(319,859)</b>                  | <b>(326,349)</b> | <b>(2.0)</b>  | <b>Total operating expenses</b>                       | <b>(922,316)</b> | <b>(870,036)</b> | <b>6.0</b>    |
| (5,899)                           | 15,177           | -             | Other (loss) / gain, net                              | 7,243            | (3,846)          | -             |
| <b>58,968</b>                     | <b>75,675</b>    | <b>(22.1)</b> | <b>Operating profit</b>                               | <b>184,747</b>   | <b>188,435</b>   | <b>(2.0)</b>  |
| 6,984                             | 10,618           | (34.2)        | Share of profit of associates and joint ventures      | 24,249           | 4,576            | 429.9         |
| (40,238)                          | 8,087            | -             | Net foreign exchange (loss) / gain                    | (40,981)         | (14,554)         | 181.6         |
| 3,547                             | 3,524            | 0.7           | Finance income  | 10,493           | 4,734            | 121.7         |
| (7,663)                           | (6,815)          | 12.4          | Finance expense                                       | (21,401)         | (9,735)          | 119.8         |
| <b>(37,370)</b>                   | <b>15,414</b>    | <b>-</b>      | <b>Total other (expense) / income</b>                 | <b>(27,640)</b>  | <b>(14,979)</b>  | <b>84.5</b>   |
| <b>21,598</b>                     | <b>91,089</b>    | <b>(76.3)</b> | <b>(Loss) / Profit before income tax</b>              | <b>157,107</b>   | <b>173,456</b>   | <b>(9.4)</b>  |
| (11,717)                          | (7,987)          | 46.7          | Current income tax benefit / (expense)                | (26,763)         | (26,458)         | 1.2           |
| 10,209                            | (7,563)          | -             | Deferred income tax benefit / (expense)               | 2,950            | (3,919)          | -             |
| <b>(1,508)</b>                    | <b>(15,550)</b>  | <b>(90.3)</b> | <b>Total income tax benefit / (expense)</b>           | <b>(23,813)</b>  | <b>(30,377)</b>  | <b>(21.6)</b> |
| <b>20,090</b>                     | <b>75,539</b>    | <b>(73.4)</b> | <b>(Loss) / Profit for the period</b>                 | <b>133,294</b>   | <b>143,079</b>   | <b>(6.8)</b>  |
| (1,563)                           | (2,314)          | (32.5)        | Less: Profit attributable to non-controlling interest | (2,413)          | (3,548)          | (32.0)        |
| <b>18,527</b>                     | <b>73,225</b>    | <b>(74.7)</b> | <b>Profit attributable to Gazprom Neft</b>            | <b>130,881</b>   | <b>139,531</b>   | <b>(6.2)</b>  |

\* Sales includes export duties and sales related excise tax

\*\* Includes excise tax calculated based on petroleum products volumes sold by the Company's subsidiary in Serbia

## Revenues

| 3Q                        | 2Q             |               |   | 9m               |                  |              |
|---------------------------|----------------|---------------|---|------------------|------------------|--------------|
| 2015                      | 2015           | Δ, %          | (RUB million)                           | 2015             | 2014             | Δ, %         |
| <b>Crude oil</b>          |                |               |   |                  |                  |              |
| 24,189                    | 31,927         | (24.2)        | Export                                  | 78,307           | 78,386           | (0.1)        |
| 41,917                    | 45,808         | (8.5)         | Export sales                            | 125,984          | 150,517          | (16.3)       |
| (17,728)                  | (13,881)       | 27.7          | Less related export duties              | (47,677)         | (72,131)         | (33.9)       |
| 2,193                     | 1,718          | 27.6          | International markets                   | 5,405            | 1,063            | 408.5        |
| 4,691                     | 8,848          | (47.0)        | Export to CIS                           | 21,530           | 12,126           | 77.6         |
| 4,994                     | 8,897          | (43.9)        | Export sales and sales in CIS           | 22,219           | 12,126           | 83.2         |
| (303)                     | (49)           | 518.4         | Less related export duties              | (689)            | -                | -            |
| 18,799                    | 21,181         | (11.2)        | Domestic                                | 61,230           | 30,013           | 104.0        |
| <b>49,872</b>             | <b>63,674</b>  | <b>(21.7)</b> | <b>Total crude oil revenue</b>          | <b>166,472</b>   | <b>121,588</b>   | <b>36.9</b>  |
| <b>Gas</b>                |                |               |   |                  |                  |              |
| 535                       | 950            | (43.7)        | International markets                   | 3,115            | 1,251            | 149.0        |
| 6,288                     | 8,394          | (25.1)        | Domestic                                | 20,972           | 17,182           | 22.1         |
| <b>6,823</b>              | <b>9,344</b>   | <b>(27.0)</b> | <b>Total gas revenue</b>                | <b>24,087</b>    | <b>18,433</b>    | <b>30.7</b>  |
| <b>Petroleum products</b> |                |               |   |                  |                  |              |
| 42,611                    | 59,430         | (28.3)        | Export                                  | 158,824          | 222,083          | (28.5)       |
| 56,812                    | 68,471         | (17.0)        | Export sales                            | 204,321          | 305,457          | (33.1)       |
| (14,201)                  | (9,041)        | 57.1          | Less related export duties              | (45,497)         | (83,374)         | (45.4)       |
| 30,257                    | 25,420         | 19.0          | International markets                   | 79,216           | 75,080           | 5.5          |
| 48,271                    | 38,815         | 24.4          | Sales on international markets          | 123,726          | 102,943          | 20.2         |
| (18,014)                  | (13,395)       | 34.5          | Less excise*                            | (44,510)         | (27,863)         | 59.7         |
| 22,592                    | 18,067         | 25.0          | CIS                                     | 57,780           | 46,319           | 24.7         |
| 22,608                    | 18,079         | 25.1          | Export sales and sales in CIS           | 57,835           | 46,789           | 23.6         |
| (16)                      | (12)           | 33.3          | Less related export duties              | (55)             | (470)            | (88.3)       |
| 215,548                   | 189,680        | 13.6          | Domestic                                | 561,821          | 544,906          | 3.1          |
| <b>311,008</b>            | <b>292,597</b> | <b>6.3</b>    | <b>Total petroleum products revenue</b> | <b>857,641</b>   | <b>888,388</b>   | <b>(3.5)</b> |
| <b>17,023</b>             | <b>21,232</b>  | <b>(19.8)</b> | <b>Other revenue</b>                    | <b>51,620</b>    | <b>33,908</b>    | <b>52.2</b>  |
| <b>384,726</b>            | <b>386,847</b> | <b>(0.5)</b>  | <b>Total revenue</b>                    | <b>1,099,820</b> | <b>1,062,317</b> | <b>3.5</b>   |

\* Includes excise tax calculated based on petroleum products volumes sold by the Company's subsidiary in Serbia

## Sales Volumes

| 3Q                | 2Q           |               |                                       | 9m           |              |              |
|-------------------|--------------|---------------|---------------------------------------|--------------|--------------|--------------|
| 2015              | 2015         | Δ, %          |                                       | 2015         | 2014         | Δ, %         |
| <b>(MMtonnes)</b> |              |               | <b>Crude oil</b>                      |              |              |              |
| 1.82              | 1.96         | (7.1)         | Export                                | 5.38         | 5.45         | (1.3)        |
| 0.12              | 0.09         | 33.3          | Sales on international markets*       | 0.28         | 0.04         | 600.0        |
| 0.36              | 0.54         | (33.3)        | Export to CIS                         | 1.45         | 0.86         | 68.6         |
| 1.50              | 1.42         | 5.6           | Domestic sales                        | 4.49         | 2.60         | 72.7         |
| <b>3.80</b>       | <b>4.01</b>  | <b>(5.2)</b>  | <b>Total crude oil sales</b>          | <b>11.60</b> | <b>8.95</b>  | <b>29.6</b>  |
| <b>(bcm)</b>      |              |               | <b>Gas</b>                            |              |              |              |
| 0.04              | 0.06         | (33.3)        | International markets                 | 0.20         | 0.11         | 81.8         |
| 3.10              | 4.01         | (22.7)        | Domestic sales                        | 10.24        | 8.83         | 16.0         |
| <b>3.14</b>       | <b>4.07</b>  | <b>(22.9)</b> | <b>Total gas sales</b>                | <b>10.44</b> | <b>8.94</b>  | <b>16.8</b>  |
| <b>(MMtonnes)</b> |              |               | <b>Petroleum products</b>             |              |              |              |
| 2.56              | 2.99         | (14.4)        | Export                                | 8.80         | 11.87        | (25.9)       |
| 0.87              | 0.78         | 11.5          | Sales on international markets        | 2.33         | 2.20         | 5.9          |
| 0.64              | 0.57         | 12.3          | Export and sales in CIS               | 1.65         | 1.64         | 0.6          |
| 7.72              | 7.17         | 7.7           | Domestic sales                        | 21.02        | 21.13        | (0.5)        |
| <b>11.79</b>      | <b>11.51</b> | <b>2.4</b>    | <b>Total petroleum products sales</b> | <b>33.80</b> | <b>36.84</b> | <b>(8.3)</b> |

\* Including production sharing agreement (PSA)

### Average Realized Sales Prices

| 3Q<br>2015             | 2Q<br>2015 | Δ, %   |                                | 9m     |        |        |
|------------------------|------------|--------|--------------------------------|--------|--------|--------|
|                        |            |        |                                | 2015   | 2014   | Δ, %   |
| <b>(RUB per tonne)</b> |            |        | <b>Crude oil</b>               |        |        |        |
| 23,031                 | 23,371     | (1.5)  | Export                         | 23,417 | 27,618 | (15.2) |
| 13,031                 | 16,385     | (20.5) | Export and sales in CIS        | 14,848 | 14,100 | 5.3    |
| 12,533                 | 14,916     | (16.0) | Domestic sales                 | 13,637 | 11,543 | 18.1   |
| <b>(RUB per tonne)</b> |            |        | <b>Petroleum products</b>      |        |        |        |
| 22,192                 | 22,900     | (3.1)  | Export                         | 23,218 | 25,734 | (9.8)  |
| 55,484                 | 49,763     | 11.5   | Sales on international markets | 53,101 | 46,792 | 13.5   |
| 35,325                 | 31,718     | 11.4   | Export and sales in CIS        | 35,052 | 28,530 | 22.9   |
| 27,921                 | 26,455     | 5.5    | Domestic sales                 | 26,728 | 25,788 | 3.6    |

### Crude Oil Sales

- Crude export volumes declined 1.3% Y-o-Y due to a shift to domestic sales at better market prices
- Crude export volumes declined 7.1% Q-o-Q due to a shift to domestic sales and increased refining throughput
- Crude export volumes to CIS increased 68.6% Y-o-Y due to beginning exports to Uzbekistan and increased sales to Group's Mozyr refinery
- Domestic crude volumes increased 72.7% Y-o-Y due to more effective domestic trading operations.

### Gas sales

- Domestic gas sales increased 16% Y-o-Y due to increased production at SeverEnergiya (Arcticgas) and Northgas.
- Gas sales decreased 22.9% Q-o-Q due to seasonal factors

### Petroleum Products Exports

|                      | 3Q 2015       |             | 2Q 2015       |             | Δ, %          |               |
|----------------------|---------------|-------------|---------------|-------------|---------------|---------------|
|                      | RUB million   | MMtonnes    | RUB million   | MMtonnes    | RUB million   | MMtonnes      |
| High octane gasoline | -             | -           | 458           | 0.02        | -             | -             |
| Low octane gasoline  | -             | -           | 201           | 0.00        | -             | -             |
| Naphtha              | 6,144         | 0.23        | 8,356         | 0.31        | (26.5)        | (25.8)        |
| Diesel               | 21,412        | 0.71        | 25,284        | 0.85        | (15.3)        | (16.5)        |
| Fuel oil             | 17,927        | 1.21        | 19,761        | 1.22        | (9.3)         | (0.8)         |
| Jet fuel             | 4,340         | 0.12        | 4,918         | 0.20        | (11.8)        | (40.0)        |
| Bunker fuel          | 3,160         | 0.12        | 4,760         | 0.18        | (33.6)        | (33.3)        |
| Bitumen              | 149           | 0.01        | 162           | 0.01        | (8.0)         | -             |
| Lubricants           | 753           | 0.02        | 548           | 0.02        | 37.4          | -             |
| Petrochemicals       | 1,120         | 0.06        | 3,792         | 0.17        | (70.5)        | (64.7)        |
| Other                | 1,807         | 0.08        | 231           | 0.01        | 682.3         | 700.0         |
| <b>Total</b>         | <b>56,812</b> | <b>2.56</b> | <b>68,471</b> | <b>2.99</b> | <b>(17.0)</b> | <b>(14.4)</b> |

|                      | 9m 2015        |             | 9m 2014        |              | Δ, %          |               |
|----------------------|----------------|-------------|----------------|--------------|---------------|---------------|
|                      | RUB million    | MMtonnes    | RUB million    | MMtonnes     | RUB million   | MMtonnes      |
| High octane gasoline | 1,515          | 0.05        | 2,564          | 0.08         | (40.9)        | (37.5)        |
| Low octane gasoline  | 642            | 0.02        | 2,278          | 0.07         | (71.8)        | (71.4)        |
| Naphtha              | 20,865         | 0.78        | 25,641         | 0.80         | (18.6)        | (2.5)         |
| Diesel               | 77,353         | 2.51        | 115,068        | 3.54         | (32.8)        | (29.1)        |
| Fuel oil             | 61,780         | 3.89        | 112,243        | 5.66         | (45.0)        | (31.3)        |
| Jet fuel             | 15,138         | 0.45        | 17,185         | 0.53         | (11.9)        | (15.1)        |
| Bunker fuel          | 14,835         | 0.58        | 16,468         | 0.64         | (9.9)         | (9.4)         |
| Bitumen              | 345            | 0.02        | 763            | 0.04         | (54.8)        | (50.0)        |
| Lubricants           | 2,323          | 0.07        | 2,798          | 0.07         | (17.0)        | -             |
| Petrochemicals       | 7,010          | 0.33        | 6,412          | 0.31         | 9.3           | 6.5           |
| Other                | 2,515          | 0.10        | 4,037          | 0.13         | (37.7)        | (23.1)        |
| <b>Total</b>         | <b>204,321</b> | <b>8.80</b> | <b>305,457</b> | <b>11.87</b> | <b>(33.1)</b> | <b>(25.9)</b> |

- Total petroleum products export volumes declined 14.4% Q-o-Q due to increased petroleum products sales on domestic markets
- Total petroleum products export volumes declined 25.9% Y-o-Y due to lower transactions based on purchased petroleum products
- Bunker fuel exports declined Y-o-Y and Q-o-Q in line with lower market demand.

### **Petroleum Products Export and Sales in CIS**

|                      | 3Q 2015       |             | 2Q 2015       |             | Δ, %        |             |
|----------------------|---------------|-------------|---------------|-------------|-------------|-------------|
|                      | RUB million   | MMtonnes    | RUB million   | MMtonnes    | RUB million | MMtonnes    |
| High octane gasoline | 9,117         | 0.20        | 8,022         | 0.23        | 13.7        | (13.0)      |
| Low octane gasoline  | 1,465         | 0.04        | 1,071         | 0.03        | 36.8        | 33.3        |
| Diesel               | 7,444         | 0.19        | 5,887         | 0.17        | 26.5        | 11.8        |
| Fuel oil             | 186           | 0.02        | 32            | 0.01        | 481.3       | 100.0       |
| Jet fuel             | 1,776         | 0.05        | 917           | 0.03        | 93.7        | 66.7        |
| Bitumen              | 1,014         | 0.08        | 794           | 0.06        | 27.7        | 33.3        |
| Lubricants           | 614           | 0.02        | 655           | 0.01        | (6.3)       | 100.0       |
| Petrochemicals       | 457           | 0.02        | 382           | 0.02        | 19.6        | -           |
| Other                | 535           | 0.02        | 319           | 0.01        | 67.7        | 100.0       |
| <b>Total</b>         | <b>22,608</b> | <b>0.64</b> | <b>18,079</b> | <b>0.57</b> | <b>25.1</b> | <b>12.3</b> |

|                      | 9m 2015       |             | 9m 2014       |             | Δ, %        |            |
|----------------------|---------------|-------------|---------------|-------------|-------------|------------|
|                      | RUB million   | MMtonnes    | RUB million   | MMtonnes    | RUB million | MMtonnes   |
| High octane gasoline | 25,148        | 0.61        | 18,698        | 0.60        | 34.5        | 1.7        |
| Low octane gasoline  | 3,672         | 0.10        | 2,763         | 0.10        | 32.9        | -          |
| Diesel               | 18,813        | 0.49        | 17,053        | 0.56        | 10.3        | (12.5)     |
| Fuel oil             | 218           | 0.03        | 586           | 0.06        | (62.8)      | (50.0)     |
| Jet fuel             | 3,729         | 0.11        | 2,645         | 0.08        | 41.0        | 37.5       |
| Bitumen              | 2,173         | 0.16        | 1,512         | 0.11        | 43.7        | 45.5       |
| Lubricants           | 1,840         | 0.05        | 1,477         | 0.05        | 24.6        | -          |
| Petrochemicals       | 1,011         | 0.05        | 956           | 0.05        | 5.8         | -          |
| Other                | 1,231         | 0.05        | 1,099         | 0.03        | 12.0        | 66.7       |
| <b>Total</b>         | <b>57,835</b> | <b>1.65</b> | <b>46,789</b> | <b>1.64</b> | <b>23.6</b> | <b>0.6</b> |

### **Domestic Sales of Petroleum Products**

|                      | 3Q 2015        |             | 2Q 2015        |             | Δ, %        |            |
|----------------------|----------------|-------------|----------------|-------------|-------------|------------|
|                      | RUB million    | MMtonnes    | RUB million    | MMtonnes    | RUB million | MMtonnes   |
| High octane gasoline | 93,605         | 2.44        | 77,037         | 2.29        | 21.5        | 6.6        |
| Low octane gasoline  | 617            | 0.02        | 561            | 0.02        | 10.0        | -          |
| Diesel               | 62,500         | 2.11        | 58,421         | 1.90        | 7.0         | 11.1       |
| Fuel oil             | 2,536          | 0.32        | 2,467          | 0.30        | 2.8         | 6.7        |
| Jet fuel             | 23,855         | 0.86        | 19,723         | 0.75        | 21.0        | 14.7       |
| Bunker fuel          | 15,529         | 0.93        | 15,919         | 0.90        | (2.5)       | 3.3        |
| Bitumen              | 6,278          | 0.56        | 4,841          | 0.54        | 29.7        | 3.7        |
| Lubricants           | 2,893          | 0.06        | 2,701          | 0.02        | 7.1         | 200.0      |
| Petrochemicals       | 4,874          | 0.26        | 5,355          | 0.27        | (9.0)       | (3.7)      |
| Other                | 2,861          | 0.16        | 2,655          | 0.18        | 7.8         | (11.1)     |
| <b>Total</b>         | <b>215,548</b> | <b>7.72</b> | <b>189,680</b> | <b>7.17</b> | <b>13.6</b> | <b>7.7</b> |

|                      | 9m 2015        |              | 9m 2014        |              | Δ, %        |              |
|----------------------|----------------|--------------|----------------|--------------|-------------|--------------|
|                      | RUB million    | MMtonnes     | RUB million    | MMtonnes     | RUB million | MMtonnes     |
| High octane gasoline | 237,995        | 6.81         | 216,621        | 6.61         | 9.9         | 3.0          |
| Low octane gasoline  | 1,626          | 0.06         | 2,757          | 0.10         | (41.0)      | (40.0)       |
| Diesel               | 168,834        | 5.58         | 164,947        | 5.55         | 2.4         | 0.5          |
| Fuel oil             | 8,887          | 1.11         | 12,553         | 1.20         | (29.2)      | (7.5)        |
| Jet fuel             | 58,981         | 2.20         | 60,707         | 2.34         | (2.8)       | (6.0)        |
| Bunker fuel          | 42,876         | 2.53         | 46,523         | 2.58         | (7.8)       | (1.9)        |
| Bitumen              | 12,331         | 1.27         | 13,902         | 1.35         | (11.3)      | (5.9)        |
| Lubricants           | 7,746          | 0.17         | 5,654          | 0.16         | 37.0        | 6.3          |
| Petrochemicals       | 14,429         | 0.78         | 14,858         | 0.78         | (2.9)       | -            |
| Other                | 8,116          | 0.51         | 6,384          | 0.46         | 27.1        | 10.9         |
| <b>Total</b>         | <b>561,821</b> | <b>21.02</b> | <b>544,906</b> | <b>21.13</b> | <b>3.1</b>  | <b>(0.5)</b> |

- Domestic jet fuel volumes increased 14.7% Q-o-Q due to seasonal factors and expansion of Group's airport network in Russia
- Domestic jet fuel volumes declined 6% Y-o-Y due to lower market demand
- Domestic bitumen volumes decreased 5.9% Y-o-Y due to reduced public financing of road sector.

### Other Revenue

Other revenue primarily includes revenue from transport, construction, and other services.

- Other revenue increased 52.2% Y-o-Y primarily due to an increase in operating services provided by the Group to Messoyakha, in line with project development plan.

### Purchases of Oil, Gas and Petroleum Products

- Purchases of oil, gas, and petroleum products declined 8.8% Y-o-Y and 8.0% Q-o-Q due to lower oil prices

## Production and Manufacturing Expenses

| 3Q            | 2Q            |               |  | 9m             |                |              |
|---------------|---------------|---------------|--|----------------|----------------|--------------|
| 2015          | 2015          | Δ, %          | (RUB million)  | 2015           | 2014           | Δ, %         |
| <b>25,176</b> | <b>23,490</b> | <b>7.2</b>    | <b>Upstream expenses</b>                                   | <b>71,013</b>  | <b>58,703</b>  | <b>21.0</b>  |
| 18,027        | 17,405        | 3.6           | Consolidated subsidiaries inside Russia including          | 52,264         | 44,721         | 16.9         |
| 15,276        | 14,420        | 5.9           | Brownfields  | 43,634         | 40,730         | 7.1          |
| 1,580         | 1,442         | 9.6           | <i>RUB per toe</i>   | 1,521          | 1,408          | 8.0          |
| 3.42          | 3.74          | (8.4)         | <i>USD* per boe</i>  | 3.50           | 5.43           | (35.5)       |
| 2,751         | 2,985         | (7.8)         | Greenfields  | 8,630          | 3,991          | 116.2        |
| 2,465         | 1,683         | 46.5          | Consolidated subsidiaries outside Russia (including PSA)** | 5,844          | 2,216          | 163.7        |
| 4,684         | 4,402         | 6.4           | Proportionally consolidated companies                      | 12,905         | 11,766         | 9.7          |
| 2,082         | 2,019         | 3.1           | <i>RUB per toe</i>   | 1,941          | 1,743          | 11.3         |
| 4.51          | 5.23          | (13.8)        | <i>USD* per boe</i>  | 4.47           | 6.72           | (33.5)       |
| <b>13,671</b> | <b>12,059</b> | <b>13.4</b>   | <b>Downstream expenses</b>                                 | <b>38,006</b>  | <b>32,515</b>  | <b>16.9</b>  |
| 7,467         | 6,727         | 11.0          | Refining expenses at own refineries                        | 21,195         | 18,269         | 16.0         |
| 803           | 741           | 8.4           | <i>RUB per tonne</i>                                       | 791            | 678            | 16.7         |
| 1.74          | 1.92          | (9.4)         | <i>USD* per bbl</i>  | 1.82           | 2.61           | (30.3)       |
| 4,071         | 3,238         | 25.7          | Refining expenses at refineries of joint ventures          | 10,860         | 10,291         | 5.5          |
| 1,809         | 1,750         | 3.4           | <i>RUB per tonne</i>                                       | 1,783          | 1,581          | 12.8         |
| 3.92          | 4.53          | (13.6)        | <i>USD* per bbl</i>  | 4.10           | 6.09           | (32.7)       |
| 2,133         | 2,094         | 1.9           | Lubricants manufacturing expenses                          | 5,951          | 3,955          | 50.5         |
| <b>7,628</b>  | <b>6,764</b>  | <b>12.8</b>   | <b>Transportation expenses to refineries</b>               | <b>20,968</b>  | <b>20,988</b>  | <b>(0.1)</b> |
| <b>6,155</b>  | <b>8,637</b>  | <b>(28.7)</b> | <b>Other operating expenses</b>                            | <b>19,736</b>  | <b>12,828</b>  | <b>53.9</b>  |
| <b>52,630</b> | <b>50,950</b> | <b>3.3</b>    | <b>Total</b>   | <b>149,723</b> | <b>125,034</b> | <b>19.7</b>  |

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

\*\* PSA refers to production sharing agreement

- Upstream expenses include expenditures for raw materials and supplies, maintenance and repairs of producing equipment, labor costs, fuel and electricity costs, activities to enhance oil recovery, and other similar costs at our Upstream subsidiaries.
- Upstream expenses at consolidated subsidiaries in Russia increased 16.9% Y-o-Y due to financial consolidation of Prirazlomnoye and expanded activities to increase yields
- Upstream expenses per toe at Brownfields increased 8.0% Y-o-Y due to:
  - Increase in workovers and other activities to maintain crude production levels
  - Increase in total liquids production volumes due to higher watercut at mature fields
  - Continuing transition to electric submersible pump (ESP) rental program (over time, savings from pump purchases and ownership costs will offset rental expense)
  - Higher tariffs of natural monopolies and inflationary pressures, which were partially offset by cost optimization measures
- Upstream expenses at consolidated subsidiaries outside Russia increased 163.7% Y-o-Y due to commercial production startups in Iraq (Badra) and Kurdistan
- Refining expenses at own refineries include expenditures for raw materials and supplies, maintenance and repairs of productive equipment, labor and electricity costs, and other similar costs
- Refining expenses at own refineries increased 16.0% Y-o-Y primarily due to:
  - Higher tariffs of natural monopolies
  - Higher expenditures for materials and supplies due to inflationary pressures
  - Higher expenditures related to pipeline transport of higher quality diesel
  - Increased repair expenses at Omsk
  - Increased environmental costs
- Refining expenses at refineries of joint ventures increased 5.5% Q-o-Q due to higher expenditures for materials and supplies due to inflationary pressures

- Refining expenses at refineries of joint ventures increased 25.7% Q-o-Q primarily due to 14.9% throughput increase at Yaroslavl following completion planned repair of hydrocracking plant in April 2015
- Transportation expenses to refineries increased 12.8% Q-o-Q due to higher throughput
- Other operating expenses increased 53.9% Y-o-Y as result of increase in operating services provided by the Group to Messoyakha.

### **Selling, General and Administrative Expenses**

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

- Selling, general and administrative expenses increased by 18.1% Y-o-Y, driven by:
  - Higher expenses at foreign subsidiaries due to weakening of Russian ruble
  - Consolidation of new entities (GPN-Shelf, Information Technology Service Company)
  - Commercial production startup at Iraq (Badra) and Kurdistan
  - Growth number of retail stations and overall business.

### **Provision for doubtful accounts**

Provision for doubtful accounts increased Y-o-Y and Q-o-Q due to accrual related to OJSC Transaero Airlines.

### **Transportation Expenses**

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

- Transportation expenses increased 18.6% Y-o-Y due to increased crude oil production and higher tariffs of natural monopolies and weakening Russian ruble, which affected transportation costs for crude and oil product exports.

### **Depreciation, Depletion and Amortization**

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

- Depreciation, depletion and amortization expenses increased 11.6% Y-o-Y in line with increase in depreciable assets driven by capital expenditure.

### **Taxes Other than Income Tax**

| 3Q<br>2015    | 2Q<br>2015    | Δ, %         | (RUB million)                            | 9m             |                |            |
|---------------|---------------|--------------|--|----------------|----------------|------------|
|               |               |              |  | 2015           | 2014           | Δ, %       |
| 63,052        | 72,518        | (13.1)       | Mineral extraction taxes                 | 204,236        | 182,240        | 12.1       |
| 19,691        | 17,752        | 10.9         | Excise                                   | 53,432         | 64,653         | (17.4)     |
| 2,369         | 2,430         | (2.5)        | Property tax                             | 7,133          | 6,777          | 5.3        |
| 3,296         | 2,683         | 22.8         | Other taxes                              | 11,344         | 10,131         | 12.0       |
| <b>88,408</b> | <b>95,383</b> | <b>(7.3)</b> | <b>Total taxes other than income tax</b> | <b>276,145</b> | <b>263,801</b> | <b>4.7</b> |

- Taxes other than Income tax increased 4.7% Y-o-Y due to increase in mineral extraction taxes (12.1% Y-o-Y) due to higher base tax rate following tax manoeuvre effective January 2015 and increased production at subsidiaries and proportionally consolidated companies, partly offset by 17.4% Y-o-Y reduction in excise tax expenses.

### Share of Profit of Equity Accounted Investments

| 3Q<br>2015   | 2Q<br>2015    | Δ, %          | (RUB million)   | 9m            |              |              |
|--------------|---------------|---------------|---|---------------|--------------|--------------|
|              |               |               |   | 2015          | 2014         | Δ, %         |
| 442          | 4,876         | (90.9)        | Slavneft  | 8,634         | 5,093        | 69.5         |
| 5,283        | 4,131         | 27.9          | SeverEnergia (Arcticgas)                                | 12,039        | (1,966)      | -            |
| 873          | 890           | (1.9)         | Nortgaz   | 2,144         | -            | -            |
| 386          | 721           | (46.5)        | Other companies   | 1,432         | 1,449        | (1.2)        |
| <b>6,984</b> | <b>10,618</b> | <b>(34.2)</b> | <b>Share of profit of associates and joint ventures</b> | <b>24,249</b> | <b>4,576</b> | <b>429.9</b> |

- Share of Slavneft profit increased Y-o-Y mainly due to higher oil prices on domestic markets, higher prices charged for processing services and lower foreign exchange losses
- Share of Slavneft profit declined Q-o-Q due to foreign exchange loss in 3Q 2015 and effect of revaluing debt portfolio primarily denominated in USD
- Share of SeverEnergia (Arcticgas) profit for 9 months 2015 increased due to startup of main SeverEnergia fields (Arcticgas).

### Other gain

- Other income in 2Q 2015 and 9 months 2015 was primary due to writing off Company's RUB 16 billion share in liability at JSC Tomskneft.

### Other Financial Items

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

### Liquidity and Capital Resources

#### Cash Flows

| (RUB million)   | 9m             |              |          |
|---|----------------|--------------|----------|
|   | 2015           | 2014         | Δ %      |
| Net cash provided by operating activities                 | 219,627        | 228,176      | (3.7)    |
| Net cash used in investing activities                     | (241,816)      | (254,537)    | (5.0)    |
| Net cash provided by financing activities                 | 21,073         | 30,289       | (30.4)   |
| <b>(Decrease) / Increase in cash and cash equivalents</b> | <b>(1,116)</b> | <b>3,928</b> | <b>-</b> |

#### Net Cash Provided by Operating Activities

| (RUB million)   | 9m             |                |              |
|---|----------------|----------------|--------------|
|   | 2015           | 2014           | Δ %          |
| Net cash provided by operating activities before changes in working capital, income tax, interest and dividends | 244,296        | 256,740        | (4.8)        |
| Net changes in working capital  | 9,725          | 7,567          | 28.5         |
| Income tax paid   | (16,285)       | (25,963)       | (37.3)       |
| Interest paid   | (20,524)       | (11,821)       | 73.6         |
| Dividends received  | 2,415          | 1,653          | 46.1         |
| <b>Net cash provided by operating activities</b>  | <b>219,627</b> | <b>228,176</b> | <b>(3.7)</b> |

- Net cash provided by operating activities decreased 3.7 % Y-o-Y due to increased interest paid.



### Net Cash Used in Investing Activities

| (RUB million)   | 9m               |                  | Δ %          |
|---|------------------|------------------|--------------|
|   | 2015             | 2014             |              |
| Capital expenditures  | (234,238)        | (180,976)        | 29.4         |
| Acquisition of subsidiaries, shares in joint operations and equity affiliates | 303              | (56,893)         | -            |
| Net changes in deposits   | 3,257            | (3,181)          | -            |
| Other transactions  | (11,138)         | (13,487)         | (17.4)       |
| <b>Net cash used in investing activities</b>                                  | <b>(241,816)</b> | <b>(254,537)</b> | <b>(5.0)</b> |

- Net cash used in investing activities declined 5.0% Y-o-Y. Higher capital expenditures were offset by reduction in new assets acquisition.

### Net Cash Used in Financing Activities

| (RUB million)   | 9m            |               | Δ %           |
|---|---------------|---------------|---------------|
|   | 2015          | 2014          |               |
| Net changes in debt                                     | 31,975        | 61,725        | (48.2)        |
| Payment of dividends to shareholders                    | (8,735)       | (24,959)      | (65.0)        |
| Acquisition of non-controlling interest in subsidiaries | -             | (4,118)       | -             |
| Other transactions                                      | (2,167)       | (2,359)       | (8.1)         |
| <b>Net cash provided by financing activities</b>        | <b>21,073</b> | <b>30,289</b> | <b>(30.4)</b> |

- Net cash provided by financing activities declined 30.4% due to reduced borrowing.

### Capital Expenditure

| (RUB million)   | 9m             |                | Δ, %        |
|---|----------------|----------------|-------------|
|   | 2015           | 2014           |             |
| Exploration and production  | 169,676        | 126,444        | 34.2        |
| Consolidated subsidiaries   | 157,414        | 115,499        | 36.3        |
| Proportionally consolidated companies                               | 12,262         | 10,945         | 12.0        |
| Refining  | 16,956         | 16,957         | -           |
| Marketing and distribution  | 7,071          | 6,254          | 13.1        |
| Others  | 9,389          | 6,456          | 45.4        |
| <b>Subtotal capital expenditures</b>                                | <b>203,092</b> | <b>156,111</b> | <b>30.1</b> |
| Change in advances issued and material used in capital expenditures | 31,146         | 24,865         | 25.3        |
| <b>Total capital expenditures</b>                                   | <b>234,238</b> | <b>180,976</b> | <b>29.4</b> |

- Capital expenditure for Exploration and Production increased 34.2% Y-o-Y due primarily to
  - Construction of major infrastructure for Novoport
  - Exploration expenses in Iraq
  - Purchase of new licenses in Orenburg and Khanty-Mansiysk regions
  - Increased production drilling at Priobskoye
  - Capital expenditures at Prirazlomnoye.

## **Debt and Liquidity**

| (RUB million)                   | September 30,<br>2015 | December 31,<br>2014 |
|---------------------------------|-----------------------|----------------------|
| Short-term loans and borrowings | 133,251               | 61,121               |
| Long-term loans and borrowings  | 539,597               | 502,306              |
| Cash and cash equivalents       | (56,202)              | (53,167)             |
| Short-term deposits             | (88,952)              | (76,658)             |
| <b>Net debt</b>                 | <b>527,694</b>        | <b>433,602</b>       |
| Short-term debt / total debt, % | 19.8                  | 10.8                 |
| Net debt / EBITDA ttm           | 1.69                  | 1.44                 |

- The Group's diversified debt structure includes syndicated and bilateral loans, bonds, and other instruments
- Average debt maturity decreased from 4.49 years at December 31, 2014 to 3.95 years at September 30, 2015.
- Average interest rate increased from 3.48% at December 31, 2014 to 4.17% at September 30, 2015.

## Financial Appendix

### EBITDA Reconciliation

| 3Q             | 2Q             |               |   | 9m             |                |              |
|----------------|----------------|---------------|---|----------------|----------------|--------------|
| 2015           | 2015           | Δ, %          | (RUB million)   | 2015           | 2014           | Δ, %         |
| <b>20,090</b>  | <b>75,539</b>  | <b>(73.4)</b> | <b>Profit for the period</b>                          | <b>133,294</b> | <b>143,079</b> | <b>(6.8)</b> |
| 1,508          | 15,550         | (90.3)        | Total income tax benefit / (expense)                  | 23,813         | 30,377         | (21.6)       |
| 7,663          | 6,815          | 12.4          | Finance expense                                       | 21,401         | 9,735          | 119.8        |
| (3,547)        | (3,524)        | 0.7           | Finance income  | (10,493)       | (4,734)        | 121.7        |
| 24,623         | 23,670         | 4.0           | Depreciation, depletion and amortization              | 70,490         | 63,159         | 11.6         |
| 40,238         | (8,087)        | -             | Net foreign exchange (loss) / gain                    | 40,981         | 14,554         | 181.6        |
| 5,899          | (15,177)       | -             | Other (loss) / gain, net                              | (7,243)        | 3,846          | -            |
| <b>96,474</b>  | <b>94,786</b>  | <b>1.8</b>    | <b>EBITDA</b>   | <b>272,243</b> | <b>260,016</b> | <b>4.7</b>   |
| (6,984)        | (10,618)       | (34.2)        | less Share of profit of associates and joint ventures | (24,249)       | (4,576)        | 429.9        |
| 22,967         | 22,211         | 3.4           | add Share of EBITDA of equity accounted investments   | 64,229         | 30,096         | 113.4        |
| <b>112,457</b> | <b>106,379</b> | <b>5.7</b>    | <b>Adjusted EBITDA</b>                                | <b>312,223</b> | <b>285,536</b> | <b>9.3</b>   |

### Financial ratios

#### Profitability

|   | 9m    |       |         |
|---|-------|-------|---------|
|   | 2015  | 2014  | Δ, p.p. |
| Adjusted EBITDA margin, %                     | 28.39 | 26.88 | 1.5     |
| Net profit margin, %                          | 12.12 | 13.47 | (1.3)   |
| Return on assets (ROA), %                     | 5.55  | 11.53 | (6.0)   |
| Return on equity (ROE), %                     | 9.97  | 18.50 | (8.5)   |
| Return on average capital employed (ROACE), % | 11.85 | 16.07 | (4.2)   |

#### Liquidity

|               | 9m   |      |        |
|---------------|------|------|--------|
|               | 2015 | 2014 | Δ, %   |
| Current ratio | 1.34 | 1.86 | (28.2) |
| Quick ratio   | 0.68 | 1.03 | (33.7) |
| Cash ratio    | 0.38 | 0.63 | (39.4) |

#### Leverage

|                                 | 9m    |       |         |
|---------------------------------|-------|-------|---------|
|                                 | 2015  | 2014  | Δ, p.p. |
| Net debt/ Total Assets, %       | 22.09 | 14.91 | 7.2     |
| Net debt/ Equity, %             | 42.08 | 24.91 | 17.2    |
| Gearing, %                      | 32.96 | 22.59 | 10.4    |
|                                 |       |       | Δ, %    |
| Net debt/ Market Capitalization | 0.77  | 0.40  | 92.2    |
| Net debt/ EBITDA                | 1.69  | 0.80  | 111.3   |
| Total debt/ EBITDA              | 2.15  | 1.23  | 74.8    |

## Main Macroeconomic Factors Affecting Results of Operations

The main factors affecting the Group's results of operations include:

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

## Changes in Market Prices of 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 results of operations.

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

The sharp drop in oil and oil products prices on international markets in US dollar terms since 2014 negatively affected Group results, but oil price declines were largely offset by changes in the exchange rate for the US dollar relative to the Russian ruble.

| 3Q<br>2015 | 2Q<br>2015 | Δ, %   |                                | 9m<br>2015            | 2014   | Δ, %   |
|------------|------------|--------|--------------------------------|-----------------------|--------|--------|
|            |            |        | <b>International market</b>    | <b>(US\$/ barrel)</b> |        |        |
| 50.47      | 61.88      | (18.4) | Brent                          | 55.31                 | 106.52 | (48.1) |
| 49.55      | 61.73      | (19.7) | Urals Spot (average Med + NWE) | 54.61                 | 105.04 | (48.0) |
|            |            |        |                                | <b>(US\$/ tonne)</b>  |        |        |
| 599.03     | 671.00     | (10.7) | Premium gasoline (average NWE) | 605.51                | 984.34 | (38.5) |
| 419.54     | 525.60     | (20.2) | Naphtha (average Med. + NWE)   | 465.67                | 901.41 | (48.3) |
| 485.24     | 580.66     | (16.4) | Diesel fuel (average NWE)      | 530.33                | 907.51 | (41.6) |
| 471.36     | 570.63     | (17.4) | Gasoil 0.2% (average Med.)     | 515.87                | 892.29 | (42.2) |
| 234.76     | 314.81     | (25.4) | Fuel oil 3.5% (average NWE)    | 271.29                | 561.06 | (51.6) |
|            |            |        | <b>Domestic market</b>         | <b>(RUB/ tonne)</b>   |        |        |
| 36,597     | 31,497     | 16.2   | High-octane gasoline           | 32,476                | 31,406 | 3.4    |
| 31,219     | 27,188     | 14.8   | Low-octane gasoline            | 28,267                | 27,564 | 2.6    |
| 29,492     | 29,279     | 0.7    | Diesel fuel                    | 28,756                | 27,675 | 3.9    |
| 7,448      | 8,383      | (11.2) | Fuel oil                       | 7,758                 | 9,302  | (16.6) |

Sources: Platts (international), Kortes (domestic)

## Ruble vs. US Dollar Exchange Rate and Inflation

The Group presentation currency is the Russian ruble. The functional currency of each of the Group's consolidated entities is the currency of the primary economic environment in which the entity operates, which for most entities is the Russian ruble.

| 3Q<br>2015 | 2Q<br>2015 |   | 9m<br>2015 | 2014  |
|------------|------------|---|------------|-------|
| 2.0        | 1.0        | Change in Consumer Price Index (CPI), %             | 10.4       | 6.3   |
| -          | 2.3        | Change in Producer Price Index (PPI), %             | 11.5       | 5.2   |
| 66.24      | 55.52      | US\$/ RUB exchange rate as of the end of the period | 66.24      | 39.39 |
| 62.98      | 52.65      | Average RUB/US\$ exchange rate for the period       | 59.28      | 35.39 |

## Hydrocarbon Taxes

### Average tax rates effective in reporting periods for taxation of oil and gas companies in Russia

| 3Q<br>2015 | 2Q<br>2015 | Δ, %   |                               | 9m<br>2015 | 2014   | Δ, %                 |
|------------|------------|--------|-------------------------------|------------|--------|----------------------|
|            |            |        | <b>Export customs duty</b>    |            |        |                      |
|            |            |        |                               |            |        | <b>(US\$/ tonne)</b> |
| 128.47     | 130.57     | (1.6)  | Crude oil                     | 129.56     | 383.87 | (66.2)               |
| 61.60      | 62.63      | (1.6)  | Light petroleum products      | 62.12      | 253.32 | (75.5)               |
| 61.60      | 62.63      | (1.6)  | Diesel                        | 62.12      | 249.46 | (75.1)               |
| 100.17     | 101.80     | (1.6)  | Gasoline                      | 101.01     | 345.43 | (70.8)               |
| 109.17     | 110.93     | (1.6)  | Naphtha                       | 110.08     | 345.43 | (68.1)               |
| 97.57      | 99.20      | (1.6)  | Heavy petroleum products      | 98.42      | 253.32 | (61.1)               |
|            |            |        | <b>Mineral extraction tax</b> |            |        |                      |
| 6,262      | 7,072      | (11.5) | Crude oil (RUB/ tonne)        | 6,736      | 6,019  | 11.9                 |

### Crude and oil products export duty rates

Resolution of the Russian Government # 276 (March 29, 2013) establishes a methodology for the Ministry of Economic Development of the Russian Federation to calculate export duty rates for crude oil and certain oil products.

#### Crude oil export customs duty rate

a) According to Russian Federal Law # 5003-1 (May 21, 1993) clause 3.1. subclause 4, amended by Russian Federal Law # 366-FZ (November 24, 2014) export custom duty rates should not exceed the marginal export duty rates calculated according to the following formulas:

| Quoted Urals price (P), USD/ tonne | Maximum Export Custom Duty Rate  |
|------------------------------------|--|
| ≤109.50                            | 0%   |
| 109.50 < P ≤ 146.00                | 35.0% x (P – 109.50)   |
| 146.00 < P ≤ 182.50                | 12.78 + 45.0% x (P – 146.00)   |
| >182.50                            | 29.20 + 59.0% x (P – 182.50) for 2014<br>29.20 + 42.0% x (P – 182.50) for 2015 |

Crude oil exports Kazakhstan, Belarus are not subject to oil export duties.

b) Under Federal Law # 239-FZ (December 3, 2012) the Government of the Russian Federation established formulas for lower customs duty rates for crude oil that meets certain chemical and physical conditions, identified by the codes TN VED TS 2709 00 900 1 and 2709 00 900 3. According to Russian Government Resolution # 276 (March 29, 2013) these lower duty rates are calculated based on the average Urals price in the monitoring period using the following formula:

| Quoted Urals price (P), USD/ tonne | Export duty rate  |
|------------------------------------|-------------------|
| ≤365                               | 0                 |
| >365                               | 45.0% x (P – 365) |

Russian Federal Law # 366-FZ (November 24, 2014) and Resolution of the Russian Government # 1274 (November 29, 2014) amended the formulas described above. Under the new standards the reduced custom duty rates for specified crudes are calculated according to the following formula:

$$Ct = (P - 182.5) * K - 56.57 - 0.14 * P$$

Where P is the Urals price (USD/tonne) and K is an incremental coefficient equal to 42% for 2015.

Resolution of the Russian Government # 846 (September 26, 2013) sets the rules for applying specific crude oil export duty rates and monitoring their use in respect of Group investment projects in Sakha Republic (Yakutia), Irkutsk Oblast, Krasnoyarsk Krai, and Yamalo-Nenets Autonomous Okrug north of Latitude 65°.

Order # 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) Under Federal Law # 5003-1 (May 12, 1993) "Custom tariffs" crude oil produced from new offshore fields is exempted from export duties until:

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

According to the Russian Federation Tax Code clause 11.1 subclause 5, a new offshore field is a field where commercial hydrocarbon production commences no earlier than 1 January 2016. The taxpayer may elect to designate any offshore field as a "new offshore field" provided no more than 1% of hydrocarbons (not including associated gas) have been produced from the field.

### Export customs duty rate on petroleum products

In accordance with clause 3.1 of Russian Federal Law # 5003-1 (May 21, 1993) the export customs duty rate on petroleum products is determined by the Government. Petroleum products exported to Kazakhstan, Belarus and Kyrgyzstan are not subject to customs duties. Exports of petroleum products to Tadzhikistan and Armenia within the indicative limits are not subject to customs duties from November 13, 2013 and January 19, 2015 respectively.

According to Resolution of the Russian Government # 276 (March 29, 2013) the export customs duty rate on petroleum products is calculated using the following formula:

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

Under Resolution of the Russian Government #2 (January 3, 2014), the coefficient K is set at 0.65 for diesel fuel, 0.90 for gasoline and naphtha, and 0.66 for other oil products.

From 1 January 2015, in accordance with Federal Law # 366-FZ (November 24, 2014) and Resolution of the Russian Government #1274 (November 24, 2014), the coefficients K for different petroleum products are as follows:

|                              | 2015 | 2016 | from 2017 |
|------------------------------|------|------|-----------|
| Light and middle distillates |      |      |           |
| Diesel                       | 0.48 | 0.4  | 0.3       |
| Lubricants oil               |      |      |           |
| Naphtha                      | 0.85 | 0.71 | 0.55      |
| Gasoline                     | 0.78 | 0.61 | 0.3       |

## Excise duties on petroleum products

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

Tax Code RF clause 193 established the following excise duty rates for petroleum products (in rubles/tonne):

|                    | 2014   | 2015   | 2016   | 2017  |
|--------------------|--------|--------|--------|-------|
| <b>Gasoline</b>    |        |        |        |       |
| Below Class 3      | 11 110 | 7 300  | 7 530  | 5 830 |
| Class 3            | 10 725 | 7 300  | 7 530  | 5 830 |
| Class 4            | 9 916  | 7 300  | 7 530  | 5 830 |
| Class 5            | 6 450  | 5 530  | 7 530  | 5 830 |
| Naphtha            | 11 252 | 11 300 | 10 500 | 9 700 |
| <b>Diesel fuel</b> |        |        |        |       |
| Below Class 3      | 6 446  | 3 450  | 4 150  | 3 950 |
| Class 3            | 6 446  | 3 450  | 4 150  | 3 950 |
| Class 4            | 5 427  | 3 450  | 4 150  | 3 950 |
| Class 5            | 4 767  | 3 450  | 4 150  | 3 950 |
| Heating oil        | 6 446  | 3 000  | 3 000  | 2 800 |
| Motor oil          | 8 260  | 6 500  | 6 000  | 5 400 |

## Mineral extraction tax (MET) on crude oil.

According to Russian Federation Tax code clause 342 as amended in Federal Law # 366-FZ November 24, 2014 the mineral extraction tax rate on crude oil (R) is calculated using the following general formula:

|             | 2014                            | 2015            | 2016            | 2017            |
|-------------|---------------------------------|-----------------|-----------------|-----------------|
| MET oil - R | $493 * Kc * Kv * Kz * Kd * Kdv$ | $766 * Kc - Dm$ | $857 * Kc - Dm$ | $919 * Kc - Dm$ |

$Dm = Kmet * Kc * (1 - Kv * Kz * Kd * Kdv * Kkan)$ , where

$Kmet = 530$  for 2015 FY,  $559$  starting from 2016 FY.

**Kc** reflects the volatility of crude oil prices on the global market.  $Kc = (P - 15) * D / 261$ , where P is average monthly Urals oil price on the Rotterdam and Mediterranean markets (in USD/bbl.) and D is the average 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 cumulative production volume from the field and V is total initial reserves (ABC1 + C2 reserves volume at January 1, 2006). For fields with depletion between 0.8 and 1,  $Kv = 3.8 - 3.5 * N / V$ . 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 relative 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 ABC1 + C2 reserves volume 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 from the field) less than 0.05,  $Kz = 0.125 * V_3 + 0.375$

**Kd** characterizes the effort required to recover oil. It varies between 0.2 and 1 depending on recovery complexity from the deposit as follows:

- 0.2 – for oil produced from deposits with permeability no greater than  $2 * 10^{-3} \mu^2$  and effective formation thickness no greater than 10 meters

- 0.4 – for oil produced from deposits with permeability no greater than  $2 \cdot 10^{-3} \mu^2$  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. Depletion is measured by  $Ndv/Vdv$ , where  $Ndv$  is cumulative production volume from the deposit and  $Vdv$  is total initial reserves (ABC1 + C2 reserves at January 1 of the year preceding the tax period). For deposits with depletion between 0.8 and 1,  $Kdv = 3.8 - 3.5 \cdot Ndv / Vdv$ . Where depletion is greater than 1,  $Kdv$  is 0.3. In all other cases  $Kdv = 1$ . For areas containing deposits for which the coefficient  $Kd$  is less than 1, the coefficient  $Kdv$  for all other deposits in the area (for which the coefficient  $Kd=1$ ) 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)). Coefficient  $Kkan$  is set at 0 until the first day of the month following the month when one of the following conditions is met:

- 1) Achieving maximum cumulative stipulated production from the field;
- 2) Expiration of the stipulated term.

When the tax exemption term expires  $Kkan$  is equal to 1.

b) According to the Russian Federation Tax Code clause 342 subclause 2.1 and clause 338 subclause 6 the following ad valorem MET rates should be used for oil produced from new offshore fields (as a % of price):

- 30% from start of commercial hydrocarbon production until a five-year termination period, but not later than 31 March 2022 – for fields located entirely in the Sea of Azov or for fields located more than 50% in the Baltic Sea
- 15% from start of commercial hydrocarbon production until a seven-year termination period, but not later than 31 March 2032 – for fields located more than 50% in the Black Sea (at water depths less than 100 meters), the Sea of Japan, Pechora Sea, White Sea, Sea of Okhotsk (south of  $55^\circ$  N), Caspian Sea
- 10% from start of commercial hydrocarbon production until a ten-year termination period, but not later than 31 March 2037 – for fields located more than 50% in the Sea of Okhotsk (north of  $55^\circ$  N), Black Sea (at depths exceeding 100 meters), Barents Sea (south of  $72^\circ$  N)
- 5% from start of commercial hydrocarbon production until a 15-year termination period, but not later than 31 March 2042 – for fields located more than 50% in the Kara Sea, Barents Sea (north of  $72^\circ$  N), and eastern Arctic (Laptev Sea, East Siberian Sea, Chukchi Sea, Bering Sea).

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

### Group effective MET rate

| 3Q    | 2Q    |              | 9m  |       |              |      |
|-------|-------|--------------|---|-------|--------------|------|
| 2015  | 2015  | $\Delta, \%$ | 2015  | 2014  | $\Delta, \%$ |      |
| 6,262 | 7,072 | (11.5)       | Nominal crude oil MET rate, RUB/tonne                     | 6,736 | 6,019        | 11.9 |
| 5,855 | 6,682 | (12.4)       | Effective crude oil MET rate, RUB/tonne                   | 6,347 | 5,775        | 9.9  |
| 407   | 390   |              | Difference between nominal and effective rates, RUB/tonne | 389   | 244          |      |
| 6.5%  | 5.5%  |              | Difference between nominal and effective rates, %         | 5.8%  | 4.1%         |      |

In 9 months 2015 the Group's effective MET rate was 6,347 RUB/tonne, or 389 RUB/tonne lower than the nominal MET rate established in Russian legislation. The difference results from the application of certain factors ( $Kv$ ,  $Kz$  and  $Kd$ ) that reduce the MET rate.



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

Russian Federation Tax Code clause 342 as amended in Federal Law # 366-FZ of November 24, 2014 established mineral extraction tax rates for natural gas and gas condensate as follows:

|                                   | 2014<br>(January - June) | 2014<br>(July - December) | 2015                |
|-----------------------------------|--------------------------|---------------------------|---------------------|
| MET on natural gas (RUB/mcm)      | 471*                     | 35 * Eut * Kc             | 35 * Eut * Kc + Tg  |
|                                   | 700                      |                           |                     |
| MET on gas condensate (RUB/tonne) | 647                      | 42 * Eut * Kc             | 42 * Eut * Kc * Kkm |

\* The lower rate of MET applies to taxpayers that do not own the central gas transportation system and that are not more than 50% owned directly or indirectly by the owners of the central gas transportation system.

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

**Kc** characterizes the effort required to recover hydrocarbons from the particular deposit. The coefficient is designed to reduce the tax rate on natural gas and gas condensate and is equal to the lowest of the following concessionary coefficients: Kr – depending on location, Kvg – for highly 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 2015 according to Federal Tariff Service of the Russian Federation).

**Kkm** is a correction coefficient that for 2015 is equal to 4.4.

### Tax concessions

Under effective tax legislation Group subsidiaries apply the following tax concessions (including lower tax rates and coefficients that reduce the MET rate):

| Tax concessions, applied during 9 m 2015 | Subsidiaries (oil fields) belonging to the Group  |
|--|---|
| <b>MET for Oil</b>                       |   |
| Small fields factor Kz                   | OJSC Gazpromneft-Noyabrskneftegaz<br>(Vorgentskoye, Vostochno-Vyngayakhinskoye, Severo-Karamovskoye, Valyntoyskoye, Yuzhno-Purpeyskoye)<br>CJSC Zhivoy Istok (Baleykinskoye)  |
| Depletion factor Kv                      | OJSC Gazpromneft-Noyabrskneftegaz<br>(Pogranichnoye, Kholmogorskoye, Chatilkinskoye, Muravlenkovskoye, Sugmutskoye)<br>LLC Gazpromneft-Vostok (Zapadno-Luginetskiy area, Shinginskoye)<br>OJSC Yuzhuralneftegas (Kapitonovskoye)                    |
| Hard-to-recover factor Kd                | OJSC Gazpromneft-Noyabrskneftegaz<br>(Vyngayakhinskoye, Etu-Purovskoye, Zapadno-Noyabrskoye, Kraynee)<br>LLC Gazpromneft-Vostok (Urmanskoye, Archinskoye)<br>LLC Zapolyarneft (Vyngapurovskoye, Novogodnee)<br>LLC Gazpromneft-Khantos (Priobskoye) |

|  |  |
|--|--|
| Oil production region and oil quality factor Knan  | LLC Gazpromneft-Angara (Tympychikanskoye, Ignyalinskoye)<br>LLC Novy-Port (Novoport)   |
| Zero MET rate for fields classified as belonging to Bazhenov formation   | LLC Gazpromneft-Khantos (Krasnoleninskoye)   |
| Lower MET rate for new offshore fields in the Pechora Sea  | LLC Gazpromneft-Shelf (Prirazlomnoye)  |
| <b>MET for Gas</b>   |  |
| Hard-to-recover factor Kc  | LLC Novy Port (Novoport)<br>CJSC Gazpromneft Orenburg (East part of Orenburg oilfield) |
| <b>Profit tax</b>  |  |
| 16% rate (4% concession under regional legislation of Khanty–Mansiysk Autonomous Okrug)  | LLC Gazpromneft-Khantos<br>OJSC Gazpromneft-Noyabrskneftegaz                           |
| 15.5% rate (4.5% concession under regional legislation of Yamalo-Nenets Autonomous Okrug)  | OJSC Gazpromneft-Noyabrskneftegaz  |
| <b>Property tax</b>  |  |
| Exemption from property tax for investment projects in Khanty–Mansiysk Autonomous Okrug under applications filed before January 1, 2011 (under regional legislation of Khanty–Mansiysk Autonomous Okrug) | LLC Gazpromneft-Khantos  |
| Exemption from property tax for fields with exploration startup after January 1, 2011 (under regional legislation of Khanty–Mansiysk Autonomous Okrug)   | LLC Gazpromneft-Khantos  |
| 1.1% rate on property purchased/constructed for investment projects in Yamalo-Nenets Autonomous Okrug (under regional legislation of Yamalo-Nenets Autonomous Okrug)                                     | OJSC Gazpromneft-Noyabrskneftegaz<br>LLC Zapolyarneft                                  |
| Exemption from property tax for investment projects in Orenburg region (under Orenburg regional legislation)   | CJSC Gazpromneft Orenburg, CJSC Center Naukoemkih Technologiy                          |

## 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 Tariff Service of the Russian Federation (FTS). 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, investment needs of the owners of transportation infrastructure, other macroeconomic factors, and compensation of economically reasonable expenses incurred by entities of natural monopolies. Tariffs are to be revised by FTS at least annually, 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:

| 3Q<br>2015                   | 2Q<br>2015 | Δ, %   | (RUB per tonne) | 9m    |       |        |
|------------------------------|------------|--------|-----------------|-------|-------|--------|
|                              |            |        |                 | 2015  | 2014  | Δ, %   |
| <b>Crude oil</b>             |            |        |                 |       |       |        |
| Export                       |            |        |                 |       |       |        |
| 1,463                        | 1,574      | (7.1)  | Pipeline        | 1,626 | 1,710 | (4.9)  |
| CIS                          |            |        |                 |       |       |        |
| 1,062                        | 1,118      | (5.1)  | Pipeline        | 1,142 | 1,164 | (1.9)  |
| Transportation to Refineries |            |        |                 |       |       |        |
| 384                          | 402        | (4.6)  | ONPZ            | 424   | 511   | (17.1) |
| 904                          | 1,047      | (13.7) | MNPZ            | 1,045 | 1,022 | 2.2    |
| 1,088                        | 1,139      | (4.5)  | YaNPZ           | 1,047 | 1,063 | (1.4)  |
| <b>Petroleum products</b>    |            |        |                 |       |       |        |
| Export from ONPZ             |            |        |                 |       |       |        |
| 2,747                        | 2,749      | (0.1)  | Gasoline        | 2,762 | 2,362 | 16.9   |
| 4,028                        | 4,684      | (14.0) | Fuel oil        | 4,360 | 3,931 | 10.9   |
| 5,000                        | 4,500      | 11.1   | Diesel fuel     | 4,463 | 3,304 | 35.1   |
| Export from MNPZ             |            |        |                 |       |       |        |
| 1,944                        | 1,885      | 3.1    | Gasoline        | 1,915 | 1,662 | 15.3   |
| 2,651                        | 2,787      | (4.9)  | Fuel oil        | 2,464 | 1,489 | 65.5   |
| 1,559                        | 1,801      | (13.5) | Diesel fuel     | 1,832 | 1,869 | (2.0)  |
| Export from YaNPZ            |            |        |                 |       |       |        |
| 1,363                        | 1,389      | (1.9)  | Gasoline        | 1,380 | 1,195 | 15.4   |
| 1,809                        | 1,809      | -      | Fuel oil        | 1,820 | 1,663 | 9.5    |
| 1,906                        | 1,801      | 5.8    | Diesel fuel     | 1,798 | 1,503 | 19.7   |

The Group's crude oil export route mix (tonnes) in 9 months 2015 and 9 months 2014 is presented below:

|   | 9m            |               |
|---|---------------|---------------|
|   | 2015          | 2014          |
| <b>Crude oil export</b>                             |               |               |
| Primorsk Baltic Sea port                            | 3.0%          | 28.2%         |
| Druzhba pipeline                                    | 18.6%         | 12.3%         |
| Port of Novorossiysk                                | 32.1%         | 22.6%         |
| ESPO pipeline and the port of Kozmino               | 34.0%         | 34.7%         |
| Exported without using Transneft system, including: | 12.3%         | 2.2%          |
| Prirazlomnoye                                       | 8.1%          | 1.2%          |
| Novoport  | 4.2%          | 1.0%          |
| <b>Total</b>  | <b>100.0%</b> | <b>100.0%</b> |
| <b>Crude oil export to CIS countries</b>            |               |               |
| Belarus   | 95.3%         | 100.0%        |
| Uzbekistan  | 4.7%          | 0.0%          |
| <b>Total</b>  | <b>100.0%</b> | <b>100.0%</b> |

[www.gazprom-neft.com](http://www.gazprom-neft.com)  
 Contacts: PJSC Gazprom Neft  
 Investor Relations Department e-mail: [ir@gazprom-neft.ru](mailto:ir@gazprom-neft.ru)  
 Address: 3-5, Pochtamtskaya Street, Saint-Petersburg 190000, Russia  
 Phone: +7 812 385 95 48

This document may contain forecasts that merely reflect the expectations of the Company's management. Such terms as "anticipate", "believe", "expect", "forecast", "intend", "plan", "project", "seek", "should", along with similar or analogous expressions, are used to identify such forecasts. These predictions evidently involve risks and uncertainties, whether foreseen or not by the Company. Therefore, the future results of operations may differ from current expectations, and readers must not base their expectations exclusively on the information presented herein.