

# QUARTERLY REPORT

***Open Joint Stock Company “Surgutneftegas”***

***The issuer’s code: 00155-A***

**for 3Q2017**

The issuer’s location: **Russia, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Grigoriya Kukuyevitskogo, 1, bld. 1**

**The information contained herein is subject to disclosure pursuant to the Securities  
Legislation of the Russian Federation**

Director General  
Date: 14 November 2017

\_\_\_\_\_ V.L.Bogdanov  
signature

Chief Accountant  
Date: 14 November 2017

\_\_\_\_\_ A.V.Druchinin  
signature  
STAMP

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The information presented herein is disclosed at the website(s): **<http://www.surgutneftegas.ru/ru/investors>;**  
**<http://www.e-disclosure.ru/portal/company.aspx?id=312>**

## Table of Contents

Table of Contents .....	2
Section I. The issuer's bank accounts, auditor (audit organization), appraiser and financial advisor as well as persons who signed the quarterly report.....	6
1.1. The issuer's bank accounts .....	6
1.2. The issuer's auditor(s) .....	6
1.3. The issuer's appraiser(s).....	6
1.4. The issuer's advisors .....	6
1.5. Persons who signed the quarterly report.....	6
Section II. General information on the issuer's financial and economic position .....	6
2.1. The issuer's financial and economic performance.....	6
2.2. The issuer's market capitalization .....	7
2.3. The issuer's liabilities .....	7
2.3.1. Borrowed funds and accounts payable .....	7
2.3.2. The issuer's credit history.....	8
2.3.3. The issuer's liabilities related to security provided by the issuer .....	8
2.3.4. Other liabilities of the issuer .....	8
2.4. Risks related to acquisition of placed securities or those being placed .....	8
Section III. Detailed information on the issuer.....	9
3.1. The issuer's history.....	9
3.1.1. The issuer's corporate name (name).....	9
3.1.2. State registration of the issuer.....	9
3.1.3. Establishment and development of the issuer .....	9
3.1.4. Contacts .....	9
3.1.5. Taxpayer identification number.....	10
3.1.6. Branches and representative offices of the issuer .....	10
3.2. Core operations of the issuer .....	10
3.2.1. Core economic activities of the issuer .....	10
3.2.2. Core operations of the issuer .....	10
3.2.3. The issuer's supplies, goods (raw materials) and suppliers .....	12
3.2.4. Marketing outlets for the issuer's products (works, services) .....	12
3.2.5. The issuer's permits (licenses) or authorizations for certain types of works .....	12
3.2.6. Activity of certain categories of issuers.....	12
3.2.7. Additional information on issuers whose core activity is mineral resources extraction .....	12
3.2.8. Additional requirements to be met by issuers whose core activity is telecommunication services provision ....	20
3.3. Plans for the issuer's future activity .....	21
3.4. The issuer's share in banking groups, bank holding companies, holdings and associations .....	21
3.5. Organizations under the issuer's control which are material to the issuer.....	21
3.6. Constitution, structure and cost of the issuer's fixed assets; information on plans to purchase, replace and dispose of fixed assets as well as on all facts of encumbrance of the issuer's fixed assets .....	25
Section IV. Financial and business activities of the issuer .....	26
4.1. Results of the issuer's financial and business activities.....	26
4.2. The issuer's liquidity position, capital and current assets adequacy.....	27

4.3. The issuer's financial investments .....	27
4.4. The issuer's intangible assets .....	28
4.5. Data on the issuer's policy and expenses for scientific and technical development, licenses and patents, new developments and research .....	28
4.6. Trends analysis in the sphere of Company's core activities .....	30
4.7. Analysis of the factors influencing the issuer's activity .....	31
4.8. The issuer's competitors .....	32
Section V. Detailed data on members of the issuer's management bodies, the issuer's agencies supervising its financial and business activities, and summary on its staff (employees) .....	32
5.1. Structure and terms of reference for the issuer's management bodies .....	32
5.2. Members of the issuer's management bodies .....	32
5.2.1. The issuer's board of directors (supervisory board) .....	33
5.2.2. Individual executive body of the issuer .....	37
5.2.3. The issuer's collegiate executive body .....	38
5.3. Remuneration and/or compensation for expenses for each management body of the issuer .....	38
5.4. Structure and terms of reference for the agencies supervising the issuer's financial and business activities and organization of risk management system and internal control .....	38
5.5. Members of the agencies supervising the issuer's financial and business activities .....	38
5.6. Remuneration and (or) compensation for expenses for the agency supervising the issuer's financial and business activity .....	40
5.7. Number of the issuer's employees (workers), their categories and changes in their number .....	41
5.8. Obligations of the issuer to its employees (workers) relating to their possible participation in the issuer's charter capital .....	42
Section VI. The issuer's members (shareholders) and interested party transactions conducted by the issuer .....	42
6.1. Total number of the issuer's shareholders (members) .....	42
6.2. The issuer's members (shareholders) holding at least five percent of its charter capital or at least five percent of its ordinary shares as well as persons controlling such members (shareholders) and in absence of such persons – members (shareholders) of such persons who hold at least 20 percent of the charter capital or at least 20 percent of their ordinary shares .....	42
6.3. Share of the state or a municipal formation in the issuer's charter capital; any special right ("golden share") .....	43
6.4. Restrictions on participation in the issuer's charter capital .....	43
6.5. Changes in the list and participation of the issuer's shareholders (members) holding at least five percent of its charter capital or at least five percent of its ordinary shares .....	43
6.6. Interested party transactions conducted by the issuer .....	44
6.7. Accounts receivable .....	44
Section VII. The issuer's accounting (financial) statements and other financial information .....	45
7.1. Annual accounting (financial) statements of the issuer .....	45
7.2. Interim accounting (financial) statements of the issuer .....	45
7.3. Consolidated financial statements of the issuer .....	48
7.4. Accounting policy of the issuer .....	48
7.5. Total export and share of export in total sales .....	48
7.6. Substantial changes in the issuer's property after the end of the last completed reporting year .....	48
7.7. Issuer's participation in litigations in case such participation may substantially affect financial and business activities of the issuer .....	48
Section VIII. Additional information on the issuer and equity securities placed by the issuer .....	48
8.1. Additional information on the issuer .....	48
8.1.1. Size and structure of the issuer's charter capital .....	48

8.1.2. Changes in the size of the issuer's charter capital .....	50
8.1.3. Convening and holding a meeting (session) of the issuer's supreme management body .....	50
8.1.4. Commercial organizations where the issuer holds at least five percent of the charter capital or at least five percent of ordinary shares .....	50
8.1.5. Major transactions conducted by the issuer .....	53
8.1.6. Credit ratings of the issuer .....	53
8.2. Data on each category (type) of the issuer's shares .....	53
8.3. Previous issues of the issuer's equity securities, excluding the issuer's shares .....	53
8.3.1. Issues with all securities redeemed .....	53
8.3.2. Issues with securities that are not redeemed .....	53
8.4. Person(s) who offered security for the issuer's secured bonds and security offered for the issuer's secured bonds .....	53
8.4.1. Additional information on the issuer's mortgage bonds .....	53
8.4.2. Additional information on collateral for collateral bonds that includes money claims .....	53
8.5. Organizations keeping records of rights for the issuer's equity securities .....	53
8.6. Legislative acts regulating import and export of capital which may influence the payment of dividends, interests, and other payments to non-residents .....	53
8.7. Declared (accrued) and (or) paid dividends on the issuer's shares and the issuer's bond yield .....	54
8.7.1. Declared dividends and paid on the issuer's shares .....	54
8.7.2. Accrued and paid yield on the issuer's bonds .....	60
8.8. Miscellaneous information .....	60
8.9. Represented securities and the issuer of represented securities the title to which is evidenced by Russian Depositary Receipts .....	60
Appendix to the quarterly report. Interim consolidated accounting (consolidated financial) statements prepared in accordance with International financial reporting standards or other internationally recognized rules different from IFRS .....	61

## Introduction

Grounds for the issuer's obligation to disclose information in the form of a quarterly report

*State registration of an issue (additional issue) of the issuer's securities was accompanied by registration of the issue prospectus and such securities were offered publicly or privately to more than 500 persons.*

*The issuer is a joint stock company formed through privatization of state and/or municipal enterprises (their business units); under the duly approved privatization plan, which was the issue prospectus of such an issuer as of the date of its approval, the issuer's shares may be disposed of in favor of more than 500 acquirers or the general public.*

*The joint stock company is organized before 01 September 2014 and meets the criteria for public joint stock company.*

This quarterly report contains estimates and forecasts of the issuer's authorized management bodies as to the forthcoming events and/or actions, prospects of development of the issuer's main industry and the issuer's operating results, including the issuer's plans, probability of certain events and actions. Investors should not entirely rely on the estimates and forecasts of the issuer's management bodies since the issuer's future actual operating results may differ from the forecast results for many reasons. Acquisition of the issuer's securities may entail risks described in this quarterly report.

## **Section I. The issuer's bank accounts, auditor (audit organization), appraiser and financial advisor as well as persons who signed the quarterly report**

### **1.1. The issuer's bank accounts**

*There were no changes in the information contained in this section of the quarterly report.*

### **1.2. The issuer's auditor(s)**

*There were no changes in the information contained in this section of the quarterly report.*

### **1.3. The issuer's appraiser(s)**

*There were no changes in the information contained in this section of the quarterly report.*

### **1.4. The issuer's advisors**

*With reference to this section, the Company has not engaged any advisors during 12 months prior to the end of the reporting quarter.*

### **1.5. Persons who signed the quarterly report**

Name: *Bogdanov Vladimir Leonidovich*

Year of birth: *1951*

Primary employment

Company: *OJSC "Surgutneftegas"*

Position: *Director General*

Name: *Druchinin Andrei Vladislavovich*

Year of birth: *1969*

Primary employment

Company: *OJSC "Surgutneftegas"*

Position: *Chief Accountant*

## **Section II. General information on the issuer's financial and economic position**

### **2.1. The issuer's financial and economic performance**

The dynamics of indicators of the issuer's financial and economic performance calculated on the basis of accounting (financial) statements

Standard (rules) of accounting (financial) statements in accordance with which the accounting (financial) figures are calculated: *Russian Accounting Standards (RSBU)*

Measurement unit of labor productivity: *thousand RUB per person*

Indicator	2016, 9 months	2017, 9 months
Labor efficiency	<i>6,999.79</i>	<i>8,016.8</i>
Debt to equity ratio	<i>0.048</i>	<i>0.052</i>
Long-term debt to total long-term debt and equity ratio	<i>0.022</i>	<i>0.022</i>
Debt to operating income (profit)	<i>0.236</i>	<i>0.17</i>
Overdue debts, %	<i>0.0002</i>	<i>0.0001</i>

Economic analysis of the issuer's financial and economic performance based on the economic analysis of the above performance

*Labor efficiency proves the effectiveness of labor potential use and operations. The increase of this indicator for 9 months of 2017 is due to dynamics of the revenue in accordance with the growth of quotations for oil.*

*Indicators “Debt to equity ratio” and “Long-term debt to total long-term debt and equity ratio” for 9 months of 2017 show a low level of the Company’s dependence on raised and borrowed money.*

*Indicator “Debt to operating income (profit)” demonstrates the Company’s ability to cover its debts by operating income.*

*The level of the Company’s overdue debts in the reporting period proves that the Company redeems its financial obligations in time. Credit risk is minimal.*

## 2.2. The issuer’s market capitalization

*Market capitalization is calculated by taking the total number of shares of a certain category (type) and multiplying it by the relevant share market price which is disclosed by the securities market trading organizer*

Unit of measure: *thousand RUB*

Indicator	As of 31.12.2016	As of 30.09.2017
Market capitalization	1,352,008,099.62	1,277,297,542.3

The securities market trading organizer who provides data for market capitalization calculation and any other additional information on outstanding securities at the issuer’s discretion: *the Company’s market capitalization is calculated in accordance with data of PJSC “Moscow Exchange”.*

## 2.3. The issuer’s liabilities

### 2.3.1. Borrowed funds and accounts payable

As of 30.09.2017

Structure of borrowed funds

Unit of measure: *thousand RUB*

Indicator	Indicator value
Long-term borrowed funds	
including:	
loans	
borrowings, excluding bonded loans	
bonded loans	
Short-term borrowed funds	
including:	
loans	
borrowings, excluding bonded loans	
bonded loans	
Total overdue amount of borrowed funds	
including:	
loans	
borrowings, excluding bonded loans	
bonded loans	

Structure of accounts payable

Unit of measure: *thousand RUB*

Indicator	Indicator value
Total accounts payable	86,758,550
including those overdue	262

including	
accounts payable to the budget and state non-budget funds	48,125,896
including those overdue	
accounts payable to suppliers and contractors	18,973,898
including those overdue	262
accounts payable to personnel	10,296,506
including those overdue	
other	9,362,250
including those overdue	

In case of any overdue accounts payable, including those under loan agreements, specify the reasons for non-fulfillment of obligations and consequences (both actual and possible) arising for the issuer from such non-fulfillment, including sanctions imposed against the issuer and the date when overdue accounts payable or overdue amount of borrowed funds will be paid or are expected to be paid.

*Non-fulfillment of overdue accounts payable obligations will not have any consequences for the Company in the future.*

Creditors accounting for at least 10 percent of the total accounts payable or at least 10 percent of the total (long-term and short-term) borrowed funds: **No such creditors.**

### 2.3.2. The issuer's credit history

The history of the issuer's obligations fulfilled under credit and (or) loan agreements having been in force during the last completed reporting and current years, including those in the form of bonds issued and sold, the principal amount of which equaled to or exceeded five percent of the book value of the issuer's assets as of the last date of the last completed reporting period of 3, 6, 9 or 12 months preceding the conclusion of such an agreement as well as obligations under other credit and (or) loan agreements which the issuer deems significant.

*The issuer did not have such obligations.*

### 2.3.3. The issuer's liabilities related to security provided by the issuer

As of 30.09.2017

Unit of measure: *thousand RUB*

Indicator	As of 30.09.2017
Total amount of security provided by the issuer (the amount (sum) of non-fulfilled liabilities in regard to which the issuer provided security if in accordance with terms of provided security the fulfillment of the relevant liabilities is provided in full)	22,141,288
including liabilities of third parties	22,141,288
Amount of security provided by the issuer (the amount (sum) of non-fulfilled liabilities in regard to which the issuer provided security, if in accordance with terms of provided security the fulfillment of the relevant liabilities is provided in full) in the form of pledge	
including liabilities of third parties	
Amount of security provided by the issuer (the amount (sum) of non-fulfilled liabilities in regard to which the issuer provided security, if in accordance with terms of provided security the fulfillment of the relevant liabilities is provided in full) in the form of guarantee	17,792,169
including liabilities of third parties	17,792,169

The issuer's liabilities related to security provided to third parties, including pledge or guarantee, that account for 5 or more percent of the book value of the issuer's assets as of the last date of the relevant reporting period.

*No such liabilities in this reporting period.*

### 2.3.4. Other liabilities of the issuer

*There are no other liabilities shown in the accounting (financial) statements which may significantly affect the issuer's financial position, its liquidity, sources of funds, terms of their use, performance results and expenses.*

## 2.4. Risks related to acquisition of placed securities or those being placed

*There were no changes in the information contained in this section of the quarterly report.*



## Section III. Detailed information on the issuer

### 3.1. The issuer's history

#### 3.1.1. The issuer's corporate name (name)

The issuer's full corporate name: *Open Joint Stock Company "Surgutneftegas"*

Date of introduction of the issuer's existing full corporate name: *27.06.1996*

The issuer's abbreviated corporate name: *OJSC "Surgutneftegas"*

Date of introduction of the issuer's existing abbreviated name: *27.06.1996*

**The issuer's corporate name (name for a nonprofit organization) is registered as a trademark or a service mark.**

Trademark registration

Trademark: *Open Joint Stock Company "Surgutneftegas"*

Certificate of trademark: *No. 438918 dated 09.06.2011*

Priority (commencement of the document of title): *06.05.2010*

Validity period of the document of title: *06.05.2020*

All previous names of the issuer during its existence

Full corporate name: *Production Association "Surgutneftegas"*

Abbreviated corporate name: *PO "Surgutneftegas"*

Introduced: *15.09.1977*

Grounds for introduction:

Full corporate name: *Joint Stock Company of Open Type "Surgutneftegas"*

Abbreviated corporate name: *AOOT "Surgutneftegas"*

Introduced: *06.05.1993*

Grounds for introduction: *Decree of the President of the Russian Federation No. 1403 "On Special Provisions for Privatization and Corporization of State Enterprises, Production and Scientific Production Associations in the Petroleum, Petroleum Refining and Petroleum Products Supply Industries" dated 17.11.1992.*

#### 3.1.2. State registration of the issuer

Initial state registration

State registration number: *12-4782*

Date of state registration: *06.05.1993*

Body that conducted the state registration: *Administration of the city of Surgut, Khanty-Mansiysky Autonomous Okrug, Tyumenskaya Oblast*

Registration of the legal entity

Main state registration number of the legal entity: *1028600584540*

Date of entry of the legal body registered prior to 1 July 2002 into the Uniform State Register of Legal Entities: *18.09.2002*

Name of the registration authority: *Inspectorate of the Ministry of Taxation of Russia for Surgut, Khanty-Mansiysky Autonomous Okrug.*

#### 3.1.3. Establishment and development of the issuer

*There were no changes in the information contained in this section of the quarterly report.*

#### 3.1.4. Contacts

The issuer's location: *Russia, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Grigoriya Kukuyevitskogo, 1, bld. 1*

Address of the issuer indicated in the uniform state register of legal entities: *628415 Russia, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Grigoriya Kukuyevitskogo, 1, bld. 1*

Telephone: *+7 (3462) 42 60 28; 42 61 33*

Fax: +7 (3462) 42 64 94

E-mail: [Bogdanov-VL-REF@surgutneftegas.ru](mailto:Bogdanov-VL-REF@surgutneftegas.ru)

Website(s) where information about the issuer and securities issued and/or being issued by the issuer is available:

<http://www.surgutneftegas.ru/ru/investors;>

<http://www.e-disclosure.ru/portal/company.aspx?id=312>

The issuer's special subdivision for shareholder and investor relations: **Limited Liability Company Invest-Zaschita**

Subdivision's location: **628400, Russian Federation, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Entuziastov, 52/1**

Telephone: +7 (3462) 46 27 64

Fax: +7 (3462) 42 11 48

E-mail: [invz@yandex.ru](mailto:invz@yandex.ru)

No website.

The issuer's special subdivision for shareholder and investor relations: **Investor relations and DR program support department of Securities division of OJSC "Surgutneftegas"**

Subdivision's location: **ul.Grigoriya Kukuyevitskogo 1, bld. 1, Surgut, Khanty-Mansiysky Autonomous Okrug – Yugra, Tyumenskaya Oblast, Russian Federation, 628415**

Telephone: +7 (495) 698 94 18

Fax: +7 (495) 698 94 14

E-mail: [ir@surgutneftegas.ru](mailto:ir@surgutneftegas.ru)

Website: [www.surgutneftegas.ru](http://www.surgutneftegas.ru)

### 3.1.5. Taxpayer identification number

8602060555

### 3.1.6. Branches and representative offices of the issuer

*There were no changes in branches and representative offices of the issuer in the reporting quarter.*

## 3.2. Core operations of the issuer

### 3.2.1. Core economic activities of the issuer

Code of economic activity which is core for the issuer

OKVED2 codes
06.10.1

OKVED2 codes
06.10.3
19.20.2
09.10.9
43.13
46.71
71.12.3

### 3.2.2. Core operations of the issuer

Types of operations (business activities, types of products (works, services)) that accounted for at least 10 percent of the issuer's revenue (income) in the reporting period

Unit of measure: **thousand RUB**

Type of activity: **sale of oil**

Indicator	2016, 9 months	2017, 9 months
Revenue from sales (volume of sales) related to the specified type of activity, thousand RUB	471,622,107	523,274,728

Revenue from sales (volume of sales) related to the specified type of activity in total revenue from sales (volume of sales) of the issuer, %	65.7	63.9
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Type of activity: *sale of oil products*

Indicator	2016, 9 months	2017, 9 months
Revenue from sales (volume of sales) related to the specified type of activity, thousand RUB	218,547,785	268,052,678
Revenue from sales (volume of sales) related to the specified type of activity in total revenue from sales (volume of sales) of the issuer, %	30.4	32.7

Changes in the issuer's sales revenue (sales volume) equal to or exceeding 10 percent as compared with the corresponding reporting period of the previous year and the reasons for such changes

*The Company's sales revenue (sales volume) derived from the core business operations increased by more than 10% as compared with the corresponding period of the previous year and amounted to 14.6%, including 11.0% from the sales of oil and 22.7% from the sales of oil products.*

*The key factor behind the increase in the Company's revenue is determined by the increase in quotations for Brent – by 23.8%, for Dubai – by 30.5% and the increase in quotations and prices for oil products on average – by 22.7%.*

Cost structure of the issuer

Indicator	2016, 9 months	2017, 9 months
Raw materials and supplies, %	4.38	3.55
Acquired components and semi-finished articles, %	4.49	4.17
Production works and services performed/rendered by third parties, %	19.71	16.84
Fuel, %	0.24	0.34
Energy, %	1.74	1.65
Labor costs, %	13.23	11.3
Interests on loans, %	0	0
Rental payments, %	0.02	0.03
Social expenditures, %		
Depreciation of fixed assets, %	16.68	16.32
Taxes included in production costs, %	35.09	41.32
Other costs, %	1.35	1.42
amortization of intangible assets, %	0.14	0.16
remuneration for innovation proposals, %	0	0
compulsory insurance payments, %	0.07	0.06
entertainment expenses, %	0	0
other (facility guard and fire protection services, crew transportation services, information and computer services, advertising and auditing services, other expenses, including business travel expenses, expenses for voluntary insurance), %	1.14	1.2
Insurance premiums	3.07	3.06
Total: costs of production and sale of goods (works, services) (production costs), %	100	100
For reference only: revenue from sale of goods (works, services), % to cost of production	131.7	123.9

Essential new types of products (works, services) offered by the issuer in its core market, to the extent that corresponds to publicly available information about such products (works, services). Specify the development status of such types of products (works, services).

*There are no essential new types of products (works, services).*

Standards (rules) used for accounting (financial) statements and calculations shown in this subparagraph: *the accounting (financial) statements of the Company have been prepared in accordance with the Federal Law of the*

*Russian Federation No. 402-FZ “On Accounting” dated 06.12.2011, “Accounting and Reporting Regulations in the Russian Federation” approved by Order No. 34n of the Ministry of Finance of the Russian Federation dated 29.07.1998, “Accounting Regulations “Reporting of an Enterprise” PBU 4/99 approved by Order No. 43n of the Ministry of Finance of the Russian Federation dated 06.07.1999, Order No. 66n of the Ministry of Finance of the Russian Federation “Reporting Standards of Enterprises” dated 02.07.2010, and approved regulations “Accounting Policy of OJSC “Surgutneftegas” for 2017 for Accounting Purposes” and “Accounting Policy of OJSC “Surgutneftegas” for Taxation Purposes for 2017”.*

### **3.2.3. The issuer’s supplies, goods (raw materials) and suppliers**

For 9 months of 2017

Suppliers who provide at least 10 percent of all supplies of materials and goods (raw materials):

Full corporate name: **Public Joint Stock Company “Trubnaya Metallurgicheskaya Kompaniya”**

Location: **105062, Russian Federation, Moscow, ul.Pokrovka, 40, bld. 2A**

INN: **7710373095**

OGRN: **1027739217758**

Share in total supplies, %: **10.6**

Change in prices by more than 10 percent for basic materials and goods (raw materials) during the corresponding reporting period against the corresponding reporting period of the previous year

*Changes in prices by more than 10 percent during 9 months of 2017 against the same period of 2016 refer to the following types of basic materials and goods (raw materials):*

- pipes;*
- fuel, lubricants and chemicals;*
- oil production equipment;*
- building materials;*
- rolled metal products;*
- inert materials;*
- vehicles, tractors and oilfield machinery;*
- valves and formed parts.*

The share of imported materials and goods in total supplies, expected availability of import sources in the future and possible alternative sources

*Imported materials and goods accounted for 16.65% of total supplies to the Company.*

*The financial position of OJSC “Surgutneftegas” ensures further availability of these sources and their alternatives.*

### **3.2.4. Marketing outlets for the issuer’s products (works, services)**

*There were no changes in the information contained in this section of the quarterly report.*

### **3.2.5. The issuer’s permits (licenses) or authorizations for certain types of works**

*The issuer does not have permits (licenses), information about which must be specified in the quarterly report.*

### **3.2.6. Activity of certain categories of issuers**

*The issuer is not a stock investment fund, insurance or lending institution, mortgage agent.*

### **3.2.7. Additional information on issuers whose core activity is mineral resources extraction**

#### **a) Mineral resources**

The list of mineral deposits which have a significant financial and business importance for the issuer, to which the issuer or its subsidiaries hold the right of use

#### **1. Field: Zapadno-Surgutskoye**

Rights to the field are held by: *the issuer*

Type of minerals: *oil*

Proved reserves: *AB1C1 – 21,101 thous. tonnes; B2C2 – 1,993 thous. tonnes*

Production rate for the relevant reporting period (periods): *663.700 thous. tonnes*

#### **2. Field: Zapadno-Surgutskoye**

Rights to the field are held by: *the issuer*

Type of minerals: *associated gas*

Proved reserves: *AB1C1 – 1,109 mn cub m; B2C2 – 101 mn cub m*

Production rate for the relevant reporting period (periods): **35.423569 mn cub m**

**3. Field: Vostochno-Surgutskoye**

Rights to the field are held by: *the issuer*

Type of minerals: *oil*

Proved reserves: **AB1C1 – 71,425 thous. tonnes; B2C2 – 9,589 thous. tonnes**

Production rate for the relevant reporting period (periods): **853.233 thous. tonnes**

**4. Field: Vostochno-Surgutskoye**

Rights to the field are held by: *the issuer*

Type of minerals: *associated gas*

Proved reserves: **AB1C1 – 4,315 mn cub m; B2C2 – 575 mn cub m**

Production rate for the relevant reporting period (periods): **52.204765 mn cub m**

**5. Field: Yaunlorskoye**

Rights to the field are held by: *the issuer*

Type of minerals: *oil*

Proved reserves: **AB1C1 – 37,009 thous. tonnes; B2C2 – 2,248 thous. tonnes**

Production rate for the relevant reporting period (periods): **462.747 thous. tonnes**

**6. Field: Yaunlorskoye**

Rights to the field are held by: *the issuer*

Type of minerals: *associated gas*

Proved reserves: **AB1C1 – 3,991 mn cub m; B2C2 – 125 mn cub m**

Production rate for the relevant reporting period (periods): **43.275933 mn cub m**

**7. Field: Fedorovskoye**

Rights to the field are held by: *the issuer*

Type of minerals: *oil*

Proved reserves: **AB1C1 – 230,216 thous. tonnes; B2C2 – 37,052 thous. tonnes**

Production rate for the relevant reporting period (periods): **2,140.658 thous. tonnes**

**8. Field: Fedorovskoye**

Rights to the field are held by: *the issuer*

Type of minerals: *associated gas*

Proved reserves: **AB1C1 – 127,846 mn cub m; B2C2 – 3,729 mn cub m**

Production rate for the relevant reporting period (periods): **815.840457 mn cub m**

**9. Field: Lyantorskoye**

Rights to the field are held by: *the issuer*

Type of minerals: *oil*

Proved reserves: **AB1C1 – 35,616 thous. tonnes; B2C2 – 409 thous. tonnes**

Production rate for the relevant reporting period (periods): **1,020.234 thous. tonnes**

**10. Field: Lyantorskoye**

Rights to the field are held by: *the issuer*

Type of minerals: *associated gas*

Proved reserves: **AB1C1 – 65,259 mn cub m; B2C2 – 17 mn cub m**

Production rate for the relevant reporting period (periods): **481.769831 mn cub m**

**11. Field: Bystrinskoye**

Rights to the field are held by: *the issuer*

Type of minerals: *oil*

Proved reserves: **AB1C1 – 31,212 thous. tonnes; B2C2 – 308 thous. tonnes**

Production rate for the relevant reporting period (periods): **635.924 thous. tonnes**

**12. Field: Bystrinskoye**

Rights to the field are held by: *the issuer*

Type of minerals: *associated gas*

Proved reserves: **AB1C1 – 16,189 mn cub m; B2C2 – 15 mn cub m**

Production rate for the relevant reporting period (periods): **173.315066 mn cub m**

**13. Field: Rogozhnikovskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *oil*  
Proved reserves: *AB1C1 – 95,707 thous. tonnes; B2C2 – 32,216 thous. tonnes*  
Production rate for the relevant reporting period (periods): *765.892 thous. tonnes*

**14. Field: Rogozhnikovskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *associated gas*  
Proved reserves: *AB1C1 – 6,463 mn cub m; B2C2 – 2,707 mn cub m*  
Production rate for the relevant reporting period (periods): *55.753160 mn cub m*

**15. Field: Russkinskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *oil*  
Proved reserves: *AB1C1 – 57,311 thous. tonnes; B2C2 – 10,202 thous. tonnes*  
Production rate for the relevant reporting period (periods): *780.006 thous. tonnes*

**16. Field: Russkinskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *associated gas*  
Proved reserves: *AB1C1 – 2,349 mn cub m; B2C2 – 731 mn cub m*  
Production rate for the relevant reporting period (periods): *39.954260 mn cub m*

**17. Field: Severo-Labatyuganskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *oil*  
Proved reserves: *AB1C1 – 46,888 thous. tonnes; B2C2 – 7,972 thous. tonnes*  
Production rate for the relevant reporting period (periods): *1,215.297 thous. tonnes*

**18. Field: Severo-Labatyuganskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *associated gas*  
Proved reserves: *AB1C1 – 3,484 mn cub m; B2C2 – 632 mn cub m*  
Production rate for the relevant reporting period (periods): *105.342120 mn cub m*

**19. Field: Central Block of the Talakanskoye oil and gas condensate field**

Rights to the field are held by: *the issuer*  
Type of minerals: *oil*  
Proved reserves: *AB1C1 – 91,356 thous. tonnes; B2C2 – 372 thous. tonnes*  
Production rate for the relevant reporting period (periods): *1,260.094 thous. tonnes*

**20. Field: Central Block of the Talakanskoye oil and gas condensate field**

Rights to the field are held by: *the issuer*  
Type of minerals: *associated gas*  
Proved reserves: *AB1C1 – 19,294 mn cub m; B2C2 – 27 mn cub m*  
Production rate for the relevant reporting period (periods): *135.197015 mn cub m*

**21. Field: Severo-Talakanskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *oil*  
Proved reserves: *AB1C1 – 53,765 thous. tonnes; B2C2 – 25,976 thous. tonnes*  
Production rate for the relevant reporting period (periods): *475.020 thous. tonnes*

**22. Field: Severo-Talakanskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *associated gas*  
Proved reserves: *AB1C1 – 23,812 mn cub m; B2C2 – 13,793 mn cub m*  
Production rate for the relevant reporting period (periods): *35.266125 mn cub m*

**23. Field: Verkhnekazymskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *oil*  
Proved reserves: *AB1C1 – 5,568 thous. tonnes; B2C2 – 13,185 thous. tonnes*

Production rate for the relevant reporting period (periods): **321.330 thous. tonnes**

**24. Field: Verkhnekazymskoye**

Rights to the field are held by: **the issuer**

Type of minerals: **associated gas**

Proved reserves: **AB1C1 – 612 mn cub m; B2C2 – 1,416 mn cub m**

Production rate for the relevant reporting period (periods): **29.441484 mn cub m**

Licenses for subsoil use obtained by the issuer or subsidiaries for the fields which have significant financial and economic importance

Legal entity that obtained a license: **the issuer**

**1. Number: KhMN 01525 NR**

Date of issue: **18.04.2001**

Term of the license: **31.12.2115**

**According to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992**

Basis for license issuance: **according to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992**

Description of the subsoil plot provided for use: **Khanty-Mansiysky Autonomous Okrug – Yugra, Oktyabrsky and Khanty-Mansiysky Districts, area (sq. km) – 1,271.50**

Type of the license: **geological survey, including prospecting and evaluation of mineral deposits, exploration and production of mineral resources**

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: **prospecting and exploratory drilling, seismic surveys and putting fields into development according to the terms and conditions of the license**

Compulsory payments to be made under license terms and conditions: **all kinds of payments are made in compliance with the law currently in force in the Russian Federation**

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: **as of 30.09.2017, all conditions are being met.**

Legal entity that obtained a license: **the issuer**

**2. Number: KhMN 11293 NE**

Date of issue: **05.09.2002**

Term of the license: **31.12.2087**

**According to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992**

Basis for license issuance: **according to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992**

Description of the subsoil plot provided for use: **Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) - 1,474.95**

Type of the license: **oil and gas exploration and production**

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: **prospecting and exploratory drilling, seismic surveys and putting fields into development according to the terms and conditions of the license**

Compulsory payments to be made under license terms and conditions: **all kinds of payments are made in compliance with the law currently in force in the Russian Federation**

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: **as of 30.09.2017, all conditions are being met.**

Legal entity that obtained a license: **the issuer**

**3. Number: YaKU 12061 NE**

Date of issue: **26.12.2003**

Term of the license: **31.12.2081**

**According to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992**

Basis for license issuance: **according to Law of the Russian Federation No. 2395-1 “On Subsurface”**

***dated 21.02.1992***

Description of the subsoil plot provided for use: ***the Republic of Sakha (Yakutia), Lensky District, area (sq. km) - 410.57***

Type of the license: ***exploration and production of mineral resources***

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: ***prospecting and exploratory drilling, seismic surveys and putting fields into development according to the terms and conditions of the license***

Compulsory payments to be made under license terms and conditions: ***all kinds of payments are made in compliance with the law currently in force in the Russian Federation***

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: ***as of 30.09.2017, all conditions are being met.***

Legal entity that obtained a license: ***the issuer***

***4. Number: KhMN 00431 NE***

Date of issue: ***05.03.1997***

Term of the license: ***31.12.2069***

***According to Law of the Russian Federation No. 2395-1 "On Subsurface" dated 21.02.1992***

Basis for license issuance: ***according to the Regulations for Subsurface Use Licensing Procedure***

Description of the subsoil plot provided for use: ***Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) - 544.03***

Type of the license: ***exploration and production of mineral resources***

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: ***fields commissioning operations according to the terms and conditions of the license***

Compulsory payments to be made under license terms and conditions: ***all kinds of payments are made in compliance with the law currently in force in the Russian Federation***

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: ***as of 30.09.2017, all conditions are being met.***

Legal entity that obtained a license: ***the issuer***

***5. Number: KhMN 00435 NE***

Date of issue: ***05.03.1997***

Term of the license: ***31.12.2100***

***According to Law of the Russian Federation No. 2395-1 "On Subsurface" dated 21.02.1992***

Basis for license issuance: ***according to Law of the Russian Federation No. 2395-1 "On Subsurface" dated 21.02.1992***

Description of the subsoil plot provided for use: ***Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) - 1,182.20***

Type of the license: ***oil and gas production***

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: ***prospecting and exploratory drilling, seismic surveys and putting fields into development according to the terms and conditions of the license***

Compulsory payments to be made under license terms and conditions: ***all kinds of payments are made in compliance with the law currently in force in the Russian Federation***

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: ***as of 30.09.2017, all conditions are being met.***

Legal entity that obtained a license: ***the issuer***

***6. Number: KhMN 00438 NE***

Date of issue: ***05.03.1997***

Term of the license: ***31.12.2089***

***According to Law of the Russian Federation No. 2395-1 "On Subsurface" dated 21.02.1992***



Basis for license issuance: *according to the Regulations for Subsurface Use Licensing Procedure*  
Description of the subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) - 457.578*  
Type of the license: *exploration and production of mineral resources*  
The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *prospecting and exploratory drilling, seismic surveys and putting fields into development according to the terms and conditions of the license*  
Compulsory payments to be made under license terms and conditions: *all kinds of payments are made in compliance with the law currently in force in the Russian Federation*  
Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.09.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**7. Number: KhMN 00408 NE**

Date of issue: *18.12.1996*

Term of the license: *31.12.2129*

*According to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992*

Basis for license issuance: *according to the Regulations for Subsurface Use Licensing Procedure*

Description of the subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) - 1,952.07*

Type of the license: *exploration and production of mineral resources*

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *prospecting and exploratory drilling, seismic surveys and putting fields into development according to the terms and conditions of the license*

Compulsory payments to be made under license terms and conditions: *all kinds of payments are made in compliance with the law currently in force in the Russian Federation*

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.09.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**8. Number: KhMN 00406 NE**

Date of issue: *18.12.1996*

Term of the license: *31.12.2162*

*According to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992*

Basis for license issuance: *according to the Regulations for Subsurface Use Licensing Procedure*

Description of the subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) - 1,815.72*

Type of the license: *exploration and production of mineral resources*

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *prospecting and exploratory drilling, seismic surveys and putting fields into development according to the terms and conditions of the license*

Compulsory payments to be made under license terms and conditions: *all kinds of payments are made in compliance with the law currently in force in the Russian Federation*

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.09.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**9. Number: KhMN 00409 NE**

Date of issue: *18.12.1996*

Term of the license: *31.12.2069*

*According to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992*

Basis for license issuance: *according to the Regulations for Subsurface Use Licensing Procedure*  
Description of the subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) - 528.793*  
Type of the license: *exploration and production of mineral resources*  
The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *prospecting and exploratory drilling, seismic surveys and putting fields into development according to the terms and conditions of the license*  
Compulsory payments to be made under license terms and conditions: *all kinds of payments are made in compliance with the law currently in force in the Russian Federation*  
Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.09.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**10. Number: KhMN 00417 NE**

Date of issue: **14.01.1997**

Term of the license: **31.12.2083**

***According to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992***

Basis for license issuance: *according to the Regulations for Subsurface Use Licensing Procedure*

Description of the subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) - 959.79*

Type of the license: *exploration and production of mineral resources*

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *prospecting and exploratory drilling, seismic surveys and putting fields into development according to the terms and conditions of the license*

Compulsory payments to be made under license terms and conditions: *all kinds of payments are made in compliance with the law currently in force in the Russian Federation*

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.09.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**11. Number: YaKU 14372 NE**

Date of issue: **21.01.2008**

Term of the license: **01.02.2028**

***According to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992***

Basis for license issuance: *according to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992*

Description of the subsoil plot provided for use: *the Republic of Sakha (Yakutia), Lensky District, area (sq. km) - 1,188.46*

Type of the license: *exploration and production of mineral resources*

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *prospecting and exploratory drilling, seismic surveys and putting fields into development according to the terms and conditions of the license*

Compulsory payments to be made under license terms and conditions: *all kinds of payments are made in compliance with the law currently in force in the Russian Federation*

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.09.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**12. Number: KhMN 14906 NR**

Date of issue: **27.04.2010**

Term of the license: **31.12.2095**

***According to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992***

Basis for license issuance: ***according to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992***

Description of the subsoil plot provided for use: ***Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) - 167.45***

Type of the license: ***geological survey, including prospecting and evaluation of mineral deposits, exploration and production of mineral resources***

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: ***prospecting and exploratory drilling, seismic surveys and putting fields into development according to the terms and conditions of the license***

Compulsory payments to be made under license terms and conditions: ***all kinds of payments are made in compliance with the law currently in force in the Russian Federation***

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: ***as of 30.09.2017, all conditions are being met.***

Legal entity that obtained a license: ***the issuer***

***13. Number: KhMN 13143 NR***

Date of issue: ***18.05.2005***

Term of the license: ***16.05.2030***

***According to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992***

Basis for license issuance: ***according to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992***

Description of the subsoil plot provided for use: ***Khanty-Mansiysky Autonomous Okrug – Yugra, Oktyabrsky and Khanty-Mansiysky Districts, area (sq. km) - 407.39***

Type of the license: ***geological survey, including prospecting and evaluation of mineral deposits, exploration and production of mineral resources.***

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: ***prospecting and exploratory drilling, seismic surveys and putting fields into development according to the terms and conditions of the license***

Compulsory payments to be made under license terms and conditions: ***all kinds of payments are made in compliance with the law currently in force in the Russian Federation***

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: ***as of 30.09.2017, all conditions are being met.***

Legal entity that obtained a license: ***the issuer***

***14. Number: KhMN 15105 NR***

Date of issue: ***17.02.2011***

Term of the license: ***24.02.2036***

***According to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992***

Basis for license issuance: ***according to Law of the Russian Federation No. 2395-1 “On Subsurface” dated 21.02.1992***

Description of the subsoil plot provided for use: ***Khanty-Mansiysky Autonomous Okrug – Yugra, Beloyarsky District, area (sq. km) - 997.96***

Type of the license: ***geological survey, exploration and production of hydrocarbons***

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: ***prospecting and exploratory drilling, seismic surveys and putting fields into development according to the terms and conditions of the license***

Compulsory payments to be made under license terms and conditions: ***all kinds of payments are made in compliance with the law currently in force in the Russian Federation***

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: ***as of 30.09.2017, all conditions are being met.***

*This section provides a list of fields with production level of 2.0% and more of the total volume of oil produced by the Company in 3Q2017.*

*In the lines “Proved reserves” the current recoverable oil and condensate reserves in respect of oil are shown under the Russian classification of hydrocarbon reserves and resources.*

*In the lines “Proved reserves” the current recoverable associated gas reserves in respect of associated gas are shown under the Russian classification of hydrocarbon reserves and resources.*

*Oil, associated petroleum gas and natural gas production at the Company’s fields which are in development for 3Q2017 amounted to 15,142.695 thousand tonnes, 2,421.333250 million cubic meters and 25.318932 million cubic meters respectively.*

*License KhMN 00431 NE is issued in lieu of License KhMN 00051 NE dated 13.07.1993.*

*License KhMN 00435 NE is issued in lieu of License KhMN 00049 NE dated 13.07.1993.*

*License KhMN 00438 NE is issued in lieu of License KhMN 00057 NE dated 14.07.1993.*

*License KhMN 00408 NE is issued in lieu of License KhMN 00052 NE dated 14.07.1993.*

*License KhMN 00406 NE is issued in lieu of License KhMN 00062 NE dated 15.07.1993.*

*License KhMN 00409 NE is issued in lieu of License KhMN 00047 NE dated 13.07.1993.*

*License KhMN 00417 NE is issued in lieu of License KhMN 00054 NE dated 14.07.1993.*

b) Mineral resources processing

*Fixed assets used for processing: oil and gas processing sector of OJSC “Surgutneftegas” is represented by one of the largest refineries in Russia – LLC “KINEF” with a processing capacity of 20.1 million tonnes of oil per year and the gas processing complex with a capacity of 7.3 billion cubic meters.*

**OIL REFINING**

*The refinery, being one of the key units of the Company’s production complex, possesses state-of-the-art technological equipment for oil refining and produces more than 80 types of high quality products: all kinds of motor fuels, petrochemicals, waterproofing and roofing materials, bases for synthetic detergents (“LAB-LABS”). The convenient geographical location helps to perform efficient delivery of finished products to foreign and domestic markets.*

**GAS PROCESSING**

*The gas processing plant is a worthy representative of the Company in the hydrocarbon market, meeting the challenges in the collection and utilization of associated gas and producing a wide range of high-quality products.*

*The Company annually performs modernization and reconstruction of equipment and operational capacities.*

*The Company, its subordinates do not engage any contractors to process mineral resources they produce.*

c) Products marketing

*Permits granted by authorized government agencies for sale of mineral resources and their processed products and quotas, including export quotas: in accordance with Federal Law of the Russian Federation No. 147-FZ “On Natural Monopolies” dated 17.08.1995, a duly registered oil producer and an organization being a parent company of an oil producer are granted with the right of access to the system of Russian trunk pipelines and terminals to transport oil out of the customs territory of the Russian Federation, proportionally to the volumes of produced oil pumped into the system of trunk pipelines with a 100% trunk pipeline transmission capacity (subject to feasibility).*

**3.2.8. Additional requirements to be met by issuers whose core activity is telecommunication services provision**

Telecommunication services provision is not the core activity of the issuer.

### 3.3. Plans for the issuer's future activity

*There were no changes in the information contained in this section of the quarterly report.*

### 3.4. The issuer's share in banking groups, bank holding companies, holdings and associations

Name of group, holding or association: *Association of organizations in the field of subsoil use "National Association for Subsoil Use Auditing" (AOON "NAEN")*

The term of the issuer: *since 13.11.2014*

The issuer's role (position) and functions in the organization: *member of the Association*

### 3.5. Organizations under the issuer's control which are material to the issuer

#### 1. Full corporate name: *Limited Liability Company "Novgorodnefteproduct"*

Abbreviated corporate name: *LLC "Novgorodnefteproduct"*

Location: *Russian Federation, Veliky Novgorod*

INN: *5321059365*

OGRN: *1025300788644*

The characteristics of the issuer's control exercised over the organization in respect to which the issuer is a controlling entity: *right to control over 50 percent of votes in the supreme management body of the organization under the issuer's control.*

Type of control: *direct control*

The issuer's share in the charter capital of the controlled organization: *100%*

The share of the controlled organization in the charter capital of the issuer: *0%*

The issuer's ordinary shares held by the controlled organization: *0%*

Description of the company's core business: *procurement, storage and marketing of oil products.*

The company's board of directors (supervisory board)

*No provision is made for the board of directors (supervisory board).*

Individual executive body of the company

Name	The person's share in the charter capital of the issuer, %:	The issuer's ordinary shares held by the person, %:
Serebrennikov Viktor Georgievich	0	0

The company's collegiate executive body

*No provision is made for a collegiate executive body.*

#### 2. Full corporate name: *Limited Liability Company "Marketing Association "Pskovnefteproduct"*

Abbreviated corporate name: *LLC "Pskovnefteproduct"*

Location: *Russian Federation, Pskov*

INN: *6027042337*

OGRN: *1026000970049*

The characteristics of the issuer's control exercised over the organization in respect to which the issuer is a controlling entity: *right to control over 50 percent of votes in the supreme management body of the organization under the issuer's control.*

Type of control: *direct control*

The issuer's share in the charter capital of the controlled organization: *100%*

The share of the controlled organization in the charter capital of the issuer: *0%*

The issuer's ordinary shares held by the controlled organization: *0%*

Description of the company's core business: *procurement, storage and marketing of oil products.*

The company's board of directors (supervisory board)

*No provision is made for the board of directors (supervisory board).*

Individual executive body of the company

Name	The person's share in the charter capital of the issuer, %:	The issuer's ordinary shares held by the person, %:
Maleshin Yury Vladimirovich	0	0

The company's collegiate executive body

*No provision is made for a collegiate executive body.*

3. Full corporate name: **Limited Liability Company "Marketing Association "Tvernefteproduct"**

Abbreviated corporate name: **LLC "MA "Tvernefteproduct"**

Location: **Russian Federation, Tver, ul. Novotorzhskaya, 6**

INN: **6905041501**

OGRN: **1026900510647**

The characteristics of the issuer's control exercised over the organization in respect to which the issuer is a controlling entity: **right to control over 50 percent of votes in the supreme management body of the organization under the issuer's control.**

Type of control: **direct control**

The issuer's share in the charter capital of the controlled organization: **100%**

The share of the controlled organization in the charter capital of the issuer: **0%**

The issuer's ordinary shares held by the controlled organization: **0%**

Description of the company's core business: **procurement, storage and marketing of oil products.**

The company's board of directors (supervisory board)

*No provision is made for the board of directors (supervisory board).*

Individual executive body of the company

Name	The person's share in the charter capital of the issuer, %:	The issuer's ordinary shares held by the person, %:
Klinovsky Alexander Eduardovich	0.0025	0.0014

The company's collegiate executive body

*No provision is made for a collegiate executive body.*

4. Full corporate name: **Limited Liability Company "Kaliningradnefteproduct"**

Abbreviated corporate name: **LLC "Kaliningradnefteproduct"**

Location: **Russian Federation, Kaliningrad, Central District, ul. Komsomolskaya, 22-b**

INN: **3900000136**

OGRN: **1023900589240**

The characteristics of the issuer's control exercised over the organization in respect to which the issuer is a controlling entity: **right to control over 50 percent of votes in the supreme management body of the organization under the issuer's control.**

Type of control: **direct control**

The issuer's share in the charter capital of the controlled organization: **100%**

The share of the controlled organization in the charter capital of the issuer: **0%**

The issuer's ordinary shares held by the controlled organization: **0%**

Description of the company's core business: **procurement, storage and marketing of oil products.**

The company's board of directors (supervisory board)

*No provision is made for the board of directors (supervisory board).*

Individual executive body of the company

Name	The person's share in the charter capital of the issuer, %:	The issuer's ordinary shares held by the person, %:
Berdnikov Igor Vladimirovich	0	0

The company's collegiate executive body

*No provision is made for a collegiate executive body.*

5. Full corporate name: **Limited Liability Company “Oil Refining and Petrochemical Enterprises Design Institute”**

Abbreviated corporate name: **LLC “Lengiproneftekhim”**

Location: **Russian Federation, Saint Petersburg, nab. Obvodnogo kanala, 94**

INN: **7810327462**

OGRN: **1057803105755**

The characteristics of the issuer’s control exercised over the organization in respect to which the issuer is a controlling entity: **right to control over 50 percent of votes in the supreme management body of the organization under the issuer’s control.**

Type of control: **direct control**

The issuer’s share in the charter capital of the controlled organization: **100%**

The share of the controlled organization in the charter capital of the issuer: **0%**

The issuer’s ordinary shares held by the controlled organization: **0%**

Description of the company’s core business: **design of buildings and constructions, including process design of facilities and constructions for fuel, mining and processing industry.**

The company’s board of directors (supervisory board)

**No provision is made for the board of directors (supervisory board).**

Individual executive body of the company

Name	The person’s share in the charter capital of the issuer, %:	The issuer’s ordinary shares held by the person, %:
Lebedskoy-Tambyev Mikhail Andreevich	0	0

The company’s collegiate executive body

**No provision is made for a collegiate executive body.**

6. Full corporate name: **Limited Liability Company “Kirishiavtoservis”**

Abbreviated corporate name: **LLC “Kirishiavtoservis”**

Location: **196084, Russian Federation, Saint Petersburg, ul.Smolenskaya, 12, lit. A**

INN: **7840016802**

OGRN: **1057807804064**

The characteristics of the issuer’s control exercised over the organization in respect to which the issuer is a controlling entity: **right to control over 50 percent of votes in the supreme management body of the organization under the issuer’s control.**

Type of control: **direct control**

The issuer’s share in the charter capital of the controlled organization: **100%**

The share of the controlled organization in the charter capital of the issuer: **0%**

The issuer’s ordinary shares held by the controlled organization: **0%**

Description of the company’s core business: **procurement, storage and marketing of oil products.**

The company’s board of directors (supervisory board)

**No provision is made for the board of directors (supervisory board).**

Individual executive body of the company

Name	The person’s share in the charter capital of the issuer, %:	The issuer’s ordinary shares held by the person, %:
Farbman Valery Evseevich	0	0

The company’s collegiate executive body

**No provision is made for a collegiate executive body.**

7. Full corporate name: **Limited Liability Company “Insurance Company “Surgutneftegas”**

Abbreviated corporate name: **LLC “Insurance Company “Surgutneftegas”**

Location: **Russian Federation, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut**

INN: 8602103061

OGRN: 1028600581811

The characteristics of the issuer's control exercised over the organization in respect to which the issuer is a controlling entity: ***right to control over 50 percent of votes in the supreme management body of the organization under the issuer's control.***

Type of control: ***direct control***

The issuer's share in the charter capital of the controlled organization: ***100%***

The share of the controlled organization in the charter capital of the issuer: ***0%***

The issuer's ordinary shares held by the controlled organization: ***0%***

Description of the company's core business: ***providing various types of insurance.***

The company's board of directors (supervisory board)

***No provision is made for the board of directors (supervisory board).***

Individual executive body of the company

Name	The person's share in the charter capital of the issuer, %:	The issuer's ordinary shares held by the person, %:
Solovyeva Elvira Damirovna	0	0

The company's collegiate executive body

***No provision is made for a collegiate executive body.***

8. Full corporate name: ***Limited Liability Company "Production Association "Kirishinefteorgsintez"***

Abbreviated corporate name: ***LLC "KINEF"***

Location: ***Russian Federation, Leningradskaya Oblast, Kirishi***

INN: 4708007089

OGRN: 1024701478735

The characteristics of the issuer's control exercised over the organization in respect to which the issuer is a controlling entity: ***right to control over 50 percent of votes in the supreme management body of the organization under the issuer's control.***

Type of control: ***direct control***

The issuer's share in the charter capital of the controlled organization: ***100%***

The share of the controlled organization in the charter capital of the issuer: ***0%***

The issuer's ordinary shares held by the controlled organization: ***0%***

Description of the company's core business: ***oil refining, production and marketing of oil products (motor gasoline, diesel and boiler fuels, petroleum bitumen, aromatic hydrocarbons and other refined and petrochemical products).***

The company's board of directors (supervisory board)

***No provision is made for the board of directors (supervisory board).***

Individual executive body of the company

Name	The person's share in the charter capital of the issuer, %:	The issuer's ordinary shares held by the person, %:
Somov Vadim Evseevich	0.0086	0.0103

The company's collegiate executive body

***No provision is made for a collegiate executive body.***

9. Full corporate name: ***Joint Stock Company "Surgutneftegasbank"***

Abbreviated corporate name: ***JSC BANK "SNGB"***

Location: ***Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut***

INN: 8602190258

OGRN: 1028600001792

The characteristics of the issuer's control exercised over the organization in respect to which the issuer is a controlling entity: ***right to control over 50 percent of votes in the supreme management body of the organization***



*under the issuer's control.*

Type of control: **direct control**

The issuer's share in the charter capital of the controlled organization: **97.7591%**

Fraction of the ordinary shares held by the issuer: **98.2389%**

The share of the controlled organization in the charter capital of the issuer: **0.0015%**

The issuer's ordinary shares held by the controlled organization: **0.0018%**

Description of the company's core business: **banking.**

The company's board of directors (supervisory board)

Name	The person's share in the charter capital of the issuer, %:	The issuer's ordinary shares held by the person, %:
Barankov Vladislav Georgievich (chairperson)	0.0139	0.0153
Burtsev Gennady Alekseevich	0	0
Zhernovkov Alexander Georgievich	0.0007	0.0001
Pospelova Natalia Evgenyevna	0.0002	0.0002
Druchinin Andrei Vladislavovich	0.0006	0.0004
Sobakinskikh Valery Leonidovich	0	0
Tarasova Olga Ivanovna	0	0

Individual executive body of the company

Name	The person's share in the charter capital of the issuer, %:	The issuer's ordinary shares held by the person, %:
Korol Andrei Vitalyevich	0.0003	0.0003

The company's collegiate executive body

Name	The person's share in the charter capital of the issuer, %:	The issuer's ordinary shares held by the person, %:
Korol Andrei Vitalyevich (chairperson)	0.0003	0.0003
Chaplin Dmitry Vladimirovich	0	0
Cherednichenko Marina Vladimirovna	0	0
Chernozhukov Evgeny Nikolaevich	0	0
Krotov Sergei Grigoryevich	0	0

*The Board is the collegial executive body of JSC BANK "SNGB".*

### 3.6. Constitution, structure and cost of the issuer's fixed assets; information on plans to purchase, replace and dispose of fixed assets as well as on all facts of encumbrance of the issuer's fixed assets

As of 30.09.2017

Unit of measure: **thousand RUB**

Name of fixed assets group	Historical (replacement) cost	Accumulated depreciation
Land and objects of environmental management	13,827,632	
Buildings, structures and transfer mechanisms	2,747,343,080	2,099,378,242
Machinery, equipment and vehicles	592,935,995	476,722,476
Perennial growing stock	154,065	19,246
Other types of fixed assets	5,293,312	3,655,182
TOTAL	3,359,554,084	2,579,775,146

Depreciation methods for different groups of fixed assets: *historical (replacement) cost of fixed assets is redeemed through depreciation under the straight-line method in conformity with the depreciation rate calculated on the basis*

of useful life of such assets.

Reporting date: **30.09.2017**

The results of the last revaluation of fixed assets and long-term leased fixed assets during the last completed financial year, specifying the date of revaluation, full and residual (net of depreciation) of book value of fixed assets prior to revaluation and full and residual (net of depreciation) replacement cost of fixed assets with regard to this revaluation. The information is provided for groups of fixed assets. Information on depreciation methods for different groups of fixed assets.

Unit of measure: **thousand RUB**

Name of fixed assets group	Historical (replacement) cost prior to revaluation	Residual (net of depreciation) historical (replacement) cost prior to revaluation	Date of revaluation	Full replacement cost after revaluation	Residual (net of depreciation) replacement cost after revaluation
Land and objects of environmental management	13,720,699	13,720,699	31.12.2016	13,839,793	13,839,793
Buildings and structures	2,432,288,207	608,504,087	31.12.2016	2,645,884,706	631,628,713
Machinery, equipment and vehicles	554,215,204	118,693,435	31.12.2016	577,612,624	121,499,177
Perennial growing stock	119,862	103,299	31.12.2016	119,862	103,299
Other types of fixed assets	4,817,910	1,417,175	31.12.2016	4,861,601	1,423,900
Total	3,005,161,882	742,438,695	31.12.2016	3,242,318,586	768,494,882

Specify the method of fixed assets revaluation (using the factors of the federal statistics body of executive authority or the market value of such fixed assets supported by documents or expert opinions. In case of an expert opinion, specify the assessment procedure): **revaluation of fixed assets was based on the replacement cost of the fixed assets.**

Specify any plans to purchase, replace and dispose of fixed assets, the value of which is 10 and more percent of the value of the issuer's fixed assets and other fixed assets at the issuer's discretion. Specify all facts of encumbrance of the issuer's fixed assets (stating the nature of encumbrance, the date when such encumbrance occurred, its duration and other conditions at the issuer's discretion): **as of the last day of the reporting quarter, there are no plans to purchase, replace, or dispose of fixed assets, the value of which is 10 and more percent of the value of the Company's fixed assets, as well as encumbered fixed assets.**

## Section IV. Financial and business activities of the issuer

### 4.1. Results of the issuer's financial and business activities

The dynamics of indicators characterizing the financial results of the issuer, including its profit and loss calculated on the basis of accounting (financial) statements

Standard (rules) of accounting (financial) statements in accordance with which the accounting (financial) figures are calculated: **Russian Accounting Standards (RSBU)**

The unit of measure for the amount of uncovered loss: **thousand RUB**

Indicator	2016, 9 months	2017, 9 months
Net profit margin, %		11.088
Asset turnover ratio, times	0.207	0.228

Return on assets, %		<b>2.527</b>
Return on equity, %		<b>2.659</b>
Uncovered loss as of the reporting date	<b>111,171,342</b>	
Uncovered loss as of the reporting date to book value of assets, %	<b>3.197</b>	

*The above indicators are based on the recommended accounting practices.*

Economic analysis of profit/loss of the issuer based on the dynamics of these indicators as well as reasons which (according to the management bodies) led to the loss/profit of the issuer as shown in the accounting (financial) statements

*Indicators characterizing the Company's return and profitability for 9 months of 2017 indicate the profitable activity of the Company and effective use of the Company's assets.*

*The increase in assets turnover ratio is due to an increase in revenue from sales.*

The opinions of the issuer's management bodies regarding the reasons or level of their influence on the financial and business activities of the issuer are different: **no**.

A member of the issuer's board of directors (supervisory board) or collegiate executive body has his/her dissenting opinion on the specified reasons and/or level of their influence on financial and business activities of the issuer, which is recorded in the minutes of the meeting (session) of the issuer's board of directors (supervisory board) or collegiate executive body considering relative issues, and presses for this opinion to be included in a quarterly report: **no**.

#### **4.2. The issuer's liquidity position, capital and current assets adequacy**

The dynamics of indicators of the issuer's liquidity position calculated based on accounting (financial) statements

Standard (rules) of accounting (financial) statements in accordance with which the accounting (financial) figures are calculated: **Russian Accounting Standards (RSBU)**

The unit of measure for net working capital: **thousand RUB**

<b>Indicator</b>	<b>2016, 9 months</b>	<b>2017, 9 months</b>
Net working capital	<b>622,911,120</b>	<b>844,376,748</b>
Current liquidity ratio	<b>8.287</b>	<b>9.564</b>
Quick liquidity ratio	<b>7.3</b>	<b>8.711</b>

At the issuer's discretion, the dynamics of indicators of the issuer's liquidity position based on the issuer's consolidated accounting (consolidated financial) statements incorporated in the quarterly report: **no**.

The above indicators are based on the recommended accounting practices: **yes**.

The economic analysis of the issuer's liquidity and solvency as well as adequacy of the issuer's equity to fulfill short-term liabilities and cover current operating costs based on the economic analysis of the above performance with a description of factors which (in the opinion of the issuer's management bodies) had the most considerable influence on the issuer's liquidity and solvency:

*Changes in the net working capital and liquidity ratios are determined by reallocation of financial investments from non-current to current assets.*

*Liquidity ratios are significantly higher than recommended levels, which proves that the Company enjoys a high level of financial solvency.*

The opinions of the issuer's management bodies regarding the reasons or level of their influence on the financial and business activities of the issuer are different: **no**.

A member of the issuer's board of directors (supervisory board) or collegiate executive body has his/her dissenting opinion on the specified reasons and/or level of their influence on financial and business activities of the issuer, which is recorded in the minutes of the meeting (session) of the issuer's board of directors (supervisory board) or collegiate executive body considering relative issues, and presses for this opinion to be included in a quarterly report: **no**.

#### **4.3. The issuer's financial investments**

As of 30.09.2017

Financial investments of the issuer constituting 5 and more percent of its total financial investments as of the last day of the reporting period

Investments in equity securities: *There are no investments in equity securities constituting 5 and more percent of total financial investments.*

Investments in non-equity securities: *There are no investments in non-equity securities constituting 5 and more percent of all financial investments.*

Other financial investments

Object of financial investments: *deposits*

Amount of the investments in money terms: *2,096,289,600*

Unit of measure: *thousand RUB*

Returns from the object of financial investments or the procedure of its determination, the payment period: *deposit interest shall accrue from the date the funds are received into the deposit account till the date it is debited from that account and returned to the settlement/current account.*

Additional information: *no.*

Amount of potential losses due to bankruptcy of organizations (enterprises) in which investments have been made, by each type of such investments: *no.*

Losses are included in the issuer's assessment of financial investments shown in the issuer's accounting statements for the period from the beginning of the reporting year till the last day of the last reporting quarter.

Reporting standards (rules) used by the issuer to make calculations shown in this section of the quarterly report: *in accordance with Order No. 126n dated 10.12.2002 of the Ministry of Finance of the Russian Federation "Accounting Regulations "Financial Investments Accounting" PBU 19/02".*

#### 4.4. The issuer's intangible assets

As of 30.09.2017

Unit of measure: *thousand RUB*

Name of intangible assets group	Historical (replacement) cost	Accumulated depreciation
TOTAL	1,331,110	881,785

Accounting standards (rules) used by the issuer to disclose information about its intangible assets: *the Company records intangible assets in accordance with Order No. 153n dated 27.12.2007 of the Ministry of Finance of the Russian Federation "On Approval of Accounting Regulations "Intangible Assets Accounting" PBU 14/2007".*

Reporting date: *30.09.2017*

#### 4.5. Data on the issuer's policy and expenses for scientific and technical development, licenses and patents, new developments and research

**Research and development (R&D) activity of the Company.**

*For 9 months of 2017, the Company's R&D Institute "SurgutNIPIneft" carried out 93 research projects, RUB 2,356,482 thousand was spent.*

*During 9 months of 2017, third-party contractors carried out 40 research projects, RUB 33,700 thousand was spent.*

*The total cost of 133 projects was RUB 2,390,182 thousand.*

**Introduction and testing of new equipment and technology. Import substitution program.**

**1. Introduction of new operating procedures, production methods and equipment.**

*The section "Introduction of new operating procedures, production methods and equipment" of the innovative plan for 2017 includes 276 projects to introduce new equipment and technology. As many as 196 projects to introduce new equipment were carried out during 9 months of 2017. The project costs totaled RUB 6,317,600 thousand.*

*Forty-six business units of the Company were engaged in introduction of new operating procedures and new types of production methods and equipment.*

## **2. New equipment and technology testing.**

*The section “Pilot projects to test new equipment and technology” of the innovative plan for 2017 includes 133 projects. Subject to adjustments and amendments to the plan, during 9 months of 2017 110 projects were put under testing. Tests of 39 models of new equipment were completed, 28 of them with positive results.*

## **3. Import substitution program.**

*In order to replace imported equipment, spare parts and consumables with their domestic equivalents in 2017 there are 1,200 listed projects, which translates into savings of RUB 1,622,300 thousand.*

*For 9 months of 2017, 1,095 items of the plan were used, the economic benefit was over RUB 1,406,100 thousand.*

## **The Company’s rationalization and invention activities and acquisition of patents.**

*For 9 months of 2017, the Company drew up and submitted six applications to the Federal Institute of Industrial Property (FIPS): two applications for state registration of software, three applications for state registration of an invention and one application for a utility model.*

*The Company obtained five documents of title, including: three certificates for software, two patents for inventions.*

*Twenty patents renewed. There are no risks connected with the possibility of patents term, licenses for trademarks expiry.*

*Rospatent is currently reviewing seven applications, including: six applications for inventions and one application for a utility model.*

Information on intellectual industrial property (inventions, utility models, industrial prototypes, trademarks) of the Company as of **30.09.2017**

No.	Description of intellectual property	Document of exclusive rights (patent, certificate)	Priority (commencement of document of title)	Period of validity of document of title
1	2	3	4	5
1.	Trademark of STsBPO EPU (service mark)	Certif. (TZ) No. 248903 dated 16.06.2003	02.11.1999	02.11.2019
2.	Well stream stimulation method	Patent (I) No. 2209948 dated 10.08.2003	20.11.2000	20.11.2020
3.	Method of determination of SPM mass concentration with scratch resistance over 5 units by Mohs scale in a well production	Patent (I) No. 2273020 dated 27.03.2006	10.12.2003	10.12.2023
4.	Fresh-water based visco-elastic compound for cementing wells made of recycled paper products and polyacrilamide	Patent (I) No. 2625128 dated 11.07.2017	15.02.2016	15.02.2036
5.	Tubing-casing annulus sealing tool	Patent (I) No. 2311525 dated 27.11.2007	10.01.2006	10.01.2026
6.	Method of hydraulic fracturing	Patent (I) No. 2311528 dated 27.11.2007	10.01.2006	10.01.2026
7.	Bottom-hole formation zone protector	Patent (PM) No. 72719 dated 27.04.2008	14.12.2007	14.12.2017
8.	Drilling bit design	Patent (PM) No. 73017 dated 10.05.2008	14.12.2007	14.12.2017
9.	Wash tank dewaxer	Patent (PM) No. 79810 dated 20.01.2009	14.02.2008	14.02.2018
10.	Blowout valve	Patent (PM) No. 80495 dated 10.02.2009	05.06.2008	05.06.2018
11.	Loading control unit for natural gas liquids (NGL) and commercial propane/butane mixture (CPBM)	Patent (PM) No. 89985 dated 27.12.2009	18.05.2009	18.05.2019
12.	Method to remove insulating lacquer coatings of lacquer-impregnated windings of electric motors,	Patent (I) No. 2396670 dated 10.08.2010	04.05.2009	04.05.2029

	including submersible electric motors (SEM)			
13.	Design of an adsorber vessel	Patent (PM) No. 102307 dated 27.02.2011	19.07.2010	19.07.2020
14.	Restoration method of disturbed wetlands (swamplands)	Patent (I) No. 2459397 dated 27.08.2012	22.09.2010	22.09.2030
15.	Production tree heater	Patent (PM) No. 113902 dated 27.02.2012	20.07.2011	20.07.2021
16.	Sludge pump	Patent (PM) No. 124335 dated 20.01.2013	14.12.2011	14.12.2021
17.	Method of determining kerogen parameters and its content in rocks	Patent (I) No. 2485495 dated 20.06.2013	20.07.2011	20.07.2031
18.	Method for repairing a coiled tubing without retrieving the logging cable	Patent (I) No. 2513319 dated 18.02.2014	27.07.2012	27.07.2032
19.	Stand for pneumatic tests of screwed pipe joints	Patent (PM) No. 136570 dated 10.01.2014	01.10.2012	01.10.2022
20.	Design of the liner running into the well drilled under balance	Patent (PM) No. 137571 dated 20.03.2014	26.03.2013	26.03.2023
21.	Open Joint Stock Company "Surgutneftegas"	Certificate of trademark No. 438918 dated 09.06.2011	06.05.2010	06.05.2020
22.	Equipment for multizone well survey and operation	Patent (PM) No. 131074 dated 10.08.2013	10.01.2013	10.01.2023
23.	Turning casing float valve	Patent (PM) No. 135706 dated 20.12.2013	23.07.2013	23.07.2023
24.	Circular casing module	Patent (PM) No. 146266 dated 03.09.2014	19.05.2014	19.05.2024
25.	Mobile pumping unit	Patent (PM) No. 159093 dated 29.12.2015	01.06.2015	01.06.2025
26.	Tight connection design for running liner sections with multi-stage hydraulic fracturing equipment	Patent (PM) No. 158893 dated 22.12.2015	30.09.2015	30.09.2025
27.	Electric submersible pump of a packet assembly type comprised of stages stacked in series	Patent (PM) No. 161445 dated 01.04.2016	30.04.2015	30.04.2025
28.	Open Joint Stock Company "Surgutneftegas" (logotype)	Certificate of trademark No. 580396 dated 12.07.2016	25.03.2015	25.03.2025
29.	A method of reclamation of sludge pits without backfilling in the territory of the State Forest Fund of the middle taiga subzone of Western Siberia	Patent (I) No. 2617632 dated 25.04.2017	17.06.2015	17.06.2035
30.	The technique of making geological and hydrodynamic models of double deposit media of the Bazhenov play	Patent (PM) No. 2601733 dated 13.10.2016	23.10.2014	23.10.2034

#### 4.6. Trends analysis in the sphere of Company's core activities

*The development of oil and gas sector in Russia depends greatly on the ongoing changes in the global oil and gas industry as well as on the governmental control of this industry.*

*In 2016, the Russian oil and gas industry was influenced by low global oil price quotes and changes adopted in the tax legislation one year earlier.*

*In 2016, the volume of oil production in Russia increased by 2.5% compared to 2015 and totaled 547.5 million tonnes. Refined crude oil amounted to 52%, which is 2% down against the previous year. The volume of oil refining at the Russian refineries has slightly lowered and equals 279.4 million tonnes, the production of basic oil products went down by 7.3%. Despite the decrease in oil refining, the main products output structure improved: production of fuel oil significantly decreased by 20%, production of motor gasoline and diesel fuel increased.*

*In 2016, oil and gas producing companies increased the amount of drilling by 11.8%: exploratory drilling – to 914 thousand meters; development drilling – to 24,680 thousand meters.*

*The Company is one of the leading vertically integrated oil companies in Russia. At the end of 2016, it accounted for over 11% of the industry oil production, about 7% of total Russian oil refining.*

*Oil production of the Company totaled 61.8 million tonnes in 2016, which is 0.4% higher than in 2015. A crucial role in sustaining the amount of oil production belongs to Eastern Siberian fields: in 2016, this region increased its share to 14.4%. The Company annually develops new fields, strives to use natural resources efficiently. Gas utilization by the Company reached 99.34% in 2016, which is one of the highest rates in the industry.*

*The Company increased the scope of development drilling by 4.5% against 2015 and it reached 4,500 thousand meters. In 2016, the exploratory drilling meterage remained approximately on the level of the previous year and amounted to 201.4 thousand meters. The Company ensured 18.2% of development drilling and 21.6% of exploratory drilling.*

*In January-December 2016, the volume of oil refining at the Company's refinery LLC "KINEF" totaled 18.5 million tonnes, which is about 30% of produced oil.*

*During 9 months of 2017, we witnessed the further recovery of oil prices in the global market that was largely facilitated by the agreements among oil producing countries on the volume of oil produced.*

*For 9 months of 2017, oil production in Russia totaled 409.4 million tonnes. As before, over 50% of the produced oil is delivered for refining to the Russian refineries. For 9 months of 2017, the amount of refining at the refineries equaled 208.6 million tonnes, which is 0.9% higher than during the same period of the past year. The main products output structure showed the reduction of fuel oil, while the production of diesel fuel and jet kero increased.*

*For 9 months of 2017, the amount of exploratory drilling in oil companies increased by 9.9% compared to the same period of the previous year and totaled 788.3 thousand meters. The amount of development drilling for 9 months of 2017 reached 20,534.3 thousand meters, which is 9.6% up on the same period in 2016.*

*The Company's oil production for 9 months of 2017 decreased by 2.1% compared to the same period of 2016 to 45.2 million tonnes. The Company's oil production accounts for 11% of the industry. Development drilling increased by 1.3% compared to 9 months of 2016 and amounted to 3,513.7 thousand meters; exploratory drilling increased by 0.4% and amounted to 155.8 thousand meters. The share of the Company in development drilling in Russia amounts to 17.1 %, and in exploratory drilling – 19.8%. Oil refining throughput at LLC "KINEF" amounted to 13.9 million tonnes for 9 months of 2017, which is 7% of Russian refining volumes.*

#### **4.7. Analysis of the factors influencing the issuer's activity**

*The Company's financial results are affected by the following key factors:*

- hydrocarbon price trends in global and domestic markets;*
- tax burden ratio;*
- foreign exchanges/national currency rate;*
- inflation rate and natural monopoly tariffs;*
- operating figures.*

##### **Hydrocarbon price trends in global and domestic markets**

*The Company's operation is mostly affected by oil and oil products prices in domestic and global markets.*

*In 3Q2017, against the previous quarter, global oil prices went up: Brent – by 4.9%, Urals – 4.5% and totaled 52.08 USD/bbl and 50.88 USD/bbl respectively. Compared to the same period of 2016, a more significant growth was observed: Brent price went up by 13.6%, Urals price went up by 15.5%.*

*The price in the domestic market of Russia depends on export alternatives and is based on seasonal demand for hydrocarbons, transportation costs and other factors. In 3Q2017, the weighted average oil price in the open Russian market increased by 4.3% against the previous quarter, increased by 8.6% against the same quarter in 2016 and amounted to 16.7 thousand RUB/tonne. (Western-Siberian oil and gas province).*

*To fairly estimate the impact of the price factor on the Company's activities, it is essential to take into account the tax burden ratio, since any change of global oil quotations results in corresponding changes of export duties and the Mineral Extraction Tax.*

##### **Tax burden ratio**

*In 2017, "tax maneuver" policy was continued in the oil and gas industry: since 01 January 2017, a new MET base rate for oil as well as a new coefficient increasing a MET rate according to the determined indices have*

been introduced, the coefficient for export duty rate calculation has been reduced, and coefficients used to calculate the rate of export duty on oil products have been changed. Besides, since 01 January 2017, rates of excise duties on diesel fuel have been increased.

In 3Q2017, the average duty rate for oil to be exported to non-CIS countries dropped by 5.3% against the previous quarter and amounted to 79.8 USD/tonne, and decreased by 10.1% against 3Q2016. At the same time, export duties reduced rate for Eastern Siberian crude oil remained at a zero level.

Since 01 January 2017, the MET base rate has increased to 919 RUB/tonne (in 2016, it was 857 RUB/tonne). In the reporting quarter, an increase of oil price quotes in the global market and weakening of national currency against the US dollar was observed as compared to the previous quarter, which led to an increase of the MET effective rate by 11.1%. Under the influence of several factors (growth of base tax rate, weakening of the US dollar against the ruble, increasing global oil price quotes, introduction of a new increasing coefficient), MET effective rate grew by 28.1% compared to the same period of the previous year.

#### *Foreign exchanges/national currency rate*

A significant part of the Company's revenue from export of oil and oil products is denominated in foreign currency. Moreover, a significant part of the Company's financial investment is denominated in foreign currencies, mainly in US dollars. Therefore, any fluctuations in the exchange rate of the Russian ruble to main currencies significantly influence the Company's financial results, including revenue, other income, and other expenses.

During 3Q2017, the national currency continued weakening against the US dollar. As a result, the average USD rate for the reporting quarter was 59.0195 RUB/USD, or 3.3% higher than in the previous quarter. The USD/national currency rate decreased by 8.7% against 3Q2016.

#### *Inflation rate and natural monopoly tariffs*

The Company's financial and business activity is adversely affected by inflation rates and higher natural monopoly tariffs because they lead to the price growth and, therefore, the increase of the Company's costs.

In the reporting quarter, the growth of tariffs of PJSC "Transneft" for pipeline transportation and service tariffs for orders and supervision of oil delivery on the routes used by the Company equaled 3.4% compared to 3Q2016. There were no changes in tariffs compared to the previous quarter.

In the reporting quarter, deflation in the amount of 0.6% was observed.

#### *Operating figures*

Following the results of the reporting quarter, the Company's oil output remained at the level of the previous quarter and amounted to 15.1 million tonnes. The Company's oil production decreased by 2.9% against 3Q2016.

In 3Q2017, gas production totaled 2.42 billion cubic meters, which is 2.8% lower compared to the previous quarter. The volume of gas production increased by 3.4% compared to 3Q2016. The Company's gas processing plant processed 1.6 billion cubic meters of gas, same as in 3Q2016. The volume of gas processing increased by 1% compared to the previous quarter.

In 3Q2017, the amount of development drilling of the Company increased by 6.6% against the previous quarter, increased by 0.8% against the same period in 2016 and totaled 1,268 thousand meters. The exploratory drilling meterage amounted to 53 thousand meters, a significant increase by 20.3% against the previous quarter, and by 8% – against 3Q2016.

The Company generated 1,332.8 million kWh of electric power at its gas turbine power stations, which is a 0.9% increase from the previous quarter and a 2.4% increase from 3Q2016.

#### **4.8. The issuer's competitors**

*There were no changes in the information contained in this section of the quarterly report.*

### **Section V. Detailed data on members of the issuer's management bodies, the issuer's agencies supervising its financial and business activities, and summary on its staff (employees)**

#### **5.1. Structure and terms of reference for the issuer's management bodies**

*There were no changes in the information contained in this section of the quarterly report.*

#### **5.2. Members of the issuer's management bodies**



### 5.2.1. The issuer's board of directors (supervisory board)

Name: **Erokhin Vladimir Petrovich**

(**chairman**)

Year of birth: **1949**

Education: **higher professional**

All positions held by the person in the issuer and other organizations over the last 5 years and at present, including outside employment, in date order

Period		Organization	Position
from	to		
2012	present	Open Joint Stock Company "Surgutneftegas"	Chairman of the Board of Directors

The person's share in the charter capital of the issuer, %: **0.0104**

The issuer's ordinary shares held by the person, %: **0.0126**

Number of the issuer's shares of each category (type) that may be acquired by the person as a result of exercise of rights to the issuer's options held by the person: **the issuer did not issue any options.**

Participation in the work of the committees of the board of directors: **the member of the board of directors (supervisory board) does not participate in the work of the committees of the Board of Directors (supervisory board).**

Share of the person in the charter (share) capital (mutual fund) of the issuer's subsidiaries and affiliates: **the person does not have such shares.**

Nature of any kinship with other persons who are members of the issuer's management bodies and/or agencies supervising the issuer's financial and business activities: **no such kinship.**

Administrative actions taken against such a person for any financial, tax/charge, securities market violations or criminal prosecution (criminal record) of the person for economic crimes or crimes against the state: **there were no administrative or criminal actions brought against the person.**

Positions held by such a person in management bodies of commercial organizations during the period when any bankruptcy proceedings and/or a bankruptcy procedure were initiated in relation to such organizations as provided for in the bankruptcy (insolvency) legislation of the Russian Federation: **the person did not hold such positions.**

Name: **Bogdanov Vladimir Leonidovich**

Year of birth: **1951**

Education: **higher professional, Doctor of Economics**

All positions held by the person in the issuer and other organizations over the last 5 years and at present, including outside employment, in date order

Period		Organization	Position
from	to		
2012	present	Open Joint Stock Company "Surgutneftegas"	Director General
2012	present	Open Joint Stock Company "Surgutneftegas"	Vice Chairman of the Board of Directors
2012	January 2013	Limited Liability Company "National Petroleum Consortium"	Member of the Board of Directors

The person's share in the charter capital of the issuer, %: **0.3028**

The issuer's ordinary shares held by the person, %: **0.3673**

Number of the issuer's shares of each category (type) that may be acquired by the person as a result of exercise of rights to the issuer's options held by the person: **the issuer did not issue any options.**

Participation in the work of the committees of the Board of Directors: **the member of the Board of Directors (supervisory board) does not participate in the work of the committees of the Board of Directors (supervisory board).**

Share of the person in the charter (share) capital (mutual fund) of the issuer's subsidiaries and affiliates: **the person does not have such shares.**

Nature of any kinship with other persons who are members of the issuer's management bodies and/or agencies supervising the issuer's financial and business activities: **no such kinship.**

Administrative actions taken against such a person for any financial, tax/charge, securities market violations or criminal prosecution (criminal record) of the person for economic crimes or crimes against the state: **there were no**

**administrative or criminal actions brought against the person.**

Positions held by such a person in management bodies of commercial organizations during the period when any bankruptcy proceedings and/or a bankruptcy procedure were initiated in relation to such organizations as provided for in the bankruptcy (insolvency) legislation of the Russian Federation: **the person did not hold such positions.**

Name: **Bulanov Alexander Nikolaevich**

Year of birth: **1959**

Education: **higher professional**

All positions held by the person in the issuer and other organizations over the last 5 years and at present, including outside employment, in date order

Period		Organization	Position
from	to		
2012	present	Open Joint Stock Company "Surgutneftegas"	Chief Engineer – First Deputy Director General.
2012	present	Open Joint Stock Company "Surgutneftegas"	Member of the Board of Directors

The person's share in the charter capital of the issuer, %: **0.0005**

The issuer's ordinary shares held by the person, %: **0.0002**

Number of the issuer's shares of each category (type) that may be acquired by the person as a result of exercise of rights to the issuer's options held by the person: **the issuer did not issue any options.**

Participation in the work of the committees of the board of directors: **the member of the board of directors (supervisory board) does not participate in the work of the committees of the board of directors (supervisory Board).**

Share of the person in the charter (share) capital (mutual fund) of the issuer's subsidiaries and affiliates: **the person does not have such shares.**

Nature of any kinship with other persons who are members of the issuer's management bodies and/or agencies supervising the issuer's financial and business activities: **no such kinship.**

Administrative actions taken against such a person for any financial, tax/charge, securities market violations or criminal prosecution (criminal record) of the person for economic crimes or crimes against the state: **there were no administrative or criminal actions brought against the person.**

Positions held by such a person in management bodies of commercial organizations during the period when any bankruptcy proceedings and/or a bankruptcy procedure were initiated in relation to such organizations as provided for in the bankruptcy (insolvency) legislation of the Russian Federation: **the person did not hold such positions.**

Name: **Dinichenko Ivan Kalistratovich**

**Independent Member of the Board of Directors**

Year of birth: **1946**

Education: **higher professional**

All positions held by the person in the issuer and other organizations over the last 5 years and at present, including outside employment, in date order

Period		Organization	Position
from	to		
June 2014	present	Open Joint Stock Company "Surgutneftegas"	Member of the Board of Directors

The person's share in the charter capital of the issuer, %: **0.0003**

The issuer's ordinary shares held by the person, %: **0**

Number of the issuer's shares of each category (type) that may be acquired by the person as a result of exercise of rights to the issuer's options held by the person: **the issuer did not issue any options.**

Participation in the work of the committees of the board of directors:

Committee	Chairman
Audit Committee of the Board of Directors	No

Share of the person in the charter (share) capital (mutual fund) of the issuer's subsidiaries and affiliates: **the person does not have such shares.**

Nature of any kinship with other persons who are members of the issuer's management bodies and/or agencies supervising the issuer's financial and business activities: **no such kinship.**

Administrative actions taken against such a person for any financial, tax/charge, securities market violations or

criminal prosecution (criminal record) of the person for economic crimes or crimes against the state: ***there were no administrative or criminal actions brought against the person.***

Positions held by such a person in management bodies of commercial organizations during the period when any bankruptcy proceedings and/or a bankruptcy procedure were initiated in relation to such organizations as provided for in the bankruptcy (insolvency) legislation of the Russian Federation: ***the person did not hold such positions.***

Name: ***Krivosheev Viktor Mikhailovich***

Year of birth: ***1953***

Education: ***higher professional***

All positions held by the person in the issuer and other organizations over the last 5 years and at present, including outside employment, in date order

Period		Organization	Position
from	to		
June 2014	present	Open Joint Stock Company "Surgutneftegas"	Member of the Board of Directors

The person's share in the charter capital of the issuer, %: ***0.0064***

The issuer's ordinary shares held by the person, %: ***0.0072***

Number of the issuer's shares of each category (type) that may be acquired by the person as a result of exercise of rights to the issuer's options held by the person: ***the issuer did not issue any options.***

Participation in the work of the committees of the Board of directors: ***the member of the Board of directors (supervisory board) does not participate in the work of the committees of the board of directors (supervisory board).***

Share of the person in the charter (share) capital (mutual fund) of the issuer's subsidiaries and affiliates: ***the person does not have such shares.***

Nature of any kinship with other persons who are members of the issuer's management bodies and/or agencies supervising the issuer's financial and business activities: ***no such kinship.***

Administrative actions taken against such a person for any financial, tax/charge, securities market violations or criminal prosecution (criminal record) of the person for economic crimes or crimes against the state: ***there were no administrative or criminal actions brought against the person.***

Positions held by such a person in management bodies of commercial organizations during the period when any bankruptcy proceedings and/or a bankruptcy procedure were initiated in relation to such organizations as provided for in the bankruptcy (insolvency) legislation of the Russian Federation: ***the person did not hold such positions.***

Name: ***Matveev Nikolai Ivanovich***

Year of birth: ***1942***

Education: ***higher professional***

All positions held by the person in the issuer and other organizations over the last 5 years and at present, including outside employment, in date order

Period		Organization	Position
from	to		
2012	present	Open Joint Stock Company "Surgutneftegas"	Member of the Board of Directors

***No share in the charter capital of the issuer/no ordinary shares.***

Number of the issuer's shares of each category (type) that may be acquired by the person as a result of exercise of rights to the issuer's options held by the person: ***the issuer did not issue any options.***

Participation in the work of the committees of the board of directors

Committee	Chairman
Audit Committee of the Board of Directors	No

Share of the person in the charter (share) capital (mutual fund) of the issuer's subsidiaries and affiliates: ***the person does not have such shares.***

Nature of any kinship with other persons who are members of the issuer's management bodies and/or agencies supervising the issuer's financial and business activities: ***no such kinship.***

Administrative actions taken against such a person for any financial, tax/charge, securities market violations or criminal prosecution (criminal record) of the person for economic crimes or crimes against the state: ***there were no administrative or criminal actions brought against the person.***

Positions held by such a person in management bodies of commercial organizations during the period when any

bankruptcy proceedings and/or a bankruptcy procedure were initiated in relation to such organizations as provided for in the bankruptcy (insolvency) legislation of the Russian Federation: ***the person did not hold such positions.***

Name: ***Raritsky Vladimir Ivanovich***

Year of birth: ***1940***

Education: ***higher professional***

All positions held by the person in the issuer and other organizations over the last 5 years and at present, including outside employment, in date order

Period		Organization	Position
from	to		
June 2014	present	Open Joint Stock Company "Surgutneftegas"	Member of the Board of Directors

The person's share in the charter capital of the issuer, %: ***0.0079***

The issuer's ordinary shares held by the person, %: ***0.0089***

Number of the issuer's shares of each category (type) that may be acquired by the person as a result of exercise of rights to the issuer's options held by the person: ***the issuer did not issue any options.***

Participation in the work of the committees of the board of directors: ***the member of the board of directors (supervisory board) does not participate in the work of the committees of the board of directors (supervisory board).***

Share of the person in the charter (share) capital (mutual fund) of the issuer's subsidiaries and affiliates: ***the person does not have such shares.***

Nature of any kinship with other persons who are members of the issuer's management bodies and/or agencies supervising the issuer's financial and business activities: ***no such kinship.***

Administrative actions taken against such a person for any financial, tax/charge, securities market violations or criminal prosecution (criminal record) of the person for economic crimes or crimes against the state: ***there were no administrative or criminal actions brought against the person.***

Positions held by such a person in management bodies of commercial organizations during the period when any bankruptcy proceedings and/or a bankruptcy procedure were initiated in relation to such organizations as provided for in the bankruptcy (insolvency) legislation of the Russian Federation: ***the person did not hold such positions.***

Name: ***Usmanov Ildus Shagalievich***

Year of birth: ***1954***

Education: ***higher professional***

All positions held by the person in the issuer and other organizations over the last 5 years and at present, including outside employment, in date order

Period		Organization	Position
from	to		
June 2014	present	Open Joint Stock Company "Surgutneftegas"	Member of the Board of Directors

The person's share in the charter capital of the issuer, %: ***0.0018***

The issuer's ordinary shares held by the person, %: ***0.0022***

Number of the issuer's shares of each category (type) that may be acquired by the person as a result of exercise of rights to the issuer's options held by the person: ***the issuer did not issue any options.***

Participation in the work of the committees of the board of directors: ***the member of the board of directors (supervisory board) does not participate in the work of the committees of the board of directors (supervisory board).***

Share of the person in the charter (share) capital (mutual fund) of the issuer's subsidiaries and affiliates: ***the person does not have such shares.***

Nature of any kinship with other persons who are members of the issuer's management bodies and/or agencies supervising the issuer's financial and business activities: ***no such kinship.***

Administrative actions taken against such a person for any financial, tax/charge, securities market violations or criminal prosecution (criminal record) of the person for economic crimes or crimes against the state: ***there were no administrative or criminal actions brought against the person.***

Positions held by such a person in management bodies of commercial organizations during the period when any bankruptcy proceedings and/or a bankruptcy procedure were initiated in relation to such organizations as provided for

in the bankruptcy (insolvency) legislation of the Russian Federation: ***the person did not hold such positions.***

Name: ***Shashkov Vladimir Aleksandrovich***  
***Independent Member of the Board of Directors***

Year of birth: ***1946***

Education: ***higher professional***

All positions held by the person in the issuer and other organizations over the last 5 years and at present, including outside employment, in date order

Period		Organization	Position
from	to		
2012	present	Open Joint Stock Company "Surgutneftegas"	Member of the Board of Directors

The person's share in the charter capital of the issuer, %: ***0.0094***

The issuer's ordinary shares held by the person, %: ***0.0115***

Number of the issuer's shares of each category (type) that may be acquired by the person as a result of exercise of rights to the issuer's options held by the person: ***the issuer did not issue any options.***

Participation in the work of the committees of the board of directors:

Committee	Chairman
Audit Committee of the Board of Directors	Yes

Share of the person in the charter (share) capital (mutual fund) of the issuer's subsidiaries and affiliates: ***the person does not have such shares.***

Nature of any kinship with other persons who are members of the issuer's management bodies and/or agencies supervising the issuer's financial and business activities: ***no such kinship.***

Administrative actions taken against such a person for any financial, tax/charge, securities market violations or criminal prosecution (criminal record) of the person for economic crimes or crimes against the state: ***There were no administrative or criminal actions brought against the person.***

Positions held by such a person in management bodies of commercial organizations during the period when any bankruptcy proceedings and/or a bankruptcy procedure were initiated in relation to such organizations as provided for in the bankruptcy (insolvency) legislation of the Russian Federation: ***The person did not hold such positions.***

### 5.2.2. Individual executive body of the issuer

Name: ***Bogdanov Vladimir Leonidovich***

Year of birth: ***1951***

Education: ***higher professional, Doctor of Economics***

All positions held by the person in the issuer and other organizations over the last 5 years and at present, including outside employment, in date order

Period		Organization	Position
from	to		
2012	present	Open Joint Stock Company "Surgutneftegas"	Director General
2012	present	Open Joint Stock Company "Surgutneftegas"	Vice Chairman of the Board of Directors
2012	January 2013	Limited Liability Company "National Petroleum Consortium"	Member of the Board of Directors

The person's share in the charter capital of the issuer, %: ***0.3028***

The issuer's ordinary shares held by the person, %: ***0.3673***

Number of the issuer's shares of each category (type) that may be acquired by the person as a result of exercise of rights to the issuer's options held by the person: ***the issuer did not issue any options.***

Share of the person in the charter (share) capital (mutual fund) of the issuer's subsidiaries and affiliates: ***the person does not have such shares.***

Nature of any kinship with other persons who are members of the issuer's management bodies and/or agencies supervising the issuer's financial and business activities: ***no such kinship.***

Administrative actions taken against such a person for any financial, tax/charge, securities market violations or

criminal prosecution (criminal record) of the person for economic crimes or crimes against the state: *there were no administrative or criminal actions brought against the person.*

Positions held by such a person in management bodies of commercial organizations during the period when any bankruptcy proceedings and/or a bankruptcy procedure were initiated in relation to such organizations as provided for in the bankruptcy (insolvency) legislation of the Russian Federation: *the person did not hold such positions.*

### 5.2.3. The issuer's collegiate executive body

*No provision is made for a collegiate executive body.*

### 5.3. Remuneration and/or compensation for expenses for each management body of the issuer

Remuneration for each management body (except for the individual who performs the functions of the individual executive body of the issuer). Specify all types of remuneration, including salary, bonuses, commissions, benefits and/or compensations for expenses and other material representations:

#### Remuneration

The board of directors

Unit of measure: *thousand RUB*

Indicator	2017, 9 months
Remuneration for the participation in the work performed by the management body	<i>41,416.5</i>
Salary	
Bonus	
Commission	
Other types of remuneration	<i>280.8</i>
TOTAL	<i>41,697.3</i>

Existing agreements in relation to such payments in the current financial year: *remunerations are paid to the members of the Company's board of directors in accordance with the Company's Charter and the Regulations of the Board of Directors.*

#### Compensation

Unit of measure: *thousand RUB*

Management body	2017, 9 months
The Board of Directors	<i>4,414.9</i>

Additional information: *no.*

### 5.4. Structure and terms of reference for the agencies supervising the issuer's financial and business activities and organization of risk management system and internal control

*There were no changes in the information contained in this section of the quarterly report.*

### 5.5. Members of the agencies supervising the issuer's financial and business activities

Agency supervising the issuer's financial and business activities: *Auditing Committee*

Name: *Klinovskaya Taisiya Petrovna*

(*chairman*)

Year of birth: *1946*

Education: *higher professional*

All positions held by the person in the issuer and other organizations over the last 5 years and at present, including outside employment, in date order

Period		Organization	Position
from	to		
2012	January 2013	Open Joint Stock Company "Surgutneftegas"	Financial Division Head
2012	June 2014	Open Joint Stock Company "Surgutneftegas"	Member of the Board of Directors

The person's share in the charter capital of the issuer, %: **0.0091**

The issuer's ordinary shares held by the person, %: **0.0053**

Number of the issuer's shares of each category (type) that may be acquired by the person as a result of exercise of rights to the issuer's options held by the person: **the issuer did not issue any options.**

Share of the person in the charter (share) capital (mutual fund) of the issuer's subsidiaries and affiliates: **the person does not have such shares.**

Nature of any kinship with other persons who are members of the issuer's management bodies and/or agencies supervising the issuer's financial and business activities: **no such kinship.**

Administrative actions taken against such a person for any financial, tax/charge, securities market violations or criminal prosecution (criminal record) of the person for economic crimes or crimes against the state: **there were no administrative or criminal actions brought against the person.**

Positions held by such a person in management bodies of commercial organizations during the period when any bankruptcy proceedings and/or a bankruptcy procedure were initiated in relation to such organizations as provided for in the bankruptcy (insolvency) legislation of the Russian Federation: **the person did not hold such positions.**

Name: **Oleynik Tamara Fedorovna**

Year of birth: **1947**

Education: **secondary professional**

All positions held by the person in the issuer and other organizations over the last 5 years and at present, including outside employment, in date order

Period		Organization	Position
from	to		

**No share in the charter capital of the issuer/no ordinary shares.**

Number of the issuer's shares of each category (type) that may be acquired by the person as a result of exercise of rights to the issuer's options held by the person: **the issuer did not issue any options.**

Share of the person in the charter (share) capital (mutual fund) of the issuer's subsidiaries and affiliates: **the person does not have such shares.**

Nature of any kinship with other persons who are members of the issuer's management bodies and/or agencies supervising the issuer's financial and business activities: **no such kinship.**

Administrative actions taken against such a person for any financial, tax/charge, securities market violations or criminal prosecution (criminal record) of the person for economic crimes or crimes against the state: **there were no administrative or criminal actions brought against the person.**

Positions held by such a person in management bodies of commercial organizations during the period when any bankruptcy proceedings and/or a bankruptcy procedure were initiated in relation to such organizations as provided for in the bankruptcy (insolvency) legislation of the Russian Federation: **the person did not hold such positions.**

Name: **Musikhina Valentina Viktorovna**

Year of birth: **1960**

Education: **secondary professional**

All positions held by the person in the issuer and other organizations over the last 5 years and at present, including outside employment, in date order

Period		Organization	Position
from	to		

**No share in the charter capital of the issuer/no ordinary shares.**

Number of the issuer's shares of each category (type) that may be acquired by the person as a result of exercise of rights to the issuer's options held by the person: **the issuer did not issue any options.**

Share of the person in the charter (share) capital (mutual fund) of the issuer's subsidiaries and affiliates: **the person**

*does not have such shares.*

Nature of any kinship with other persons who are members of the issuer's management bodies and/or agencies supervising the issuer's financial and business activities: ***no such kinship.***

Administrative actions taken against such a person for any financial, tax/charge, securities market violations or criminal prosecution (criminal record) of the person for economic crimes or crimes against the state: ***there were no administrative or criminal actions brought against the person.***

Positions held by such a person in management bodies of commercial organizations during the period when any bankruptcy proceedings and/or a bankruptcy procedure were initiated in relation to such organizations as provided for in the bankruptcy (insolvency) legislation of the Russian Federation: ***the person did not hold such positions.***

Agency supervising the issuer's financial and business activities: ***Other***

#### ***Internal Audit Service***

Head of such separate business unit (body) of the issuer

Position of the head of the business unit: ***Head of service***

Name: ***Arteeva Alexandra Ivanovna***

Year of birth: ***1959***

Education: ***higher professional***

All positions held by the person in the issuer and other organizations over the last 5 years and at present, including outside employment, in date order

Period		Organization	Position
from	to		
2012	present	Open Joint Stock Company "Surgutneftegas"	Head of Internal Audit Service

***No share in the charter capital of the issuer/no ordinary shares.***

Number of the issuer's shares of each category (type) that may be acquired by the person as a result of exercise of rights to the issuer's options held by the person: ***the issuer did not issue any options.***

Share of the person in the charter (share) capital (mutual fund) of the issuer's subsidiaries and affiliates: ***the person does not have such shares.***

Nature of any kinship with other persons who are members of the issuer's management bodies and/or agencies supervising the issuer's financial and business activities: ***no such kinship.***

Administrative actions taken against such a person for any financial, tax/charge, securities market violations or criminal prosecution (criminal record) of the person for economic crimes or crimes against the state: ***there were no administrative or criminal actions brought against the person.***

Positions held by such a person in management bodies of commercial organizations during the period when any bankruptcy proceedings and/or a bankruptcy procedure were initiated in relation to such organizations as provided for in the bankruptcy (insolvency) legislation of the Russian Federation: ***the person did not hold such positions.***

## **5.6. Remuneration and (or) compensation for expenses for the agency supervising the issuer's financial and business activity**

### **Remuneration**

For each agency supervising the issuer's financial and business activities (except for the individual who holds the position (who performs the functions) of the issuer's auditor) all types of remuneration with their amount are specified, including salaries of the members of the agencies supervising the issuer's financial and business activities, who are (were) its employees, including ones having (had) other employment, bonuses, commissions, benefits paid separately for the participation in the work performed by the relevant agency supervising the issuer's financial and business activities, other types of remuneration paid by the issuer during the relevant reporting period, and also costs for performing the duties of the members of the agency supervising the issuer's financial and business activities remunerated by the issuer for the relevant reporting period are specified with their amount.

Unit of measure: ***thousand RUB***

Agency supervising the issuer's financial and business activities: ***Auditing Committee***

Remuneration for the participation in work performed by the supervising agency



Unit of measure: *thousand RUB*

Indicator	2017, 9 months
Remuneration for the participation in work performed by the agency supervising the issuer's financial and business activities	<i>2,100</i>
Salary	
Bonus	
Commission	
Other types of remuneration	
TOTAL	<i>2,100</i>

Existing agreements in relation to such payments in the current financial year: *no*.

Agency supervising the issuer's financial and business activities: *Internal Audit Service*

Remuneration for the participation in work performed by the supervising agency

Unit of measure: *thousand RUB*

Indicator	2017, 9 months
Remuneration for the participation in work performed by the agency supervising the issuer's financial and business activities	
Salary	<i>7,473</i>
Bonus	<i>1,509.6</i>
Commission	
Other types of remuneration	
TOTAL	<i>8,982.6</i>

Existing agreements in relation to such payments in the current financial year: *no*.

#### **Compensation**

Unit of measure: *thousand RUB*

Supervising body (of the business unit)	2017, 9 months
Auditing Committee	<i>72</i>
Internal Audit Service	<i>326.9</i>

Additional information: *no*.

#### **5.7. Number of the issuer's employees (workers), their categories and changes in their number**

Unit of measure: *thousand RUB*

Indicator	2017, 9 months
Average number of employees, people	<i>102,286</i>
Gross payroll for the reporting period	<i>88,257,285.8</i>
Social payments for the reporting period	<i>2,026,079.1</i>

*The employees (workers) of the Company formed a trade union body.*

## **5.8. Obligations of the issuer to its employees (workers) relating to their possible participation in the issuer's charter capital**

*The issuer has no obligations to its employees (workers) relating to their possible participation in the issuer's charter capital.*

## **Section VI. The issuer's members (shareholders) and interested party transactions conducted by the issuer**

### **6.1. Total number of the issuer's shareholders (members)**

The total number of persons having a non-zero balance accounts registered in the issuer's shareholder register as of the end of the reporting quarter: **32,462**

The total number of the issuer's nominee shareholders: **6**

the total number of persons included in the most recently compiled list of persons who had (have) the right to participate in the issuer's general shareholders' meeting (other list of persons compiled in order to exercise (realize) rights to the issuer's shares, and for the compiling of which the nominee holders of the issuer's shares provided data on persons, on behalf of which they held (hold) the issuer's shares): **29,869**

The date when the list of persons included in the most recently compiled list of persons who had (have) the right to participate in the issuer's general shareholders' meeting is compiled (other list of persons compiled in order to exercise (realize) rights to the issuer's shares, and for the compiling of which the nominee holders of the issuer's shares provided data on persons, on behalf of which they held (hold) the issuer's shares): **4 June 2017**

Holders of the issuer's ordinary shares who were to be included in such a list: **29,869**

Holders of the issuer's preference shares who were to be included in such a list: **0**

Information on the number of treasury shares on the issuer's balance as of the end of the reporting quarter: **there are no treasury shares on the issuer's balance.**

Information on the number of the issuer's shares held by its subordinates

Category of shares: **ordinary**

Number of the issuer's shares held by its subordinates: **650,000**

### **6.2. The issuer's members (shareholders) holding at least five percent of its charter capital or at least five percent of its ordinary shares as well as persons controlling such members (shareholders) and in absence of such persons – members (shareholders) of such persons who hold at least 20 percent of the charter capital or at least 20 percent of their ordinary shares**

The issuer's members (shareholders) holding at least five percent of its charter capital or at least five percent of its ordinary shares

#### **1. Nominee holder**

Information on the nominee holder

Full corporate name: **Non-banking credit organization Joint-Stock Company "National Settlement Depository"**

Abbreviated corporate name: **NCO JSC NSD**

Location: **105066, Moscow, ul. Spartakovskaya, 12**

INN: **7702165310**

OGRN: **1027739132563**

Telephone: **+7 (495) 232 0273**

Fax: **+7 (495) 956 0938**

E-mail: **reginfo@nsd.ru**

License of securities market professional participant

Number: **045-12042-000100**

Date of issue: **19.02.2009**

Valid till: *unlimited*

Issuing authority: *Federal Financial Markets Service (FSFR) of Russia*

The number of the issuer's ordinary shares registered in the issuer's shareholder register in the name of the said nominee holder: *3,902,962,324*

The number of the issuer's preference shares registered in the issuer's shareholder register in the name of the said nominee holder: *5,079,863,871*

Other information as the issuer may wish to disclose: *no*.

### **6.3. Share of the state or a municipal formation in the issuer's charter capital; any special right ("golden share")**

Persons who administer blocks of shares owned by the state, municipal formations

#### ***Municipal ownership***

Name: *City district, the city of Surgut as represented by the Administration of the city of Surgut*

Location: *628408, ul. Engelsa, 8, Surgut, Khanty-Mansiysky Autonomous Okrug – Yugra, Tyumenskaya Oblast*

Share of the charter capital of the issuer under state (federal, of constituent territories of the Russian Federation) municipal ownership: *0.0278%*

#### ***Municipal ownership***

Name: *Municipal unit Surgutsky District as represented by the Administration of Surgutsky District*

Location: *628400, Surgut, Khanty-Mansiysky Autonomous Okrug – Yugra*

Share of the charter capital of the issuer under state (federal, of constituent territories of the Russian Federation) municipal ownership: *0.0127%*

Persons who exercise functions of the issuer's member (shareholder) on behalf of the Russian Federation, an entity of the Russian Federation, or municipal formation

#### ***Municipal ownership***

Name: *City district, the city of Surgut as represented by the Administration of the city of Surgut*

Location: *628408, ul. Engelsa, 8, Surgut, Khanty-Mansiysky Autonomous Okrug – Yugra, Tyumenskaya Oblast*

Share of the charter capital of the issuer under state (federal, of constituent territories of the Russian Federation) municipal ownership: *0.0278%*

#### ***Municipal ownership***

Name: *Municipal unit Surgutsky District as represented by the Administration of Surgutsky District*

Location: *628400, Surgut, Khanty-Mansiysky Autonomous Okrug – Yugra*

Share of the charter capital of the issuer under state (federal, of constituent territories of the Russian Federation) municipal ownership: *0.0127%*

Special right of the Russian Federation, the constituent territories of the Russian Federation or municipalities to participate in the administration of the issuer – joint stock company ("golden share") and duration of the special right ("golden share")

*No such right.*

### **6.4. Restrictions on participation in the issuer's charter capital**

*There are no restrictions on participation in the issuer's charter capital.*

### **6.5. Changes in the list and participation of the issuer's shareholders (members) holding at least five percent of its charter capital or at least five percent of its ordinary shares**

The issuer's shareholders (members) holding at least five percent of the issuer's charter capital, and for joint stock companies as issuers also holding at least five percent of the issuer's ordinary shares determined as of the date of the list of persons entitled to participate in each general shareholders' (members') meeting of the issuer held in the last completed financial year preceding the end of the reporting quarter, and for the period from the date when the current

financial year started till the date when the reporting quarter ended based on the list of persons entitled to participate in each of such meetings

Additional information: ***no***.

#### **6.6. Interested party transactions conducted by the issuer**

***No such transactions.***

#### **6.7. Accounts receivable**

As of 30.09.2017

Unit of measure: ***thousand RUB***

<b>Indicator</b>	<b>Indicator value</b>
Accounts receivable from buyers and customers	<b><i>71,743,185</i></b>
including those overdue	<b><i>7,688</i></b>
Notes receivable	
including those overdue	
Members' (incorporators') arrears of charter capital contributions	
including those overdue	
Other accounts receivable	<b><i>182,852,687</i></b>
including those overdue	
Total accounts receivable	<b><i>254,595,872</i></b>
including total overdue accounts receivable	<b><i>7,688</i></b>

Debtors who account for at least 10 percent of the total accounts receivable in the reporting period

***No such debtors.***

## Section VII. The issuer's accounting (financial) statements and other financial information

### 7.1. Annual accounting (financial) statements of the issuer

Not subject to presentation in this reporting quarter.

### 7.2. Interim accounting (financial) statements of the issuer

**Balance Sheet  
as of 30.09.2017**

Company: **Open Joint Stock Company "Surgutneftegas"**

Taxpayer identification number

Type of activity: **crude oil production**

Form of legal organization/form of ownership: **Open Joint Stock Company/Private property**

Unit of measure: **thousand RUB**

Location (address): **628415 Russia, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Grigoriya Kukuyevitskogo, 1, bld. 1**

	Codes
Form by OKUD	<b>0710001</b>
Date	<b>30.09.2017</b>
by OKPO	<b>05753490</b>
INN	<b>8602060555</b>
by OKVED2	<b>06.10.1</b>
by OKOPF/OKFS	<b>12247 / 16</b>
by OKEI	<b>384</b>

Notes	ASSETS	Line code	As of 30.09.2017	As of 31.12.2016	As of 31.12.2015
1	2	3	4	5	6
	<b>I. NON-CURRENT ASSETS</b>				
	Intangible assets	1110	667,754	567,427	548,352
	R&D results	1120	224,265	143,419	213,665
	Intangible prospecting assets	1130	49,636,182	44,486,303	36,423,674
	Tangible prospecting assets	1140			
	Fixed assets	1150	824,896,723	817,489,027	752,847,663
	including				
	buildings, machinery, equipment, and other fixed assets, excluding land, objects of environmental management, and capital investments in progress	1151	765,951,306	754,655,089	676,370,601
	Income yielding investments in tangible assets	1160	2,726,052	2,887,646	3,093,832
	Financial investments	1170	1,605,165,189	1,773,553,018	2,007,179,799
	including other financial investments, excluding investments in organizations and loans granted	1171	1,445,826,401	1,619,633,606	1,866,481,918
	Deferred tax assets	1180	14,100,638	23,718,078	26,166
	Other non-current assets	1190	57,416,691	58,032,386	59,369,781
	<b>TOTAL for Section I</b>	<b>1100</b>	<b>2,554,833,494</b>	<b>2,720,877,304</b>	<b>2,859,702,932</b>
	<b>II. CURRENT ASSETS</b>				
	Stocks	1210	79,641,719	84,612,290	81,154,030
	Value Added Tax on acquired valuables	1220	4,459,367	4,319,637	4,479,359
	Accounts receivable	1230	254,595,872	272,521,980	206,168,244
	Financial investments (excluding cash equivalents)	1240	650,463,199	414,155,608	479,972,123
	including other financial investments, excluding investments in organizations and loans granted	1241	650,463,199	414,155,608	479,972,123
	Cash and cash equivalents	1250	50,633,276	42,293,015	72,125,809

	Other current assets	1260	673,217	1,585,023	877,956
	TOTAL for Section II	1200	1,040,466,650	819,487,553	844,777,521
	BALANCE (assets)	1600	3,595,300,144	3,540,364,857	3,704,480,453

Notes	LIABILITIES	Line code	As of 30.09.2017	As of 31.12.2016	As of 31.12.2015
1	2	3	4	5	6
	III. CAPITAL AND RESERVES				
	Charter capital (share capital, authorized fund, partners' contributions)	1310	43,427,993	43,427,993	43,427,993
	Treasury shares	1320			
	Revaluation of non-current assets	1340	510,870,848	513,790,825	490,607,359
	Additional capital (no revaluation)	1350	192,511,786	192,511,786	192,511,786
	Reserve capital	1360	6,514,198	6,514,198	6,514,198
	Retained profit (uncovered loss)	1370	2,664,430,138	2,596,504,129	2,770,302,491
	TOTAL for Section III	1300	3,417,754,963	3,352,748,931	3,503,363,827
	IV. LONG-TERM LIABILITIES				
	Borrowed funds	1410			
	Deferred tax liabilities	1420	78,124,632	76,257,353	70,670,532
	Estimated liabilities	1430			
	Other liabilities	1450	216,118	639,292	509,218
	TOTAL for Section IV	1400	78,340,750	76,896,645	71,179,750
	V. SHORT-TERM LIABILITIES				
	Borrowed funds	1510			
	Accounts payable	1520	86,542,432	96,541,953	116,947,293
	Deferred income	1530	613,998	703,022	314,861
	Estimated liabilities	1540	11,830,561	13,077,807	12,203,314
	Other liabilities	1550	217,440	396,499	471,408
	TOTAL for Section V	1500	99,204,431	110,719,281	129,936,876
	BALANCE (liabilities)	1700	3,595,300,144	3,540,364,857	3,704,480,453

**Income Statement  
for January-September 2017**

Company: **Open Joint Stock Company “Surgutneftegas”**

Taxpayer identification number

Type of activity: **crude oil production**

Form of legal organization/form of ownership: **Open Joint Stock Company/Private property**

Unit of measure: **thousand RUB**

Location (address): **628415 Russia, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Grigoriya Kukuyevitskogo, 1, bld. 1**

	Codes
Form by OKUD	<b>0710002</b>
Date	<b>30.09.2017</b>
by OKPO	<b>05753490</b>
INN	<b>8602060555</b>
by OKVED2	<b>06.10.1</b>
by OKOPF/OKFS	<b>12247 / 16</b>
by OKEI	<b>384</b>

Notes	Indicator	Line code	For 9 months of 2017	For 9 months of 2016
1	2	3	4	5
	Revenue	2110	819,477,552	718,213,126
	Cost of sales	2120	-591,720,555	-476,010,991
	Gross profit (loss)	2100	227,756,997	242,202,135
	Selling expenses	2210	-69,670,733	-69,521,316
	Management expenses	2220		
	Sales profit (loss)	2200	158,086,264	172,680,819
	Income from participation in other organizations	2310	955,527	878,466
	Interest receivable	2320	68,840,606	78,618,135
	Interest payable	2330		-104
	Other income	2340	765,876,991	953,748,973
	Other expenses	2350	-882,300,334	-1,314,125,549
	Profit (loss) before tax	2300	111,459,054	-108,199,260
	Current profit tax	2410	-19,106,910	
	incl. permanent tax liabilities (assets)	2421	12,252,403	21,240,460
	Change in deferred tax liabilities	2430	-1,867,279	-3,228,707
	Change in deferred tax assets	2450	-9,617,440	-2,946
	Other	2460	355,251	46,015
	Reallocation of profit tax within the consolidated group of taxpayers	2465	9,644,835	213,556
	Net profit (loss)	2400	90,867,511	-111,171,342
	FOR REFERENCE ONLY:			
	Results of revaluation of non-current assets not included in net profit (loss) of the period	2510		
	Results of other operations not included in net profit (loss) of the period	2520		
	Comprehensive income of the period	2500	90,867,511	-111,171,342
	Base profit (loss) per share	2900		
	Diluted profit (loss) per share	2910		

### 7.3. Consolidated financial statements of the issuer

*The issuer is obliged to prepare interim consolidated financial statements in accordance with International financial reporting standards or other internationally recognized rules different from IFRS.*

2017 – IFRS/GAAP

Reporting period

Year: **2017**

Period: **6 months**

Standards (rules) used for preparing consolidated financial statements shown in this section of the quarterly report:  
**IFRS**

*The information is provided in the appendix to this quarterly report.*

### 7.4. Accounting policy of the issuer

*There were no changes in the information contained in this section of the quarterly report.*

### 7.5. Total export and share of export in total sales

Unit of measure: *thousand RUB*

Indicator	2017, 9 months
Total earnings of the issuer from export of products (goods, works, services)	<b>594,621,504</b>
Share of such earnings in sales revenue, %	<b>72.6</b>

### 7.6. Substantial changes in the issuer's property after the end of the last completed reporting year

Substantial changes in the issuer's property during 12 months prior to the end of the reporting quarter: *there were no substantial changes in the issuer's property during 12 months prior to the end of the reporting quarter.*

Additional information: *no.*

### 7.7. Issuer's participation in litigations in case such participation may substantially affect financial and business activities of the issuer

*The issuer did not/does not participate in any litigations which affected/may affect financial and business activities for the period from the beginning of the last completed financial year and up to the end of the reporting quarter.*

## Section VIII. Additional information on the issuer and equity securities placed by the issuer

### 8.1. Additional information on the issuer

#### 8.1.1. Size and structure of the issuer's charter capital

The issuer's charter capital as of the end of the last reporting quarter, RUB: **43,427,992,940**

Ordinary shares

Total nominal value: **35,725,994,705**



Share in the charter capital, %: **82.2648994034**

Preference

Total nominal value: **7,701,998,235**

Share in the charter capital, %: **17.7351005966**

Specify if the amount of charter capital shown in this paragraph corresponds to the issuer's constituent documents:  
***the amount of the Company's charter capital corresponds to the constituent documents.***

***The issuer's shares are traded outside the Russian Federation by means of depositary securities trading (foreign issuers' securities which represent such shares of the Russian issuer)***

Category (type) of shares traded outside the Russian Federation

Type of securities: ***shares***

Category of shares: ***ordinary***

Shares traded outside the Russian Federation in the total number of shares of the same category (type): **6.14**

Foreign issuer whose securities represent the issuer's shares of this category (type)

Full corporate name: ***The Bank of New York Mellon***

Location: ***USA, NY 10286, New York, 101 Barclay Street***

Summary of the issue program (type of the program) for the foreign issuer's depository receipts representing shares of the same category (type):

***sponsored, level I: each American depository share represents 10 ordinary registered shares of the Company.***

On the Company's obtaining a permit issued by The Bank of Russia and (or) authorized government body (authorized state authority) of the Russian Federation to offer and (or) trade issuer's securities of the same category (type) outside the Russian Federation:

***not applicable.***

Foreign market maker(s) trading the issuer's shares (depository receipts representing the issuer's shares) (if such trading exists):

***Berlin Stock Exchange, Frankfurt Stock Exchange, London Stock Exchange, Pink OTC Markets Inc.***

Other information about the issuer's shares traded outside the Russian Federation as the issuer may wish to disclose:  
***the date when the program was launched is 30 December 1996.***

Type of securities: ***shares***

Category of shares: ***preference***

Type of shares: **-**

Shares traded outside the Russian Federation in the total number of shares of the same category (type): **8.1**

Foreign issuer whose securities represent the issuer's shares of this category (type)

Full corporate name: ***The Bank of New York Mellon***

Location: ***USA, NY 10286, New York, 101 Barclay Street***

Summary of the issue program (type of the program) for the foreign issuer's depository receipts representing shares of the same category (type):

***sponsored, level I: each American depository share represents 10 preference registered shares of the Company.***

On the Company's obtaining a permit issued by The Bank of Russia and (or) authorized government body (authorized state authority) of the Russian Federation to offer and (or) trade issuer's securities of the same category (type) outside the Russian Federation:

***not applicable.***

Foreign market maker(s) trading the issuer's shares (depository receipts representing the issuer's shares) (if such trading exists):

***Berlin Stock Exchange, Frankfurt Stock Exchange, Pink OTC Markets Inc.***

Other information about the issuer's shares traded outside the Russian Federation as the issuer may wish to disclose:  
***the date when the program was launched is 19 March 1998.***

### **8.1.2. Changes in the size of the issuer's charter capital**

*The size of the charter capital did not change during this period.*

### **8.1.3. Convening and holding a meeting (session) of the issuer's supreme management body**

*There were no changes in the information contained in this section of the quarterly report.*

### **8.1.4. Commercial organizations where the issuer holds at least five percent of the charter capital or at least five percent of ordinary shares**

Commercial organizations where the issuer holds at least five percent of the charter (share) capital (mutual fund) or at least five percent of ordinary shares as of the end of the last reporting quarter

1. Full corporate name: **Limited Liability Company "Novgorodnefteproduct"**

Abbreviated corporate name: **LLC "Novgorodnefteproduct"**

Location: **Russian Federation, Veliky Novgorod**

INN: **5321059365**

OGRN: **1025300788644**

The issuer's share in the charter capital of commercial organization: **100%**

The person's share in the charter capital of the issuer: **0%**

The issuer's ordinary shares held by the person: **0%**

2. Full corporate name: **Limited Liability Company "Syrgutmebel"**

Abbreviated corporate name: **LLC "Syrgutmebel"**

Location: **Russian Federation, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, poselok Barsovo, Vostochnaya industrial 1 territory, 2**

INN: **8617013396**

OGRN: **1028601679688**

The issuer's share in the charter capital of commercial organization: **100%**

The person's share in the charter capital of the issuer: **0%**

The issuer's ordinary shares held by the person: **0%**

3. Full corporate name: **Limited Liability Company "Marketing Association "Pskovnefteproduct"**

Abbreviated corporate name: **LLC "Pskovnefteproduct"**

Location: **Russian Federation, Pskov**

INN: **6027042337**

OGRN: **1026000970049**

The issuer's share in the charter capital of commercial organization: **100%**

The person's share in the charter capital of the issuer: **0%**

The issuer's ordinary shares held by the person: **0%**

4. Full corporate name: **Limited Liability Company "Marketing Association "Tvernefteproduct"**

Abbreviated corporate name: **LLC "MA "Tvernefteproduct"**

Location: **Russian Federation, Tver, ul. Novotorzhskaya, 6**

INN: **6905041501**

OGRN: **1026900510647**

The issuer's share in the charter capital of commercial organization: **100%**

The person's share in the charter capital of the issuer: **0%**

The issuer's ordinary shares held by the person: **0%**

5. Full corporate name: **Limited Liability Company "Kaliningradnefteproduct"**

Abbreviated corporate name: **LLC "Kaliningradnefteproduct"**

Location: **Russian Federation, Kaliningrad, Central District, ul. Komsomolskaya, 22-b,**

INN: **3900000136**

OGRN: **1023900589240**

The issuer's share in the charter capital of commercial organization: **100%**

The person's share in the charter capital of the issuer: **0%**

The issuer's ordinary shares held by the person: **0%**

6. Full corporate name: **Limited Liability Company "Oil Refining and Petrochemical Enterprises Design Institute"**

Abbreviated corporate name: **LLC "Lengiproneftekhim"**

Location: **Russian Federation, Saint Petersburg, nab.Obvodnogo kanala, 94**

INN: **7810327462**

OGRN: **1057803105755**

The issuer's share in the charter capital of commercial organization: **100%**

The person's share in the charter capital of the issuer: **0%**

The issuer's ordinary shares held by the person: **0%**

7. Full corporate name: **Limited Liability Company "Kirishiavtoservis"**

Abbreviated corporate name: **LLC "Kirishiavtoservis"**

Location: **196084, Russian Federation, Saint Petersburg, ul.Smolenskaya, 12, lit. A**

INN: **7840016802**

OGRN: **1057807804064**

The issuer's share in the charter capital of commercial organization: **100%**

The person's share in the charter capital of the issuer: **0%**

The issuer's ordinary shares held by the person: **0%**

8. Full corporate name: **Limited Liability Company "Media-Invest".**

Abbreviated corporate name: **LLC "Media-Invest"**

Location: **Moscow**

INN: **7704667322**

OGRN: **1077762407580**

The issuer's share in the charter capital of commercial organization: **100%**

The person's share in the charter capital of the issuer: **0%**

The issuer's ordinary shares held by the person: **0%**

9. Full corporate name: **Open Joint Stock Company "Sovkhoz "Chervishevsky"**

Abbreviated corporate name: **OJSC "Sovkhoz "Chervishevsky"**

Location: **Russian Federation, Tyumenskaya Oblast, Tyumensky District, s.Chervishevo**

INN: **7224019466**

OGRN: **1027200789142**

The issuer's share in the charter capital of commercial organization: **94.9996%**

The Company's ordinary shares held by the issuer: **94.9996%**

The person's share in the charter capital of the issuer: **0%**

The issuer's ordinary shares held by the person: **0%**

10. Full corporate name: **Limited Liability Company "Insurance Company "Surgutneftegas"**

Abbreviated corporate name: **LLC "Insurance Company "Surgutneftegas"**

Location: **Russian Federation, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut**

INN: **8602103061**

OGRN: **1028600581811**

The issuer's share in the charter capital of commercial organization: **100%**

The person's share in the charter capital of the issuer: **0%**

The issuer's ordinary shares held by the person: **0%**

11. Full corporate name: **Limited Liability Company "Production Association "Kirishinefteorgsintez"**

Abbreviated corporate name: **LLC "KINEF"**

Location: **Russian Federation, Leningradskaya Oblast, Kirishi**

INN: **4708007089**

OGRN: **1024701478735**

The issuer's share in the charter capital of commercial organization: **100%**

The person's share in the charter capital of the issuer: **0%**

The issuer's ordinary shares held by the person: **0%**

12. Full corporate name: ***Joint Stock Company "Surgutneftegasbank"***

Abbreviated corporate name: ***JSC BANK "SNGB"***

Location: ***Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut***

INN: ***8602190258***

OGRN: ***1028600001792***

The issuer's share in the charter capital of commercial organization: ***97.7591%***

The Company's ordinary shares held by the issuer: ***98.2389%***

The person's share in the charter capital of the issuer: ***0.0015%***

The issuer's ordinary shares held by the person: ***0.0018%***

13. Full corporate name: ***Limited Liability Company "Invest-Zaschita"***

Abbreviated corporate name: ***LLC "Invest-Zaschita"***

Location: ***628400, Russian Federation, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Entuziastov, 52/1***

INN: ***8602102332***

OGRN: ***1028600581680***

The issuer's share in the charter capital of commercial organization: ***15.13%***

The person's share in the charter capital of the issuer: ***0.1106%***

The issuer's ordinary shares held by the person: ***0.0236%***

14. Full corporate name: ***Joint Stock Company "St. Petersburg International Mercantile Exchange"***

Abbreviated corporate name: ***JSC "SPIMEX"***

Location: ***Russian Federation, Saint Petersburg***

INN: ***7840389730***

OGRN: ***1089847188903***

The issuer's share in the charter capital of commercial organization: ***8%***

The Company's ordinary shares held by the issuer: ***8%***

The person's share in the charter capital of the issuer: ***0%***

The issuer's ordinary shares held by the person: ***0%***

15. Full corporate name: ***Joint Stock Company "Aktionerny Bank "ROSSIYA"***

Abbreviated corporate name: ***JSC "AB "ROSSIYA"***

Location: ***Russian Federation, Saint Petersburg***

INN: ***7831000122***

OGRN: ***1027800000084***

The issuer's share in the charter capital of commercial organization: ***5.42%***

The Company's ordinary shares held by the issuer: ***0%***

The person's share in the charter capital of the issuer: ***0%***

The issuer's ordinary shares held by the person: ***0%***

16. Full corporate name: ***Open Joint Stock Company "Airport Surgut"***

Abbreviated corporate name: ***OJSC "Airport Surgut"***

Location: ***628422 Russian Federation, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Aeroflotskaya, 49/1***

INN: ***8602060523***

OGRN: ***1028600603998***

The issuer's share in the charter capital of commercial organization: ***5%***

The Company's ordinary shares held by the issuer: ***5%***

The person's share in the charter capital of the issuer: ***0%***

The issuer's ordinary shares held by the person: ***0%***

17. Full corporate name: **TELCREST INVESTMENTS LIMITED**  
Abbreviated corporate name: **TELCREST INVESTMENTS LIMITED**  
Location: **Cyprus, JULIA HOUSE 1066, Nicosia, Cyprus, Themistokli Dervi, 3**  
The issuer's share in the charter capital of commercial organization: **9.5341%**  
The person's share in the charter capital of the issuer: **0%**  
The issuer's ordinary shares held by the person: **0%**
18. Full corporate name: **Closed Joint-Stock Company "National Media Group"**  
Abbreviated corporate name: **JSC "National Media Group"**  
Location: **119034 Russian Federation, Moscow, Prechistenskaya nab., 13, bld. 1**  
INN: **7704676655**  
OGRN: **1087746152207**  
The issuer's share in the charter capital of commercial organization: **23.9752%**  
The Company's ordinary shares held by the issuer: **23.9752%**  
The person's share in the charter capital of the issuer: **0%**  
The issuer's ordinary shares held by the person: **0%**

#### **8.1.5. Major transactions conducted by the issuer**

*No such transactions in the period under review.*

#### **8.1.6. Credit ratings of the issuer**

*There were no changes in the information contained in this section of the quarterly report.*

#### **8.2. Data on each category (type) of the issuer's shares**

*There were no changes in the information contained in this section of the quarterly report.*

#### **8.3. Previous issues of the issuer's equity securities, excluding the issuer's shares**

##### **8.3.1. Issues with all securities redeemed**

*There were no changes in the information contained in this section of the quarterly report.*

##### **8.3.2. Issues with securities that are not redeemed**

*There were no changes in the information contained in this section of the quarterly report.*

#### **8.4. Person(s) who offered security for the issuer's secured bonds and security offered for the issuer's secured bonds**

*The issuer made no registration of the prospectus for secured bonds, no secured bonds were admitted to stock-exchange trade.*

##### **8.4.1. Additional information on the issuer's mortgage bonds**

*The issuer did not place any mortgage bonds with obligations not fulfilled yet.*

##### **8.4.2. Additional information on collateral for collateral bonds that includes money claims**

*The issuer did not place any collateral cash secured bonds with obligations not fulfilled yet.*

#### **8.5. Organizations keeping records of rights for the issuer's equity securities**

*There were no changes in the information contained in this section of the quarterly report.*

#### **8.6. Legislative acts regulating import and export of capital which may influence the payment of dividends, interests, and other payments to non-residents**

*There were no changes in the information contained in this section of the quarterly report.*

## 8.7. Declared (accrued) and (or) paid dividends on the issuer's shares and the issuer's bond yield

### 8.7.1. Declared dividends and paid on the issuer's shares

Information for five last completed reporting years or for each completed reporting year if the issuer conducts its business for less than five years, and for the period from the date when the current financial year started till the date when the reporting quarter ended

Indicator	Indicator value for the relevant reporting period – 2012, full year
Category of shares, for preference shares – type	ordinary
Issuer's management body which passed a resolution of dividend declaration, date when such a resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such a resolution was adopted	The resolution was adopted at a general shareholders' meeting 28.06.2013, Minutes No. 24 dated 01.07.2013
Declared dividends per one share, RUB:	0.5
Total declared dividends on all shares of this category (type), RUB:	17,862,997,352.50
The date as of which the persons entitled to dividends are determined	14.05.2013
Reporting period (year, quarter) for which (by the results of which) the declared dividends are (were) paid:	2012, full year
Due period (date) for declared dividend payment	dividends shall be paid not later than on 27 August 2013.
Form of declared dividend payment (cash, other property)	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	net profit of the reporting year
Declared dividends ratio in the net profit of the reporting year, %	11.1
Total dividends paid on shares of this category (type), RUB	17,853,086,048.70
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	99.94
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2012 on the Company's ordinary shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Article 44 of Federal Law "On Joint Stock Companies" for the reasons beyond the Company's control: incorrect, incomplete or outdated information on the shareholder's banking details and/or mailing address he/she entered into a registered person's dividends questionnaire.
Other information about declared and (or) paid dividends as the issuer may wish to disclose	Declared unclaimed dividends are reinstated as part of the Company's undistributed profits.

Indicator	Indicator value for the relevant reporting period – 2012, full year
Category of shares, for preference shares – type	preference
Issuer's management body which passed a resolution of dividend declaration, date when such a resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such a resolution was adopted	The resolution was adopted at a general shareholders' meeting 28.06.2013, Minutes No. 24 dated 01.07.2013
Declared dividends per one share, RUB:	1.48
Total declared dividends on all shares of this category (type), RUB:	11,398,957,387.80
The date as of which the persons entitled to dividends are	14.05.2013

determined	
Reporting period (year, quarter) for which (by the results of which) the declared dividends are (were) paid:	2012, full year
Due period (date) for declared dividend payment	dividends shall be paid not later than on 27 August 2013.
Form of declared dividend payment (cash, other property)	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	net profit of the reporting year
Declared dividends ratio in the net profit of the reporting year, %	7.08
Total dividends paid on shares of this category (type), RUB	11,278,126,180.26
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	98.94
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2012 on the Company's preference shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Article 44 of Federal Law "On Joint Stock Companies" for the reasons beyond the Company's control when incorrect, incomplete or outdated information on banking details and/or mailing address were entered in a registered person's dividends questionnaire.
Other information about declared and (or) paid dividends as the issuer may wish to disclose	Declared unclaimed dividends are reinstalled as part of the Company's undistributed profits.

Indicator	Indicator value for the relevant reporting period – 2013, full year
Category of shares, for preference shares – type	ordinary
Issuer's management body which passed a resolution of dividend declaration, date when such a resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such a resolution was adopted	The resolution was adopted at a general shareholders' meeting 27.06.2014, Minutes No. 25 dated 30.06.2014
Declared dividends per one share, RUB:	0.6
Total declared dividends on all shares of this category (type), RUB:	21,435,596,823.00
The date as of which the persons entitled to dividends are determined	16.07.2014
Reporting period (year, quarter) for which (by the results of which) the declared dividends are (were) paid:	2013, full year
Due period (date) for declared dividend payment	dividends shall be paid not later than on 20 August 2014.
Form of declared dividend payment (cash, other property)	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	net profit of the reporting year
Declared dividends ratio in the net profit of the reporting year, %	8.36
Total dividends paid on shares of this category (type), RUB	21,423,858,854.06
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	99.95
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2013 on the Company's ordinary shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Article 44 of Federal Law "On Joint Stock Companies" for the reasons beyond the Company's control: incorrect,

	incomplete or outdated information on the shareholder's banking details and/or mailing address he/she entered into a registered person's dividends questionnaire.
Other information about declared and (or) paid dividends as the issuer may wish to disclose	Declared unclaimed dividends are reinstalled as part of the Company's undistributed profits.

Indicator	Indicator value for the relevant reporting period – 2013, full year
Category of shares, for preference shares – type	preference
Issuer's management body which passed a resolution of dividend declaration, date when such a resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such a resolution was adopted	The resolution was adopted at a general shareholders' meeting 27.06.2014, Minutes No. 25 dated 30.06.2014
Declared dividends per one share, RUB:	2.36
Total declared dividends on all shares of this category (type), RUB:	18,176,715,834.60
The date as of which the persons entitled to dividends are determined	16.07.2014
Reporting period (year, quarter) for which (by the results of which) the declared dividends are (were) paid:	2013, full year
Due period (date) for declared dividend payment	dividends shall be paid not later than on 20 August 2014.
Form of declared dividend payment (cash, other property)	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	net profit of the reporting year
Declared dividends ratio in the net profit of the reporting year, %	7.09
Total dividends paid on shares of this category (type), RUB	17,993,063,074.43
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	98.99
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2013 on the Company's preference shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Article 44 of Federal Law "On Joint Stock Companies" for the reasons beyond the Company's control when incorrect, incomplete or outdated information on banking details and/or mailing address were entered in a registered person's dividends questionnaire.
Other information about declared and (or) paid dividends as the issuer may wish to disclose	Declared unclaimed dividends are reinstalled as part of the Company's undistributed profits.

Indicator	Indicator value for the relevant reporting period – 2014, full year
Category of shares, for preference shares – type	ordinary
Issuer's management body which passed a resolution of dividend	The resolution was adopted at a general



declaration, date when such a resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such a resolution was adopted	shareholders' meeting 27.06.2015, Minutes No. 26 dated 30.06.2015
Declared dividends per one share, RUB:	0.65
Total declared dividends on all shares of this category (type), RUB:	23,221,896,558.25
The date as of which the persons entitled to dividends are determined	16.07.2015
Reporting period (year, quarter) for which (by the results of which) the declared dividends are (were) paid:	2014, full year
Due period (date) for declared dividend payment	dividends shall be paid not later than on 20 August 2015.
Form of declared dividend payment (cash, other property)	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	net profit of the reporting year
Declared dividends ratio in the net profit of the reporting year, %	2.6
Total dividends paid on shares of this category (type), RUB	23,208,039,359.4
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	99.94
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2014 on the Company's ordinary shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Article 44 of Federal Law "On Joint Stock Companies" for the reasons beyond the Company's control: incorrect, incomplete or outdated information on the shareholder's banking details and/or mailing address he/she entered into a registered person's dividends questionnaire.
Other information about declared and (or) paid dividends as the issuer may wish to disclose	

Indicator	Indicator value for the relevant reporting period – 2014, full year
Category of shares, for preference shares – type	preference
Issuer's management body which passed a resolution of dividend declaration, date when such a resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such a resolution was adopted	The resolution was adopted at a general shareholders' meeting 27.06.2015, Minutes No. 26 dated 30.06.2015
Declared dividends per one share, RUB:	8.21
Total declared dividends on all shares of this category (type), RUB:	63,233,405,509.35
The date as of which the persons entitled to dividends are determined	16.07.2015
Reporting period (year, quarter) for which (by the results of which) the declared dividends are (were) paid:	2014, full year
Due period (date) for declared dividend payment	dividends shall be paid not later than on 20 August 2015.
Form of declared dividend payment (cash, other property)	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	net profit of the reporting year
Declared dividends ratio in the net profit of the reporting year, %	7.09
Total dividends paid on shares of this category (type), RUB	62,595,669,719.28
Payout ratio in the total amount of the declared dividends on all	98.99

shares of this category (type), %	
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2014 on the Company's preference shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Article 44 of Federal Law "On Joint Stock Companies" for the reasons beyond the Company's control when incorrect, incomplete or outdated information on banking details and/or mailing address were entered in a registered person's dividends questionnaire.
Other information about declared and (or) paid dividends as the issuer may wish to disclose	

Indicator	Indicator value for the relevant reporting period – 2015, full year
Category of shares, for preference shares – type	ordinary
Issuer's management body which passed a resolution of dividend declaration, date when such a resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such a resolution was adopted	The resolution was adopted at a general shareholders' meeting 29.06.2016, Minutes No. 27 dated 30.06.2016
Declared dividends per one share, RUB:	0.6
Total declared dividends on all shares of this category (type), RUB:	21,435,596,823.00
The date as of which the persons entitled to dividends are determined	18.07.2016
Reporting period (year, quarter) for which (by the results of which) the declared dividends are (were) paid:	2015, full year
Due period (date) for declared dividend payment	22.08.2016
Form of declared dividend payment (cash, other property)	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	net profit of the reporting year
Declared dividends ratio in the net profit of the reporting year, %	2.85
Total dividends paid on shares of this category (type), RUB	21,421,307,627.93
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	99.93
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2015 on the Company's ordinary shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Clause 16 of Article 8.2 of Federal Law "On Securities Market"
Other information about declared and (or) paid dividends as the issuer may wish to disclose	

Indicator	Indicator value for the relevant reporting period – 2015, full year
Category of shares, for preference shares – type	preference
Issuer's management body which passed a resolution of dividend declaration, date when such a resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such a resolution was adopted	The resolution was adopted at a general shareholders' meeting 29.06.2016, Minutes No. 27 dated 30.06.2016
Declared dividends per one share, RUB:	6.92

Total declared dividends on all shares of this category (type), RUB:	53 297 827 786.20
The date as of which the persons entitled to dividends are determined	18.07.2016
Reporting period (year, quarter) for which (by the results of which) the declared dividends are (were) paid:	2015, full year
Due period (date) for declared dividend payment	22.08.2016
Form of declared dividend payment (cash, other property)	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	net profit of the reporting year
Declared dividends ratio in the net profit of the reporting year, %	7.09
Total dividends paid on shares of this category (type), RUB	52,741,443,469.92
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	98.96
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2015 on the Company's preference shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Clause 16 of Article 8.2 of Federal Law "On Securities Market"
Other information about declared and (or) paid dividends as the issuer may wish to disclose	

Indicator	Indicator value for the relevant reporting period – 2016, full year
Category of shares, for preference shares – type	ordinary
Issuer's management body which passed a resolution of dividend declaration, date when such a resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such a resolution was adopted	The resolution was adopted at a general shareholders' meeting 29.06.2017, Minutes No. 28 dated 29.06.2017
Declared dividends per one share, RUB:	0.6
Total declared dividends on all shares of this category (type), RUB:	21,435,596,823
The date as of which the persons entitled to dividends are determined	19.07.2017
Reporting period (year, quarter) for which (by the results of which) the declared dividends are (were) paid:	2016, full year
Due period (date) for declared dividend payment	23.08.2017
Form of declared dividend payment (cash, other property)	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	retained profit of previous years
Declared dividends ratio in the net profit of the reporting year, %	-
Total dividends paid on shares of this category (type), RUB	21,421,400,232.73
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	99.93
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2016 on the Company's ordinary shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Clause 16 of Article 8.2 of Federal Law "On Securities Market"
Other information about declared and (or) paid dividends as the issuer may wish to disclose	

Indicator	Indicator value for the relevant reporting period – 2016, full year
Category of shares, for preference shares – type	preference
Issuer's management body which passed a resolution of dividend declaration, date when such a resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such a resolution was adopted	The resolution was adopted at a general shareholders' meeting 29.06.2017, Minutes No. 28 dated 29.06.2017
Declared dividends per one share, RUB:	0.6
Total declared dividends on all shares of this category (type), RUB:	4,621,198,941
The date as of which the persons entitled to dividends are determined	19.07.2017
Reporting period (year, quarter) for which (by the results of which) the declared dividends are (were) paid:	2016, full year
Due period (date) for declared dividend payment	23.08.2017
Form of declared dividend payment (cash, other property)	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	retained profit of previous years
Declared dividends ratio in the net profit of the reporting year, %	-
Total dividends paid on shares of this category (type), RUB	4,572,788,026.47
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	98.95
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2016 on the Company's preference shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Clause 16 of Article 8.2 of Federal Law "On Securities Market"
Other information about declared and (or) paid dividends as the issuer may wish to disclose	

*Obligations to pay dividends for 2014–2016 on the Company's shares were fulfilled except the situations when the Company does not bear responsibility in accordance with the legislation of the Russian Federation.*

#### **8.7.2. Accrued and paid yield on the issuer's bonds**

*The issuer did not issue any bonds.*

#### **8.8. Miscellaneous information**

*The form "Income Statement" of Section VII "The issuer's accounting (financial) statements and other financial information" of this report does not meet the requirements of Order No. 66n of the Ministry of Finance of the Russian Federation "Reporting Standards of Enterprises" dated 02.07.2010 in terms of reflecting subtracted and negative indicators.*

#### **8.9. Represented securities and the issuer of represented securities the title to which is evidenced by Russian Depositary Receipts**

*The issuer does not issue any represented securities the title to which is evidenced by Russian Depositary Receipts.*

**Appendix to the quarterly report. Interim consolidated accounting (consolidated financial) statements prepared in accordance with International financial reporting standards or other internationally recognized rules different from IFRS**