

# GAZPROM NEFT TODAY

GAZPROM NEFT IS ONE OF THE LEADING PLAYERS ON THE GLOBAL ENERGY MARKET AND IN RUSSIA. IN TERMS OF PROVEN HYDROCARBON RESERVES ACCORDING TO PRMS-SPE CLASSIFICATION, GAZPROM NEFT IS COMPARABLE WITH THE WORLD'S LARGEST OIL COMPANIES. IN RUSSIA, THE COMPANY RANKS AMONG THE TOP THREE RUSSIAN OIL COMPANIES IN TERMS OF OIL PRODUCTION AND REFINING.

The Company operates in Russia's largest oil and gas regions and also has production projects outside of Russia in such countries as Iraq and Venezuela, among others. The Company's primary refining facilities are located in Russia's Omsk, Moscow, and Yaroslavl Regions in addition to Serbia.

Gazprom Neft produces and supplies a broad range of petroleum products for a number of industries both in Russia and abroad.

The Company's common shares are traded in Russia on the main trading floors of the unified Moscow Stock Exchange PJSC. Dividends amounted to RUB 10.68 per share for 2016.

## No. 1

IN FINANCIALS GROWTH RATES IN THE RUSSIAN OIL INDUSTRY

## 89.75

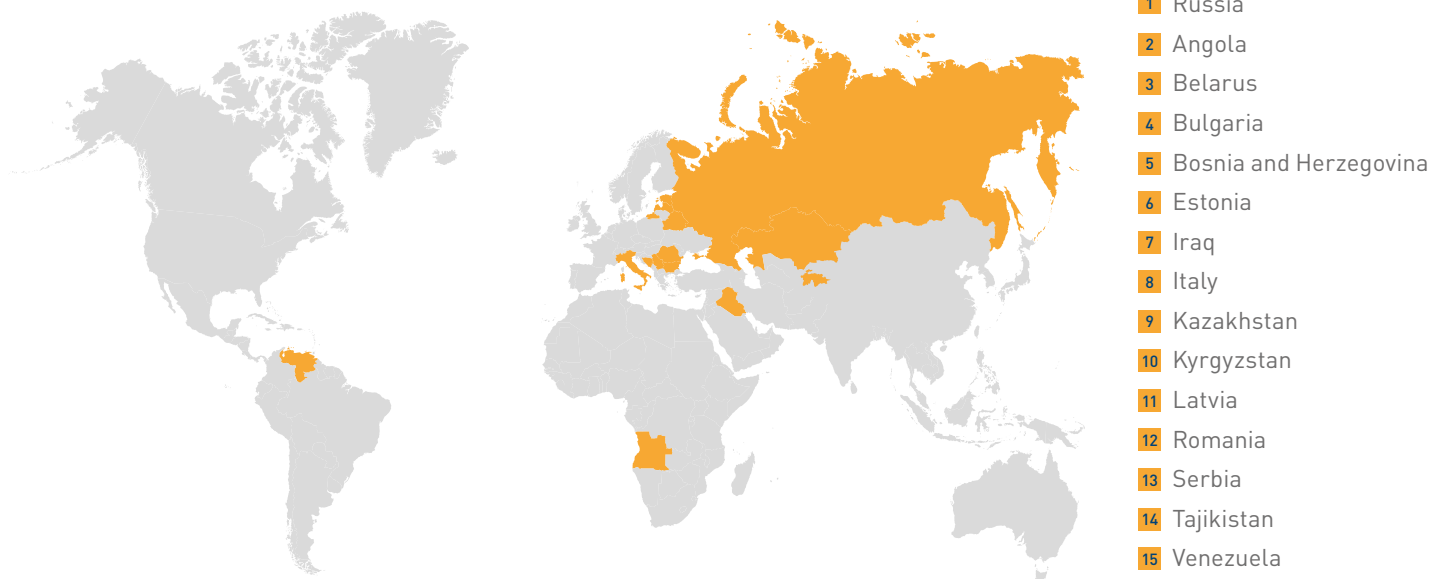
**MN TOE**  
HYDROCARBON PRODUCTION IN 2017 – 3RD IN RUSSIA

## RUB 1.16<sup>TN</sup>

THE COMPANY'S CAPITALIZATION AS OF 31 DECEMBER 2017



## REGIONS OF OPERATION



## GAZPROM NEFT'S MISSION

**To provide consumers with high-quality energy resources, conduct business honestly and responsibly, care for employees, and be a leader in efficiency, ensuring the Company's long-term and balanced growth.**

 The Company's full structure is presented in its Annual Report for 2017, Appendix 4

## CORE BUSINESSES AND STRUCTURE OF THE COMPANY

Gazprom Neft's vertically integrated business model includes two enlarged segments – upstream and downstream. By consistently developing advantages in each segment, Gazprom Neft achieves the best operating efficiency among Russian VIOCs. The Company's sustainable position enables it to continue implementing and developing core projects, which in turn creates conditions for long-term growth and implementation of the Company's strategy.

1 — As of 31 December 2017.



## EXPLORATION AND PRODUCTION OF OIL AND GAS

Most of the Company's crude oil production in Russia is carried out by its subsidiary operators: Gazpromneft-Noyabrskneftegaz, Gazpromneft-Khantos, Gazpromneft-Vostok, Gazpromneft-Orenburg, Gazpromneft-Yamal, Gazpromneft-Shelf, and Messoyakhaneftegaz (a joint venture between Gazprom Neft and Rosneft), among others. The subsidiary NIS develops fields in Serbia, Angola, Bosnia and Herzegovina, Hungary, and Romania. The Company's international assets also include hydrocarbon exploration and production projects in Iraq, Venezuela, and other countries. The Company has a share in the production of the following enterprises: Slavneft (50%), Tomskneft VNK (50%), Salym Petroleum Development N.V. (50%), SeverEnergiya (46.67% since 1 July 2015<sup>1</sup>), and Northgas (50%).



## OIL REFINING

Gazprom Neft is one of the leaders in the Russian industry in terms of oil refining and continuously improves the efficiency of production processes. The Company refines oil at its three core oil refineries – the Omsk Oil Refinery, Moscow Oil Refinery, and NIS in Serbia. In addition, Gazprom Neft owns a stake in Slavneft-YANOS and utilizes part of its refining facilities and also has access to the facilities of the Mozyr Oil Refinery in the Republic of Belarus (on the conditions of customer-supplied raw materials).



## SALE OF OIL AND PETROLEUM PRODUCTS

Gazprom Neft sells oil and petroleum products throughout Russia and in more than 70 countries. The Company operates its own network of filling stations in 40 regions of Russia as well as countries of the CIS (Belarus, Kazakhstan, Kyrgyzstan, and Tajikistan) and Eastern Europe (Serbia, Bosnia and Herzegovina, Romania, and Bulgaria).

The Company has spun off its businesses into individual units to improve the effectiveness of petroleum product sales: the small wholesale and retail sale of motor fuels and the sale of petroleum products to industrial consumers, including the sale of aviation fuel and marine fuel, and the production and sale of lubricant materials and bitumen products. The Company's specialized subsidiaries handle these types of operations.

Gazprom Neft is one of the leading suppliers of motor fuels to the domestic market of the Russian Federation and holds leading positions on the domestic retail aviation fuel market. The Company is developing its sales network and expanding its product range in order to steadily increase its share on the lubricants and bitumen materials markets in the Russian Federation.