

QUARTERLY REPORT

Open Joint Stock Company “Surgutneftegas”

Issuer’s code: 00155-A

for 1Q2015

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 May 2015

_____ V.L.Bogdanov
signature

Chief Accountant
Date: 14 May 2015

_____ A.V.Druchinin
signature

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

Table of Contents

Table of Contents	2
Introduction	5
Section I. The issuer's bank accounts, auditor (audit organization), appraiser and financial adviser as well as persons who signed the present quarterly report	6
1.1. Issuer's bank accounts	6
1.2. Issuer's auditor(s)	6
1.3. Issuer's appraiser(s)	7
1.4. Issuer's advisors	7
1.5. Persons who signed the present quarterly report	7
Section II. General information on the issuer's financial and economic position	8
2.1. Issuer's financial and economic performance	8
2.2. Issuer's market capitalization	8
2.3. Issuer's liabilities	9
2.3.1. Borrowed funds and accounts payable	9
2.3.2. Issuer's credit history	10
2.3.3. Issuer's liabilities related to security provided to third parties	11
2.3.4. Other liabilities of the issuer	11
2.4. Risks related to acquisition of placed securities or those being placed	11
2.4.1. Industry risks	11
2.4.2. Country and regional risks	13
2.4.3. Financial risks	13
2.4.4. Legal risks	14
2.4.5. Reputation risk	14
2.4.6. Strategy risk	14
2.4.7. Risks related to the issuer's operations	15
Section III. Detailed information on the issuer	15
3.1. Issuer's history	15
3.1.1. Issuer's corporate name (name):	15
3.1.2. State registration of the issuer:	15
3.1.3. Establishment and development of the issuer	15
3.1.4. Contacts	16
3.1.5. Taxpayer identification number	17
3.1.6. Branches and representative offices of the issuer	17
3.2. Core operations of the issuer	17
3.2.1. Core economic activities of the issuer	17
3.2.2. Core operations of the issuer	17
3.2.3. Issuer's supplies, goods (raw materials), and suppliers	20
3.2.4. Marketing outlets for the issuer's products (work, services)	20
3.2.5. Issuer's permits (licenses) or authorizations for the certain types of works	21
3.2.6. Activity of certain categories of issuers	21
3.2.7. Additional information on issuers, whose primary activity is mineral resources extraction	21
3.2.8. Additional requirements to be met by issuers, whose primary activity is telecommunication services provision	30

3.3. Plans for the issuer’s future activity	30
3.4. Issuer’s share in banking groups, bank holding companies, holdings and associations.....	31
3.5. Organizations under the issuer’s control which are material to the issuer	31
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.....	38
Section IV. Financial and operating activities of the issuer	39
4.1. Results of the issuer’s financial and operating activities.....	39
4.2. Issuer’s liquidity position, capital and current assets adequacy	40
4.3. Issuer’s financial investments	41
4.4. Issuer’s intangible assets	42
4.5. Data on the issuer’s philosophy and expenditures for scientific-and-technological development, advanced designs, research work, as well as in relation to licenses and patents	43
4.6. Oil industry trends analysis	45
4.7. Analysis of the factors influencing the issuer’s activity.....	46
4.8. Issuer’s competitors	47
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).....	47
5.1. Structure and terms of reference for the issuer’s management bodies	47
5.2. Members of the issuer’s management bodies.....	50
5.2.1. The issuer’s Board of Directors (Supervisory Board).....	50
5.2.2. Individual executive body of the issuer.....	54
5.2.3. Issuer’s collegiate executive body.....	55
5.3. Remuneration and/or compensation for expenses for each management body of the issuer	55
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	55
5.5. Members of the agencies supervising the issuer’s financial and business activities	57
5.6. Remuneration and (or) compensation for expenses for the agency supervising the issuer’s financial and business activity.....	59
5.7. Number of the issuer’s employees (workers), their categories and changes in their number.....	60
5.8. Obligations of the issuer to its employees (workers) relating to their possible participation in the issuer’s charter (share) capital (mutual fund).....	60
Section VI. Issuer’s members (shareholders) and interested party transactions conducted by the issuer	60
6.1. Total number of the issuer’s shareholders (members)	60
6.2. 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.....	61
6.3. Share of the state or a municipal formation in the issuer’s charter capital; any special rights (“golden share”).....	61
6.4. Restrictions on participation in the issuer’s charter capital	62
6.5. Changes in the list and the 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	62
6.6. Interested party transactions conducted by the issuer	62
6.7. Accounts receivable	62
Section VII. Issuer’s accounting (financial) statements and other financial information	64
7.1. Annual accounting (financial) statements of the issuer.....	64
7.2. Quarterly accounting (financial) statements of the issuer	72
7.3. Consolidated financial statements of the issuer.....	75

7.4. Accounting policy of the issuer.....	75
7.5. Total export and share of export in total sales.....	76
7.6. Substantial changes in the issuer’s property after the end of the last completed reporting year	76
7.7. Issuer’s participation in litigations in case such participation may substantially affect financial and business activities of the issuer.....	76
Section VIII. Further information on the issuer and equity securities placed by the issuer	77
8.1. Further information on the issuer	77
8.1.1. Size and structure of the issuer’s charter capital	77
8.1.2. Changes in the size of the issuer’s charter capital	77
8.1.3. Convening and holding a meeting (session) of the issuer’s supreme management body.....	78
8.1.4. Commercial organizations where the issuer holds not less than five percent of the charter (share) capital (mutual fund) or not less than five percent of ordinary shares	79
8.1.5. Major transactions conducted by the issuer	82
8.1.6. Credit ratings of the issuer	83
8.2. Data on each category (type) of the issuer’s shares	83
8.3. Previous issues of the issuer’s equity securities excluding the issuer’s shares	84
8.3.1. Issues with all securities redeemed	84
8.3.2. Issues with securities that are not redeemed.....	84
8.4. Person(s) who offered security for the issuer’s secured bonds and security offered for the issuer’s secured bonds....	85
8.4.1. Additional information on the issuer’s mortgage bonds	85
8.4.2. Additional information on collateral for collateral bonds that includes monetary claims.....	85
8.4.2.1. Person keeping records of claims under pledge and funds received into the collateral account	85
8.4.2.2. Insurance of downside risks caused by non-fulfillment of liabilities for monetary claims under pledge, and (or) liability risk of non-fulfillment of liabilities for collateral cash secured bonds.....	85
8.4.2.3. Organizations serving monetary claims under pledge.....	85
8.4.2.4. Scope, structure and value (amount) of collateral for collateral bonds that includes monetary claims.....	85
8.4.2.5. Forms, ways of risk taking and the amount of risks, taken by the original and (or) subsequent bond creditors, monetary claims under which make collateral	85
8.5. Organizations keeping records of rights for the issuer’s equity securities	85
8.6. Legislative acts regulating import and export of capital, which may influence the payment of dividends, interests, and other payments to non-residents	85
8.7. Declared (accrued) and (or) paid dividends on the issuer’s shares; the issuer’s bond yield.....	86
8.7.1. Dividends declared and paid on the issuer’s shares	86
8.7.2. Accrued and paid yield on the issuer’s bonds	88
8.8. Miscellaneous information.....	88
8.9. Represented securities and the issuer of represented securities the title to which is evidenced by Russian Depository Receipts.....	88
Appendix to the Quarterly Report.....	89

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 enterprise as of the date of its approval, the issuer's securities may be disposed of in favor of more than 500 acquirers or the general public.

The present 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 for many reasons the issuer's future actual operating results may differ from the forecast results. Acquisition of the issuer's securities may entail risks described in the present quarterly report.

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

1.1. Issuer's bank accounts

Banking institution

Full corporate name: *ZAO Surgutneftegasbank*

Abbreviated corporate name: *ZAO SNGB*

Location: *628400, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Kukuyevitskogo, 19*

INN: *8602190258*

Bank identification code (BIK): *047144709*

Account number: *4070281000000100368*

Corr. account: *3010181060000000709*

Account type: *settlement*

Banking institution

Full corporate name: *OJSC “Sberbank of Russia”, Surgut Branch No. 5940*

Abbreviated corporate name: *Surgut Branch No. 5940*

Location: *628400, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Dzerzhinskogo, 5*

INN: *7707083893*

Bank identification code (BIK): *047102651*

Account number: *40702810567170101451*

Corr. account: *3010181080000000651*

Account type: *settlement*

Banking institution

Full corporate name: *Joint Stock Company “UniCredit Bank”*

Abbreviated corporate name: *AO UniCredit Bank*

Location: *Prechistenskaya Nab., 9, Moscow, Russian Federation 119034*

INN: *7710030411*

Bank identification code (BIK): *044525545*

Account number: *40702810000010002908*

Corr. account: *3010181030000000545*

Account type: *settlement*

1.2. Issuer's auditor(s)

Specify the auditor(s) who is/are in charge of or has/have prepared independent audit of accounting (financial) statements of the issuer and consolidated financial statements of the issuer and/or a group of companies having control over or being under control in relation to each other, or being liable for such statements otherwise and in accordance with procedures set forth in the federal laws, provided that the issuer is engaged in any company of such group of companies (hereinafter referred to as “consolidated accounting (financial) statements of the issuer”), incorporated into a quarterly report under the contract concluded with the issuer, as well as the auditor(s) approved (selected) for audit of annual accounting (financial) statements including the issuer's consolidated financial statements for the current and last completed fiscal year.

Full corporate name: *Limited Liability Company “Rosexpertiza”*

Abbreviated corporate name: *Rosexpertiza LLC*

Location: *ul.Mashi Poryvaevoy, 11, Moscow, Russian Federation, 107078*

INN: *7708000473*

OGRN: *1027739273946*

Telephone: *(495) 721-3883*

Fax: *(495) 721-3894*

E-mail: *rosexp@online.ru*

Auditor's membership in self-regulatory audit organizations:

Full name: *Self-Regulatory Auditor Organization Nonprofit Partnership “Russian Collegium of Auditors”*

Location: *115172 Russia, Moscow, 2nd Gonchary pereulok, 3, bld.1*

Additional information

LLC "Rosexpertiza" is entered into the Register of Auditors and Audit Organizations opened by Nonprofit Partnership "Russian Collegium of Auditors" under Main Registration Number (MRN) 10205006556.

Reporting year (years) for the period of five last completed financial years and current fiscal year for which the auditor has carried or will carry out independent audit accounting (financial) statements of the issuer:

Accounting (financial) statements, year	Consolidated financial statements, year
<i>2010</i>	
<i>2011</i>	
<i>2012</i>	<i>2012</i>
<i>2013</i>	<i>2013</i>
<i>2014</i>	<i>2014</i>

Describe factors that may affect the auditor's (audit organization's) independence from the issuer, including any material interests between the auditor (officers of the management bodies and bodies supervising the financial activities of the audit organization) and the issuer (officers of the management bodies and bodies supervising the financial activities of the issuer): *There are no factors that may affect the auditor's (audit organization's) independence from the issuer, including any material interests between the auditor (officers of the management bodies and bodies supervising the financial activities of the audit organization) and the issuer (officers of the management bodies and bodies supervising the financial activities of the issuer).*

Selection of the issuer's auditor

Tender procedure for auditor selection, if any, and its basic terms and conditions: *No tender has been held.*

Auditor nomination for approval by the shareholders' (members') meeting, including the management body adopting such resolution: *The Company's Board of Directors at its meeting considers proposals from various auditing companies received by the date of the meeting. The Board of Directors reviews the proposals from auditing companies and (based on recommendations of the Audit Committee of the Board of Directors) adopts a resolution to recommend an auditor to be further approved by a general shareholders' meeting.*

Specify any special engagement of the auditor: *None*

Describe the procedure for determination of the auditor's (audit organization's) remuneration and specify the actual remuneration paid by the issuer to the auditor (audit organization) upon completion of the last completed financial year for which the auditor (audit organization) has carried out independent audit of annual accounting (financial) statements and (or) annual consolidated financial statements of the issuer: *LLC "Rosexpertiza" tenders its commercial offer to the Board of Directors of the Company, which specifies the audit procedure in all substantial aspects and contains an estimation of labor costs to conduct the audit of the Company's annual financial (accounting) statements and estimation of traveling expenses, as well as includes a draft Auditing Services Agreement. If necessary, the Company may request information on additional estimations and explanations from LLC "Rosexpertiza". Based on the information provided, the Company's Board of Directors makes a decision in regard to the amount of remuneration to be paid to LLC "Rosexpertiza".*

Specify any deferred and overdue payments for services provided by the auditor: *The Company does not have any deferred and overdue payments for the services provided by LLC "Rosexpertiza".*

1.3. Issuer's appraiser(s)

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

1.4. 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 present quarterly report

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. 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	2014, 3 months	2015, 3 months
Labor productivity	2,135	2,501
Debt to equity ratio	0.067	0.05
Long-term debt to total amount of long-term debt and equity ratio	0,026	0.021
Debt to operating income (profit)	0.729	0.584
Overdue debts, %	0.009	0.001

Indicator	2013	2014
Labor productivity	7,925	8,341
Debt to equity ratio	0.073	0.069
Long-term debt to total amount of long-term debt and equity ratio	0.027	0.023
Debt to operating income (profit)	0.183	0.322
Overdue debts, %	0.021	0.0005

Economic analysis of the issuer's liquidity and solvency based on the economic analysis of the above performance:

Such indicators as "Debt to equity ratio" and "Long-term debt to total amount of long-term debt and equity ratio" show a low level of the Company's dependence on raised money;

Such indicator as "Debt to operating income (profit)" demonstrates the Company's ability to cover its debts by operating income;

The Company has enough funds to fulfill its obligations in full;

The Company saw a decreasing tendency in overdue accounts payable ratio as of 31 December 2014 and 31 March 2015 vs. the same periods of previous years.

2.2. Issuer's market capitalization

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

Unit of measure: *thousand RUB*

Indicator	As of 31.12.2014	As of 31.03.2015
Market capitalization	1,077,074,682,035	1,629,109,040,74

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 MICEX Stock Exchange CJSC.*

2.3. Issuer's liabilities

2.3.1. Borrowed funds and accounts payable

As of 31.12.2014

Structure of borrowed assets

Unit of measure: *thousand RUB*

Indicator	Indicator value
Long-term borrowed funds	
including:	
loans	
borrowings, excluding bonded loans	
bonded loans	
Short-term borrowed funds	<i>139,650</i>
including:	
loans	
borrowings, excluding bonded loans	<i>139,650</i>
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	<i>116,609,788</i>
including those overdue	<i>915</i>
including	
accounts payable to the budget and state non-budget funds	<i>69,554,647</i>
including those overdue	
accounts payable to suppliers and contractors	<i>16,385,856</i>
including those overdue	<i>629</i>
accounts payable to personnel	<i>11,991,425</i>
including those overdue	
other	<i>18,677,860</i>
including those overdue	<i>286</i>

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 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.*

As of 31.03.2015

Structure of borrowed assets

Unit of measure: *thousand RUB*

Indicator	Indicator value
Long-term borrowed funds	
including:	
loans	
borrowings, excluding bonded loans	
bonded loans	
Short-term borrowed funds	139,650
including:	
loans	
borrowings, excluding bonded loans	139,650
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	71,008,717
including those overdue	1,969
including	
accounts payable to the budget and state non-budget funds	38,701,878
including those overdue	
accounts payable to suppliers and contractors	17,388,289
including those overdue	1,690
accounts payable to personnel	7,021,935
including those overdue	
other	7,896,615
including those overdue	279

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 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. 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 day of the last completed reporting period of 3, 6, 9 or 12 months preceding the conclusion of such 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. Issuer's liabilities related to security provided to third parties

As of 31.12.2014

Unit of measure: *thousand RUB*

Indicator	As of 31.12.2014
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)	<i>10,561,457</i>
including liabilities of third parties	<i>10,500,000</i>
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.	<i>61,457</i>
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.	<i>10,500,000</i>
including liabilities of third parties	<i>10,500,000</i>

The issuer's liabilities related to security provided to third parties, including pledge or guarantee, that account for 5 and 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.

As of 31.03.2015

Unit of measure: *thousand RUB*

Indicator	As of 31.03.2015
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)	<i>10,561,457</i>
including liabilities of third parties	<i>10,500,000</i>
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.	<i>61,457</i>
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.	<i>10,500,000</i>
including liabilities of third parties	<i>10,500,000</i>

The issuer's liabilities related to security provided to third parties, including pledge or guarantee, that account for 5 and 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 not shown in the balance sheet 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

Risk management policy of the issuer: *In the course of its activities, the Company seeks to fulfill its obligations and minimize the impact of the risks.*

2.4.1. Industry risks

Industry risks of OJSC "Surgutneftegas" are related to the Company's core businesses: production and processing of oil and gas, and marketing of hydrocarbons. These include the risk of drop in hydrocarbon prices, increased competition between oil companies, shortage of the industry specialists, higher operating and capital costs, geological, technological and environmental risks.

Oil and petroleum products price reduction is recognized as a serious risk for the Company as it has the most significant impact on the Company's financial performance.

Hydrocarbon prices depend on several factors, including supply-demand balance in the global and regional markets, the world economy expected growth rate, production and consumption forecasts for the main types of energy, political and economic situation in the countries which are the largest producers and consumers of hydrocarbons, data on oil and petroleum products reserves, investment levels, development rates of hard-to-recover reserves, and alternative energy sources development.

In the Russian market hydrocarbon prices depend on the trends of the world market, as well as on internal factors: the level of oil and petroleum products demand and supply, state tax and tariff policy, and the cost of logistics.

OJSC "Surgutneftegas" has no opportunity to affect market prices for oil, gas, and petroleum products. The Company monitors trends of hydrocarbon market to assess the current and plan the future activities related to its commodity flow directions, investment programs and projects, and the level of cost reduction based on different price scenarios. At the same time, OJSC "Surgutneftegas" has internal resources that provide the ability of maintaining a stable production process during price fluctuations without borrowing.

Activities of oil companies are characterized by a high level of competition in the acquisition of new production assets at an affordable price and access to markets.

Due to the depletion of old fields, deterioration of reserves and a limited number of promising license areas in the unallocated subsoil reserve fund, oil companies are competing for the right to acquire new production assets. As a result, there are risks of economic efficiency decrease of field development projects due to increased costs for acquisition of new licenses and the need for industrial and social infrastructure development in remote areas of production. To reduce possible losses from this risk realization "Surgutneftegas" monitors fields available for purchase regarding the Company's further development plans, and thoroughly evaluates hydrocarbon potential of these areas and return on the required investment in their development and operation.

Limited absorptive capacity of oil and petroleum products markets, as well as insufficient transport infrastructure in certain delivery directions may lead to lower prices and/or sales volumes in the most attractive markets and adversely affect the Company's financial results.

In order to reduce the risk of limited access to markets and transport infrastructure OJSC "Surgutneftegas" plans in advance the amount and timing of product delivery, maintains long-term mutually beneficial relationships with the Company's fellow partners, and provides stable supplies of hydrocarbons to the most popular delivery directions.

Shortage of skilled workers and technical personnel due to the growing sophistication of production methods, use of state-of-the-art equipment and technologies, and expansion of industrial activity territory are significant risks to the oil and gas industry.

In order to mitigate this risk OJSC "Surgutneftegas" collaborates with specialist training educational institutions, provides professional training and further education for the staff, and develops its own training centers based on its production needs. The Company creates a comfortable working environment for its employees, implements programs of additional social guarantees, creates personnel reserve, and makes an attractive image of the Company.

OJSC "Surgutneftegas" is subject to the risk of operating and capital costs increase due to higher prices for energy resources, basic and auxiliary materials, metal products, and equipment, as well as to risk of tariff rates growth of the Company's main transport providers: OJSC "AK "Transneft", OJSC "AK "Transnefteprodukt" and JSC "Russian Railways".

In order to reduce the negative impact of these risks OJSC "Surgutneftegas" regularly carries out operating and capital costs optimization in all areas of its activities. The Company holds equipment procurement tenders, implements programs ensuring energy efficiency of its industrial activity, constructs in-house power generation facilities, and considers alternative variants of its suppliers for the whole range of products purchased.

Uncertainty and risk of failure to discover commercially significant oil and gas reserves are present at all stages of geological exploration activities of the Company. Geological risks are higher when operating in less-studied areas and areas with a complex structure of deposits. When evaluating the prospects of new license areas and new operation regions and deciding to drill exploratory and prospect wells, OJSC "Surgutneftegas" takes these risks into account. The Company has extensive experience in geological exploration works, its own units, qualified staff, and modern equipment allowing to obtain necessary amount of drilling data and geophysical studies, as well as advanced programs for their interpretation, which leads to mitigation of geological risks.

Oil and gas production and processing operations and use of sophisticated equipment and technologies expose the Company to technological and environmental risks related to possible abnormal and emergency situations that may adversely affect people and the environment, disrupt production processes, and, as a consequence, have negative impact on the Company's operating and financial performance and reputation. The key factors of such situations are non-compliance with rules and procedures and safety measures, and problems with the quality of materials and equipment.

To mitigate the technological and environmental risks "Surgutneftegas" strictly complies with the requirements in the field of industrial safety at production facilities and environmental protection. The Company constantly monitors the state of production facilities and timely conducts their maintenance and replacement. Incoming materials and equipment go through receipt inspection, and the Company collaborates with manufacturers in order to develop equipment meeting its requirements. OJSC "Surgutneftegas" has its own service companies taking into account the specificity and complexity of the equipment, and increasing workover interval of its operation. The Company has a

system of labor protection and industrial safety, provides training and skills development of its personnel, and carries out a special workplace assessment.

2.4.2. Country and regional risks

OJSC “Surgutneftegas” carries out its core business in the Russian Federation and is subject to the country risks of Russia.

Negative impact of external macroeconomic factors may affect the economic situation in the country and result in reduction of demand for the Company’s products. To reduce possible losses from this risk realization, OJSC “Surgutneftegas” carefully analyzes marketing prospects and evaluates profitability of different delivery directions and demand for the product range produced.

Major production facilities of OJSC “Surgutneftegas” are located in regions with stable social and economic climate. The Company contributes significantly to the development of social and transport infrastructure and economic growth and stability in the regions of its presence, and fully pays up taxes and other obligatory payments.

Operating activities of OJSC “Surgutneftegas” may be affected by unforeseen circumstances related to weather conditions, natural hazards and disasters.

The regions of the Company’s presence are not prone to earthquakes, hurricanes and other natural disasters. Extremely low temperatures may greatly affect the efficiency of the Company’s hydrocarbon production. Moreover, geographical remoteness of certain operating assets of OJSC “Surgutneftegas” from the regions with good infrastructure exposes the Company to the risk of transport connection breakdown due to unfavorable weather conditions. Given that a large part of the Company’s finished goods is exported through ports, force majeure weather conditions can lead to delivery time extension and upset conditions during shipping of finished products.

OJSC “Surgutneftegas” takes into account the specific nature of work in the areas with severe climatic conditions and absence of transport infrastructure. The Company carefully plans installation of production facilities and transportation of staff, periods and amounts of cargo delivery to the fields, and ensures the necessary infrastructure in remote areas of hydrocarbon production.

2.4.3. Financial risks

In the course of its activities OJSC “Surgutneftegas” is exposed to financial risks that may have a negative impact on the Company’s cash flow, profit, and value of financial assets. The most significant financial risks are currency risk, interest rate risk, inflation risk, credit risk, and liquidity risk.

OJSC “Surgutneftegas” is exposed to the risk of foreign exchange fluctuations, mainly the U.S. dollar against the ruble. An essential part of the Company’s production is sold in the foreign market with settlements in foreign currencies. An adverse change in foreign exchange rates against the ruble may lead to lower profitability and deterioration of the Company’s financial performance.

OJSC “Surgutneftegas” regularly carries out analysis of exchange rate volatility and its impact on the Company’s financial performance, and based on its results the Company defines the parameters and structure of its financial reserves placement, and carries out current planning of the cash flow.

Interest rate risk has no significant impact on the financial and economic activity of OJSC “Surgutneftegas”, as the Company does not attract borrowed capital to finance current and capital expenditures. Given that the Company’s investments consist mainly of bank deposits, in order to ensure an acceptable return on them OJSC “Surgutneftegas” constantly analyzes the level of interest rates on financial instruments in money and capital market and places funds in bank deposits with fixed rates.

OJSC “Surgutneftegas” is subject to inflation risk, realization of which may lead to increased production costs and reduced profitability of operations, increased capital expenditures and adjustment of the Company’s investment project portfolio.

OJSC “Surgutneftegas” carries out a regular analysis of the impact of inflation risk on efficiency of its current activities, feasibility of new production projects, and processing and marketing of products. To reduce the negative impact the Company implements a complex of measures to curb rising costs, holds tenders to select contractors’ products and services, and has a balanced approach to the setting up of contract terms.

OJSC “Surgutneftegas” is exposed to credit risk due to accounts receivable, advanced payment of transactions with counterparties, and fund placement on deposit accounts in banks.

The Company has established a system of permanent and comprehensive solvency assessment of counterparties based on qualitative and quantitative criteria, including check on a positive credit history and financial soundness. Making advance payments to counterparties the Company uses tools of ensuring the repayment of money in the form of bank guarantees and sureties.

OJSC “Surgutneftegas” avoids excessive concentration of credit risk in the placement of temporary free funds, carefully choosing credit institutions on the basis of the developed methodology for assessing the financial condition of banks, which considers financial performance, equity holding structure, credit rating, capital structure and other indicators of financial stability of a credit institution. Monitoring of counterparty banks in terms of their financial condition is carried out during the whole period of fund allocation.

Liquidity risk arises from the possibility of occurrence of difficulties in the Company’s performance of its financial obligations. Liquidity risk for OJSC “Surgutneftegas” is minimal, as the Company maintains the necessary

level of liquid assets to redeem its financial obligations, taking into account the uncertainties related to day-to-day operation cash flow. The Company's system of detailed financial planning allows establishing such financial structure that maintains sufficient liquidity for timely settlement of the liabilities.

OJSC "Surgutneftegas" does not use derivative financial instruments to mitigate financial risks, but takes into account their possible impact on the financial and operating activities of the Company in the course of the development of investment projects, plans, and budgets. OJSC "Surgutneftegas" uses tools of asset and operation insuring to guarantee timely settlement of its current liabilities.

2.4.4. Legal risks

The Company's major legal risks include:

- Changes in tax law;
- Changes in customs law;
- Changes in exchange regulations;
- Changes in forest law;
- Changes in land law;
- Changes in subsoil law and provisions;
- Changes in licensing regulations;
- Changes in environmental rules and regulations.

When carrying out its operations, the Company observes the Russian law in force, fulfills its obligations to partners, and minimizes legal risks.

2.4.5. Reputation risk

Reputation risk is related to the loss of counterparties due to lower confidence in the quality of products, as well as in the Company as a reliable and financially stable partner.

The main products of OJSC "Surgutneftegas" (oil, gas, refined products) are standardized and their quality characteristics are determined by the requirements of the regulations. When using pipeline transport, compliance with standards is a prerequisite for putting products into the pipeline system. The Company strictly complies with applicable requirements for product quality.

When carrying out oil and gas production, Surgutneftegas performs their processing and conditioning at its own facilities. While performing production and marketing of petroleum and gas products, the Company carries out constant multilevel control of their quality characteristics in its own accredited laboratories.

OJSC "Surgutneftegas" has the reputation of a stable, reliable, and financially sound Company. The Company conducts corporate social responsibility policy: implements a complex of programs providing additional social benefits and guarantees for the staff, high standards of industrial, environmental, and labor safety, and participates in social and economic development of the regions of its presence. This minimizes the possibility of getting a negative impression of the Company and appearance of reputation risks.

2.4.6. Strategy risk

Strategy risk is related to the possibility of losses caused by mistakes made in decisions that determine the strategy of the Company's activities, as well as administrative errors in the implementation of this strategy.

Significant strategic risk for the Company is the underestimation of internal and external threats which may adversely affect its activity.

The Company minimizes this risk through regular analysis of key factors influencing oil and gas industry. To reduce the uncertainty in the long-run prospect and mitigate the risk in the decision-making process the Company uses methods of strategic analysis, which give a clearer picture of potential internal and external hazards. Based on the results the Company reviews its development plans.

Making wrong or unfounded decisions when determining promising areas of activity where the Company can gain competitive advantage, new areas of industrial activity and markets may prevent the Company from achieving the desired goals.

On a continuing basis OJSC "Surgutneftegas" makes assessment of its operating performance in all major business areas, monitors trends in the Company's key markets, and assesses the possibilities to increase product supply to the most attractive destinations. The Company evaluates investment feasibility in different areas of its business and new areas of activity according to economic efficiency and investment payback principles. In addition, the Company carries out analysis and models scenarios of development under various conditions.

Risks of lack or insufficient provision of necessary financial, inventory and human resources as well as managerial procedures may lead to the failure of achieving the strategic objectives of the Company.

OJSC "Surgutneftegas" has sufficient financial reserves and in advance develops its production program, according to which planning of necessary resources and procurement are carried out. Moreover, the Company has a unified procedure for discussion and making of decisions and their implementation control, which minimizes these risks.

2.4.7. Risks related to the issuer's operations

In the course of its activities OJSC "Surgutneftegas" is exposed to various kinds of risks, including those related to the peculiarities of the oil and gas industry, as well as financial, legal, country, and other kinds of risks. The risk management system of OJSC "Surgutneftegas" is designed to minimize their impact on the operating and financial performance by means of performing ongoing early risk identification and assessment, and development of measures aimed at rundown of contingency and mitigation of the possible negative impact on the ongoing work and prospects of the Company.

Section III. Detailed information on the issuer

3.1. Issuer's history

3.1.1. 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: *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 dated November 17, 1992 "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".*

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 person: *1028600584540*

Date of entry of the legal body registered prior to 01 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

The issuer is established for an unlimited period of time.

Summary of the issuer's establishment and development. The issuer's corporate purposes, the issuer's mission (if any), and other information about the issuer's operations essential for a decision to acquire the issuer's securities:

The name of oil and gas producing company "Surgutneftegas" goes hand in hand with the discovery of Big Oil in Western Siberia.

Back in March 1964, the first group of oilmen set foot on Surgut ground. The local climate and terrain made it impossible to use conventional methods for building roads, wells, pipelines and field facilities. In fact, the oil producing division “Surgutneft” was a real testing ground where various technologies and methods were created and applied to develop fields in severe geological and climatic conditions. The division proved to be a true forge of skilled workers for the whole Western Siberia. Many oil and gas producing companies, such as Yuganskneft, Megionneft, Pravdinskneft, Kogalymneftegas, and Noyabrskneftegas, were once part of Surgutneft and later became separate entities.

Construction of the refinery in the city of Kirishi, Leningradskaya Oblast, began in 1961. As was the common practice of that time, the refinery was an All-Union Top Priority Project, and it indeed was built at a rapid pace: as early as December 1965, the refinery received the first oil tank car, and just four months later, in March 1966, it became fully operational. After it was commissioned, the refinery reversed oil products shortage, which hindered economic development of the North-West of Russia. When the Yaroslavl – Kirishi pipeline was put into service in 1969, the refinery started to process oil delivered from Western Siberia fields. Located close to the Baltic ports, it benefited from exporting oil products to Scandinavia and Northern Europe.

In October 1977, the oil producing division “Surgutneft” was granted the status of the diversified production association “Surgutneftegas” (PO “Surgutneftegas”).

On March 19, 1993, the Council of Ministers of the Russian Federation passed a resolution to form Open Joint Stock Company “Neftyanaya Kompaniya “Surgutneftegas” (AOOT “NK “Surgutneftegas”). In the same year, PO “Surgutneftegas” transformed into AOOT “Surgutneftegas” and the Kirishi refinery transformed into AOOT “KNOS” were merged into Open Joint Stock Company “NK “Surgutneftegas”.

Under the Soviet system, the Company’s subsidiaries, namely Novgorodnefteproduct, Kaliningradnefteproduct, Lennefteproduct, Pskovnefteproduct, and Tvernefteproduct, were part of RSFSR Glavneftesnab (Main Department of Oil Supplies) and supplied the corresponding regions with petroleum products. In 1993, they were also converted into open joint stock companies and incorporated in AOOT “NK “Surgutneftegas”.

The year 1996 saw the first stage of corporate structure optimization when AOOT “NK “Surgutneftegas” was formed as a vertically integrated company.

In December 1996, the Company launched sponsored American Depositary Receipt program, Level I, for ordinary shares of OJSC “Surgutneftegas”.

In March 1998, the Company launched sponsored American Depositary Receipt program, Level I, for preferred shares of OJSC “Surgutneftegas”.

In 2000, the Company embarked on the final stage of share consolidation, which made the oil producing entity OJSC “Surgutneftegas” a parent company of Surgutneftegas Group.

The Company is no longer operating just in one region, with the focus on Western Siberia as the only crude production center. As a result of production asset diversification, the Company acquired license areas in 10 constituent territories of the Russian Federation, such as Khanty-Mansiysky Autonomous Okrug-Yugra, Yamalo-Nenetsky Autonomous Okrug, the Republic of Sakha (Yakutia), Nenetsky Autonomous Okrug, Tyumenskaya, Irkutskaya, Omskaya, Tomskaya and Novosibirskaya Oblasts, and Krasnoyarsky Krai. The Company was one of the Eastern Siberia pioneers who participated in a national project to develop the new production region and achieve the strategic objective of oil transportation to new promising markets.

The main corporate objective is profit earning.

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

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

Fax: *(3462) 42-64-94*

E-mail: *Bogdanov-VL-REF@surgutneftegas.ru*

Web site(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 division for shareholder and investor relations: *Limited Liability Company Invest-Zaschita*

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

Telephone: *(3462) 46-27-64*

Fax: *(3462) 46-46-50*

E-mail: *invz@yandex.ru*

No Web site.

3.1.5. Taxpayer identification number

8602060555

3.1.6. Branches and representative offices of the issuer

Branches and representative offices of the issuer:

Name: *Moscow representative office of Open Joint Stock Company "Surgutneftegas"*

Location: *Moscow, Russian Federation, ul.Myasnitskaya 34*

Opened on: *27.09.1993*

Head of the branch (representative office)

Name: *Makarkin Yury Nikolaevich*

Term of the Power of Attorney: *31.12.2015*

Name: *Saint Petersburg representative office of Open Joint Stock Company "Surgutneftegas"*

Location: *Russian Federation, St. Petersburg, ul.Podkovyrova 37*

Opened on: *28.05.1998*

Head of the branch (representative office)

Name: *Fortov Vladimir Ivanovich*

Term of the Power of Attorney: *21.04.2015*

Name: *Yakutsk representative office of Open Joint Stock Company "Surgutneftegas"*

Location: *Russian Federation, Republic of Sakha (Yakutia), Yakutsk, ul.Ordzhonikidze 36*

Opened on: *01.06.2009*

Head of the branch (representative office)

Name: *Bandura Sergei Nikolaevich*

Term of the Power of Attorney: *31.05.2015*

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

OKVED codes
<i>11.10.11</i>

OKVED codes
<i>11.10.12</i>
<i>11.20.4</i>
<i>45.12</i>
<i>51.51.2</i>
<i>51.51.3</i>
<i>74.20.2</i>

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: *oil*

Indicator	2013	2014
Revenue from sales (volume of sales) related to the specified type of activity, thousand RUB	<i>512,732,444</i>	<i>538,747,562</i>
Revenue from sales (volume of sales) related to the specified type of activity in total revenue from sales (volume of sales) of the issuer, %	<i>63</i>	<i>62.5</i>

Indicator	2014, 3 months	2015, 3 months
Revenue from sales (volume of sales) related to the specified type of activity, thousand RUB	139,908,054	167,820,373
Revenue from sales (volume of sales) related to the specified type of activity in total revenue from sales (volume of sales) of the issuer, %	63.9	65.1

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

In 1Q2015 the Company's sales revenue (sales volume) derived from the core business operations changed by more than 10 percent as compared with the corresponding period of the previous year and amounted to 117.6%, including 120.0% from oil sales. The key factor behind the increase in the Company's revenue is amendments to Part II of the Tax Code of the Russian Federation and certain legal acts according to Federal Law No. 366-FZ "On Amendments to Part II of the Russian Tax Code and Certain Legal Acts of the Russian Federation" dated November 24, 2014, which led to significant decrease in export duties on oil and oil products and a simultaneous increase in expenses of subsoil users in the form of the mineral extraction tax. Moreover, the revenue was further pushed up by an increase in crude supplies by 2.9%.

Type of activity: *petroleum products*

Indicator	2013	2014
Revenue from sales (volume of sales) related to the specified type of activity, thousand RUB	266,266,241	290,803,311
Revenue from sales (volume of sales) related to the specified type of activity in total revenue from sales (volume of sales) of the issuer, %	32.7	33.7

Indicator	2014, 3 months	2015, 3 months
Revenue from sales (volume of sales) related to the specified type of activity, thousand RUB	71,579,018	82,085,497
Revenue from sales (volume of sales) related to the specified type of activity in total revenue from sales (volume of sales) of the issuer, %	32.7	31.9

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

In 1Q2015 the Company's sales revenue (sales volume) derived from the core business operations changed by more than 10% as compared with the corresponding period of the previous year and amounted to 117.6%, including 114.7% from the sales of petroleum products. The key factor behind the increase in the Company's revenue is amendments to Part II of the Tax Code of the Russian Federation and certain legal acts according to Federal Law No. 366-FZ "On Amendments to Part II of the Russian Tax Code and Certain Legal Acts of the Russian Federation" dated November 24, 2014, which led to a significant decrease in export duties on oil and oil products and a simultaneous increase in expenses of subsoil users in the form of the mineral extraction tax. Moreover, the revenue was further pushed up by an increase in petroleum products supplies by 1.1%.

Cost structure of the issuer

Indicator	2013	2014
Raw materials and supplies, %	4.25	4
Acquired components and semi-finished articles, %	4.29	3.92
Production works and services performed/rendered by third parties, %	17.41	16.62
Fuel, %	0.34	0.46
Energy, %	2.13	1.92
Labor costs, %	13.61	13.39
Interests on loans, %	0	0
Rental payments, %	0.01	0.01
Social expenditures, %		
Depreciation of fixed assets, %	16.34	15.21

Taxes included in production costs, %	37.59	40.49
Other expenses (please specify)	1.44	1.36
amortization of intangible assets, %	0.04	0.05
remuneration for innovation proposals, %	0	0
compulsory insurance payments, %	0,07	0,07
entertainment expenses, %	0.01	0
other, %	1.32	1.24
Insurance premiums	2.59	2.62
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	132.5	125.8

Indicator	2014, 3 months	2015, 3 months
Raw materials and supplies, %	3.39	3.48
Acquired components and semi-finished articles, %	3.79	3.48
Production works and services performed/rendered by third parties, %	15.73	17.56
Fuel, %	0.38	0.5
Energy, %	1.95	1.77
Labor costs, %	12.09	12
Interests on loans, %	0	0
Rental payments, %	0.01	0.01
Social expenditures, %		
Depreciation of fixed assets, %	15.91	14.41
Taxes included in production costs, %	42.44	42.37
Other expenses (please specify)	1.15	1.26
amortization of intangible assets, %	0.04	0.09
remuneration for innovation proposals, %	0	0
compulsory insurance payments, %	0,07	0,07
entertainment expenses, %	0	0
other, %	1.04	1.1
Insurance premiums	3.16	3.16
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	128.4	136.8

Essential new types of products (works, services) offered by the issuer on its core market, to the extent that corresponds to publicly available information about such products (works, services). Please specify the development status of such types of 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 OJSC “Surgutneftegas” have been prepared in accordance with the applicable accounting standards of the Russian Federation as per Federal Law of the Russian Federation No. 402-FZ “On Accounting” dated December 6, 2011, “Regulations on Accounting and Reporting in the Russian Federation” approved by Order No. 34n of the Ministry of Finance of the Russian Federation dated July 29, 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 July 6, 1999 and Order No. 66n of the Ministry of Finance of the Russian Federation “Reporting Standards of Enterprises” dated July 2, 2010, and approved regulations “Accounting Policy of OJSC “Surgutneftegas” for Accounting Purposes for 2014”, “Accounting Policy of OJSC “Surgutneftegas” for Taxation Purposes for 2014”, “Accounting Policy of OJSC “Surgutneftegas” for Accounting Purposes for 2015” and “Accounting Policy of OJSC “Surgutneftegas” for Taxation Purposes for 2015”.***

3.2.3. Issuer's supplies, goods (raw materials), and suppliers

For 2014

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

Full corporate name: *Closed Joint Stock Company "Trade House TMK"*

Location: *620026 Ekaterinburg, ul. Rozy Luxemburg 51*

INN: *7729392616*

OGRN: *1027700429602*

Share in total supplies, %: *11.87*

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

Prices in 2014 changed against 2013 for more than 10 percent for the following types of basic materials and goods (raw materials):

- Pipes;*
- A wide range of rolled metal products;*
- Lubricants and chemicals;*
- Oil production equipment;*
- Vehicles, tractors, and oilfield machinery;*
- Building materials.*

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 22.9% of total supplies to the Company.

The Company's financial position ensures further availability of these sources and their alternatives.

For 3 months of 2015

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

There are no suppliers who provide at least 10 percent of all supplies of materials and goods (raw materials).

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

Prices in 1Q2015 changed against 1Q2014 for more than 10 percent for the following types of basic materials and goods (raw materials):

- Pipes;*
- A wide range of rolled metal products;*
- Lubricants and chemicals;*
- Oil production equipment;*
- Vehicles, tractors, and oilfield machinery.*

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 21.5% of total supplies to the Company.

The Company's financial position ensures further availability of these sources and their alternatives.

3.2.4. Marketing outlets for the issuer's products (work, services)

Key markets where the issuer operates:

OIL	1Q2015
- in the territory of Russia	<i>The Northwestern Federal District The Southern Federal District The Volga Federal District The Urals Federal District The Far Eastern Federal District</i>
- export	<i>Non-CIS countries CIS countries</i>
OIL PRODUCTS	1Q2015

- in the territory of Russia	<i>The Northwestern Federal District The Central Federal District The Urals Federal District</i>
- export	<i>European countries</i>

Factors that can adversely affect the issuer's sales of goods (works, services) and steps that may be taken by the issuer to mitigate such impact: *Some of the factors that can adversely affect the Company's sales include changes in world oil prices, tax legislation and natural monopoly prices. To minimize the impact of the above factors on sales, the Company monitors prices on foreign and domestic oil and oil products markets on a routine basis and redirects export flows choosing those with better prices.*

3.2.5. Issuer's permits (licenses) or authorizations for the certain types of works

The issuer doesn't 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, or mortgage agent.

3.2.7. Additional information on issuers, whose primary 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: *ABC1 – 19,499 thousand tonnes; C2 – 3,047 thousand tonnes.*

Production rate for the relevant reporting period (periods): *709.877 thousand tonnes.*

2. Field: Zapadno-Surgutskoye

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 732 million cubic meters; C2 – 154 million cubic meters.*

Production rate for the relevant reporting period (periods): *38.063800 million cubic meters.*

3. Field: Vostochno-Surgutskoye

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 70,560 thousand tonnes; C2 – 11,741 thousand tonnes.*

Production rate for the relevant reporting period (periods): *896.136 thousand tonnes.*

4. Field: Vostochno-Surgutskoye

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 4,224 million cubic meters; C2 – 704 million cubic meters.*

Production rate for the relevant reporting period (periods): *51.160494 million cubic meters.*

5. Field: Yaunlorskoye

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 32,136 thousand tonnes; C2 – 1,093 thousand tonnes.*

Production rate for the relevant reporting period (periods): *391.764 thousand tonnes.*

6. Field: Yaunlorskoye

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 3,895 million cubic meters; C2 – 236 million cubic meters.*

Production rate for the relevant reporting period (periods): *42.435424 million cubic meter.*

7. Field: Fedorovskoye

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 226,473 thousand tonnes; C2 – 36,518 thousand tonnes.*

Production rate for the relevant reporting period (periods): *2075.302 thousand tonnes.*

8. Field: Fedorovskoye

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 136,397 million cubic meters; C2 – 3,706 million cubic meters.*

Production rate for the relevant reporting period (periods): *914.996668 million cubic meters.*

9. Field: Lyantorskoye

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 35,905 thousand tonnes; C2 – 104 thousand tonnes.*

Production rate for the relevant reporting period (periods): *1039.225 thousand tonnes.*

10. Field: Lyantorskoye

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 107,148 million cubic meters; C2 – 4 million cubic meters.*

Production rate for the relevant reporting period (periods): *341.943735 million cubic meters.*

11. Field: Bystrinskoye

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 25,979 thousand tonnes; C2 – 1,465 thousand tonnes.*

Production rate for the relevant reporting period (periods): *692.177 thousand tonnes.*

12. Field: Bystrinskoye

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 24,535 million cubic meters; C2 – 66 million cubic meters.*

Production rate for the relevant reporting period (periods): *168.585903 million cubic meters.*

13. Field: Vachimskoye

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 30,778 thousand tonnes; C2 – 1,836 thousand tonnes.*

Production rate for the relevant reporting period (periods): *414.232 thousand tonnes.*

14. Field: Vachimskoye

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 11,613 million cubic meters; C2 – 2,031 million cubic meters.*

Production rate for the relevant reporting period (periods): *129.220236 million cubic meter.*

15. Field: Rogozhnikovskoye

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 82,672 thousand tonnes; C2 – 77,857 thousand tonnes.*

Production rate for the relevant reporting period (periods): *775.238 thousand tonnes.*

16. Field: Rogozhnikovskoye

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 5,519 million cubic meters; C2 – 5,323 million cubic meters.*

Production rate for the relevant reporting period (periods): *71.666559 million cubic meter.*

17. Field: Russkinskoye

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 53,333 thousand tonnes; C2 – 10,991 thousand tonnes.*

Production rate for the relevant reporting period (periods): *761.249 thousand tonnes.*

18. Field: Russkinskoye

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 2,312 million cubic meters; C2 – 770 million cubic meters.*

Production rate for the relevant reporting period (periods): *43.257812 million cubic meters*

19. Field: Konitlorskoye

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 51,007 thousand tonnes; C2 – 1,061 thousand tonnes.*

Production rate for the relevant reporting period (periods): *423.655 thousand tonnes.*

20. Field: Konitlorskoye

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 2,147 million cubic meters; C2 – 63 million cubic meters.*

Production rate for the relevant reporting period (periods): *26.900819 million cubic meters*

21. Field: Severo-Labatyuganskoye

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 58,264 thousand tonnes; C2 – 10,245 thousand tonnes.*

Production rate for the relevant reporting period (periods): *1,486.968 thousand tonnes.*

22. Field: Severo-Labatyuganskoye

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 4,363 million cubic meters; C2 – 772 million cubic meters.*

Production rate for the relevant reporting period (periods): *113.309072 million cubic meters*

23. Field: Zhumazhanovskoye

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 13,926 thousand tonnes; C2 – 11,310 thousand tonnes.*

Production rate for the relevant reporting period (periods): *378.970 thousand tonnes.*

24. Field: Zhumazhanovskoye

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 994 million cubic meters; C2 – 852 million cubic meters.*

Production rate for the relevant reporting period (periods): *22.707358 million cubic meters*

25. 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: *ABC1 – 99,789 thousand tonnes; C2 – 3,494 thousand tonnes.*

Production rate for the relevant reporting period (periods): *1,304.201 thousand tonnes.*

26. 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: *ABC1 – 45,403 million cubic meters; C2 – 8,035 million cubic meters.*

Production rate for the relevant reporting period (periods): *133.055511 million cubic meters*

27. Field: Severo-Talakanskoye

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 27,907 thousand tonnes; C2 – 38,785 thousand tonnes.*

Production rate for the relevant reporting period (periods): *490.800 thousand tonnes.*

28. Field: Severo-Talakanskoye

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 5,591 million cubic meters; C2 – 11,184 million cubic meters.*

Production rate for the relevant reporting period (periods): *39.311177 million cubic meters*

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

Legal person that obtained a license: *the issuer*

Number: *KhMN 01525 NR*

Date of issue: *18.04.2001*

Valid till: *17.04.2051*

according to RF Law No. 2395-1 “On Subsurface” of February 21, 1992

Basis for license issuance: *according to RF Law No. 2395-1 “On Subsurface” of February 21, 1992*

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

Type of the license: *geological survey of subsoil, exploration and production of hydrocarbons, injection of formation and salt underground water to maintain formation pressure*

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *drilling of prospecting and exploration wells, seismic acquisition, and fields commissioning according to the terms and conditions of the license agreement*

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 31.03.2015, all conditions are being met.*

Legal person that obtained a license: *the issuer*

Number: *KhMN 11293 NE*

Date of issue: *05.09.2002*

Valid till: **01.06.2047**

according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992

Basis for license issuance: **according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992**

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

Type of the license: **exploration and production of oil and gas, as well as injection of surface, formation and salt underground water to maintain formation pressure**

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: **drilling of prospecting and exploration wells, seismic acquisition, and fields commissioning according to the terms and conditions of the license agreement**

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 31.03.2015, all conditions are being met.**

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

Number: **KhMN 13455 NE**

Date of issue: **25.01.2006**

Valid till: **01.02.2068**

according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992

Basis for license issuance: **according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992**

Description of subsoil plot provided for use: **Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) – 483.90**

Type of the license: **exploration and production of hydrocarbons, as well as injection of surface, formation and salt underground water to maintain formation pressure**

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: **drilling of prospecting and exploration wells, seismic acquisition, and fields commissioning according to the terms and conditions of the license agreement**

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 31.03.2015, all conditions are being met.**

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

Number: **YaKU 12061 NE**

Date of issue: **26.12.2003**

Valid till: **31.12.2045**

according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992

Basis for license issuance: **according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992**

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

Type of the license: **exploration and production of hydrocarbons, injection of surface, formation and salt underground water and excessive associated gas to maintain formation pressure**

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: **drilling of prospecting and exploration wells, seismic acquisition, and fields commissioning according to the terms and conditions of the license agreement**

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 31.03.2015, all conditions are being met.**

Legal person that obtained a license: *the issuer*

Number: *KhMN 00431 NE*

Date of issue: *05.03.1997*

Valid till: *31.12.2039*

according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992

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

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

Type of the license: *oil and gas production, injection of surface, formation and salt underground water to maintain formation pressure, as well as disposal of industrial effluents within Zapadno-Surgutsky license area*

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 agreement*

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 31.03.2015, all conditions are being met.*

Legal person that obtained a license: *the issuer*

Number: *KhMN 00435 NE*

Date of issue: *05.03.1997*

Valid till: *31.12.2045*

according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992

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

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

Type of the license: *oil and gas production, injection of surface, formation and salt underground water to maintain formation pressure within Vostochno-Surgutsky license area.*

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *drilling of prospecting and exploration wells, seismic acquisition, and fields commissioning according to the terms and conditions of the license agreement*

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 31.03.2015, all conditions are being met.*

Legal person that obtained a license: *the issuer*

Number: *KhMN 00438 NE*

Date of issue: *05.03.1997*

Valid till: *31.12.2043*

according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992

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

Description of subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug, Surgutsky District, area (sq. km) – 457.578*

Type of the license: *oil, gas and condensate production, as well as injection of formation, surface and salt underground water to maintain formation pressure*

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *drilling of prospecting and exploration wells, seismic acquisition, and fields commissioning according to the terms and conditions of the license agreement*

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 31.03.2015, all conditions are being met.*

Legal person that obtained a license: *the issuer*

Number: *KhMN 00408 NE*

Date of issue: *18.12.1996*

Valid till: *31.12.2086*

according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992

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

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

Type of the license: *oil, gas and condensate production, as well as injection of formation and surface water to maintain formation pressure*

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *drilling of prospecting and exploration wells, seismic acquisition, and fields commissioning according to the terms and conditions of the license agreement*

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 31.03.2015, all conditions are being met.*

Legal person that obtained a license: *the issuer*

Number: *KhMN 00406 NE*

Date of issue: *18.12.1996*

Valid till: *31.12.2037*

according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992

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

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

Type of the license: *oil, gas and condensate production, as well as injection of formation, surface and salt underground water to maintain formation pressure*

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *drilling of prospecting and exploration wells, seismic acquisition, and fields commissioning according to the terms and conditions of the license agreement*

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 31.03.2015, all conditions are being met.*

Legal person that obtained a license: *the issuer*

Number: *KhMN 00409 NE*

Date of issue: *18.12.1996*

Valid till: *31.12.2041*

according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992

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

Description of subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug, Surgutsky District, area (sq. km) – 528.793*

Type of the license: *oil, gas and condensate production, as well as injection of formation, surface and salt underground water to maintain formation pressure.*

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *drilling of prospecting and exploration wells, seismic acquisition, and fields commissioning according to the terms and conditions of the license agreement*

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 31.03.2015, all conditions are being met.*

Legal person that obtained a license: *the issuer*

Number: *KhMN 00407 NE*

Date of issue: *18.12.1996*

Valid till: *31.12.2027*

according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992

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

Description of subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug, Surgutsky District, area (sq. km) – 658.758*

Type of the license: *oil, gas and condensate production, as well as injection of formation and salt underground water to maintain formation pressure*

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *drilling of prospecting and exploration wells, seismic acquisition, and fields commissioning according to the terms and conditions of the license agreement*

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 31.03.2015, all conditions are being met.*

Legal person that obtained a license: *the issuer*

Number: *KhMN 00417 NE*

Date of issue: *14.01.1997*

Valid till: *31.12.2048*

according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992

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

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

Type of the license: *oil and gas production, as well as injection of surface, formation and salt underground water to maintain formation pressure*

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *drilling of prospecting and exploration wells, seismic acquisition, and fields commissioning according to the terms and conditions of the license agreement*

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 31.03.2015, all conditions are being met.*

Legal person that obtained a license: *the issuer*

Number: *KhMN 00564 NE*

Date of issue: *29.05.1997*

Valid till: *31.12.2055*

according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992

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

Description of subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug, Surgutsky District, area (sq. km) – 1,046.28*

Type of the license: *oil and gas production, as well as injection of formation and salt underground water to maintain formation pressure*

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *drilling of prospecting and exploration wells, seismic acquisition, and fields commissioning according to the terms and conditions of the license agreement*

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 31.03.2015, all conditions are being met.*

Legal person that obtained a license: *the issuer*

Number: *YaKU 14372 NE*

Date of issue: *21.01.2008*

Valid till: *01.02.2028*

according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992

Basis for license issuance: *according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992*

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

Type of the license: *exploration and production of hydrocarbons, as well as injection of surface, formation and salt underground water to maintain formation pressure*

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *drilling of prospecting and exploration wells, seismic acquisition, and fields commissioning according to the terms and conditions of the license agreement*

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 31.03.2015, all conditions are being met.*

Legal person that obtained a license: *the issuer*

Number: *KhMN 14906 NR*

Date of issue: *27.04.2010*

Valid till: *20.04.2035*

according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992

Basis for license issuance: *according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992*

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

Type of the license: *geological survey, exploration and production of hydrocarbons, injection of formation and salt underground water to maintain formation pressure*

The main license provisions concerning subsoil user obligations indicating the period of given obligations performance: *drilling of prospecting and exploration wells, seismic acquisition, and fields commissioning according to the terms and conditions of the license agreement*

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 31.03.2015, all conditions are being met.*

Legal person that obtained a license: *the issuer*

Number: *KhMN 14757 NR*

Date of issue: *02.10.2009*

Valid till: *22.09.2034*

according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992

Basis for license issuance: *according to RF Law No. 2395-1 "On Subsurface" of February 21, 1992*

Description of subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) – 156.50*

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: *drilling of prospecting and exploration wells, seismic acquisition, and fields commissioning according to the terms and conditions of the license agreement*

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 31.03.2015, 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 1Q2015.

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 on the Company fields which are in development for the 1 Quarter 2015 amounted to 15,152.695 thousand tonnes, 2,393.241231 million cubic meters and 19.136984 million cubic meters respectively.

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

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

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

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

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

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

License KhMN 00407 NE is issued in lieu of License KhMN 00104 NE dtd 29.09.1993.

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

License KhMN 00564 NE is issued in lieu of License KhMN 00106 NE dtd 29.09.1993.

b) Mineral resources processing

Fixed assets used for processing: *Associated gas is processed by the Gas Processing Division of OJSC “Surgutneftegas”. The sector of oil refining and petrochemistry is represented by LLC “KINEF” located in the city of Kirishi.*

The issuer, its subsidiaries or affiliates do not engage any contractors to process mineral resources they produce.

c) Products marketing

Permits granted by authorized government agencies for the sale of mineral resources and their processed products and quotas, including export quotas:

In accordance with RF Federal Law No. 147-FZ dated 17.08.1995 “On Natural Monopolies”, 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 in sea ports 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 primary activity is telecommunication services provision

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

3.3. Plans for the issuer’s future activity

The long-term strategy of Surgutneftegas is aimed at strengthening its position of a financially sustainable company with good production growth prospects in the domestic oil and gas sector. To achieve its goal the Company is developing the following priority areas of business:

Oil and gas production:

- To strengthen and enlarge the Company’s mineral resource base through geological exploration and acquisition of new promising areas;*
- To develop and apply innovative solutions, introduce advanced equipment in order to enhance efficiency of oil and gas exploration and field development, including fields with tight oil reserves;*
- To maintain production targets;*
- To form new centers of hydrocarbon production;*
- To take a comprehensive approach to gas sector development: to provide for a high utilization level and maximize efficient use of associated petroleum gas;*
- To provide a high quality of work and control costs.*

Oil refining and gas processing:

- *To increase oil conversion ratio and light oil products yield;*
- *To improve the quality of products and ensure compliance with Russian and international quality standards;*
- *To enhance refining and processing efficiency through modernization and reconstruction of production facilities.*
- *To extend the range of products in accordance with the market needs.*

Marketing:

- *To diversify product supplies by entering new markets and developing Russian transportation infrastructure;*
- *To increase consumer's loyalty by providing high quality products and services at gas stations;*
- *To increase the efficiency of retail sales through extending the range of products and boosting sales of associated goods and services;*

Power sector:

- *To develop energy complex which ensures generation, transmission and sale of electric and thermal energy, and provides for rational use of hydrocarbons produced;*
- *To introduce energy-saving and energy efficient solutions and technology within every area of the Company's operations.*

Social responsibility:

- *To mitigate the environmental impact of production facilities, ensure environmental safety of production facilities and use natural resources in a responsible and rational way;*
- *To assure high industrial and occupational safety standards;*
- *To contribute to balanced social and economic development of the areas where the Company operates and preserve the status of a reliable partner and supplier of high quality products;*
- *To offer extra social benefits and guarantees for the employees, their families, and retired employees.*

The Company's medium-term plans for oil and gas production include maintaining the target level of oil production at 61-62 million tonnes per year. Surgutneftegas' plans for 2015 embrace oil production at 61.4 million tonnes, including 8.1 million tonnes in Eastern Siberia, gas recovery and generation at nearly 9.3 billion cubic meters. To succeed in its objective, the Company brings new hydrocarbon reserves into development, carries out a significant amount of development drilling, conducts continuous optimization of well operations and takes a variety of measures to enhance oil recovery.

The Company's efforts in 2015 will focus on improving the efficiency of the existing fields in Western and Eastern Siberia, putting into development 2 new deposits in Western Siberia: Spielman (Severo-Rogozhnikovskoye) and Yuzhno-Vatlorskoye. The Company will drill 197.6 thousand meters of rock for exploration purposes and construct 71 prospecting and exploration wells.

On the refining side, the Company will continue upgrading the existing production facilities and building new plants intended to enhance the range of products and improve product quality. As far as the gas sector is concerned, the Company intends to focus on maintaining a high level of associated petroleum gas utilization – at about 99%. The amount of gas processing will be 6.1 billion cubic meters.

On the marketing side, Surgutneftegas will focus on the development of its network of gas filling stations strengthening their competitiveness through expanded additional services and optimized related products.

In the energy sector, the Company plans to further develop its energy facilities and carry out its energy conservation program. Power generated in-house by gas turbine and gas piston power plants will be about 5.4 billion kWh, which will satisfy nearly 43% of the Company's total energy demand.

In 2015, pursuing its environmental program the Company will conduct environmental monitoring, enhance reliability of field pipelines, and remediate oil contaminated soils and sludge pits. As part of its social responsibility initiatives, Surgutneftegas will further promote comfortable work and leisure environment for its employees, implement various social programs and contribute to the development of the areas of its operations.

3.4. Issuer's share in banking groups, bank holding companies, holdings and associations

Group, holding, concern or association: *Association of organizations in the field of subsoil use "National Association for Subsoil Use Auditing" (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: *Russia, Veliky Novgorod*

INN: *5321059365*

OGRN: *1025300788644*

Reason(s) whereby the issuer exercises control over the organization under control (equity position in the organization controlled by the issuer, trust deed, simple partnership agreement, agency contract, shareholder agreement, other agreement in force the subject of which is the exercise of rights certified by the shares (stakes) of an organization under the issuer's control): **equity position in the organization controlled by the issuer.**

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 petroleum 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 Syrgutmebel**

Abbreviated corporate name: **LLC Syrgutmebel**

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

INN: **8617013396**

OGRN: **1028601679688**

Reason(s) whereby the issuer exercises control over the organization under control (equity position in the organization controlled by the issuer, trust deed, simple partnership agreement, agency contract, shareholder agreement, other agreement in force the subject of which is the exercise of rights certified by the shares (stakes) of an organization under the issuer's control): **equity position in the organization controlled by the issuer.**

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: **manufacturing of timber construction materials.**

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, %:
Ivanov Nikolai Ivanovich	0	0

The company's collegiate executive body

No provision is made for a collegiate executive body.

3. Full corporate name: **Limited Liability Company Pskovnefteproduct**

Abbreviated corporate name: **LLC Pskovnefteproduct**

Location: **Russia, Pskov**

INN: **6027042337**

OGRN: **1026000970049**

Reason(s) whereby the issuer exercises control over the organization under control (equity position in the organization controlled by the issuer, trust deed, simple partnership agreement, agency contract, shareholder agreement, other agreement in force the subject of which is the exercise of rights certified by the shares (stakes) of an organization under the issuer's control): **equity position in the organization controlled by the issuer.**

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 petroleum 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.

4. Full corporate name: **Limited Liability Company Tvernefteproduct**

Abbreviated corporate name: **LLC Tvernefteproduct**

Location: **Russia, Tver, ul. Novotorzhskaya, 6**

INN: **6905041501**

OGRN: **1026900510647**

Reason(s) whereby the issuer exercises control over the organization under control (equity position in the organization controlled by the issuer, trust deed, simple partnership agreement, agency contract, shareholder agreement, other agreement in force the subject of which is the exercise of rights certified by the shares (stakes) of an organization under the issuer's control): **equity position in the organization controlled by the issuer.**

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 petroleum 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.

5. Full corporate name: **Limited Liability Company Kaliningradnefteproduct**

Abbreviated corporate name: **LLC Kaliningradnefteproduct**

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

INN: **3900000136**

OGRN: **1023900589240**

Reason(s) whereby the issuer exercises control over the organization under control (equity position in the organization controlled by the issuer, trust deed, simple partnership agreement, agency contract, shareholder agreement, other agreement in force the subject of which is the exercise of rights certified by the shares (stakes) of an organization under the issuer's control): **equity position in the organization controlled by the issuer.**

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 petroleum 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.

6. Full corporate name: **Limited Liability Company "Oil Refining and Petrochemical Enterprises Design Institute"**

Abbreviated corporate name: **LLC "Lengiproneftekhim"**

Location: **Russia, Saint Petersburg, nab. Obvodnogo kanala, 94**

INN: **7810327462**

OGRN: **1057803105755**

Reason(s) whereby the issuer exercises control over the organization under control (equity position in the organization controlled by the issuer, trust deed, simple partnership agreement, agency contract, shareholder agreement, other agreement in force the subject of which is the exercise of rights certified by the shares (stakes) of an organization under the issuer's control): **equity position in the organization controlled by the issuer.**

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-Tambiyev Mikhail Andreevich	0	0

The company's collegiate executive body

No provision is made for a collegiate executive body.

7. Full corporate name: **Limited Liability Company KIRISHIAVTOSERVIS**

Abbreviated corporate name: **KIRISHIAVTOSERVIS Ltd**

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

INN: **7840016802**

OGRN: **1057807804064**

Reason(s) whereby the issuer exercises control over the organization under control (equity position in the organization controlled by the issuer, trust deed, simple partnership agreement, agency contract, shareholder agreement, other agreement in force the subject of which is the exercise of rights certified by the shares (stakes) of an organization under the issuer's control): **equity position in the organization controlled by the issuer.**

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 petroleum 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.

8. Full corporate name: **Limited Liability Company "Media-Invest"**

Abbreviated corporate name: **LLC "Media-Invest"**

Location: **119847 Russia, Moscow, Zubovsky boulevard, 17, bld.1**

INN: **7704667322**

OGRN: **1077762407580**

Reason(s) whereby the issuer exercises control over the organization under control (equity position in the organization controlled by the issuer, trust deed, simple partnership agreement, agency contract, shareholder agreement, other agreement in force the subject of which is the exercise of rights certified by the shares (stakes) of an organization under the issuer's control): **equity position in the organization controlled by the issuer.**

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: **television and radio broadcasting, production and distribution of television and radio programs.**

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, %:
Litvin Viktoriya Viktorovna	0	0

The company's collegiate executive body

No provision is made for a collegiate executive body.

9. Full corporate name: **Open Joint Stock Company “Sovkhoz “Chervishevsky”**

Abbreviated corporate name: **OJSC “Sovkhoz “Chervishevsky”**

Location: **Russia, Tyumenskaya Oblast, Tyumensky District, s.Chervishevo**

INN: **7224019466**

OGRN: **1027200789142**

Reason(s) whereby the issuer exercises control over the organization under control (equity position in the organization controlled by the issuer, trust deed, simple partnership agreement, agency contract, shareholder agreement, other agreement in force the subject of which is the exercise of rights certified by the shares (stakes) of an organization under the issuer’s control): **equity position in the organization controlled by the issuer.**

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: **94.9996%**

Fraction of the ordinary shares held by the issuer: **94.9996%**

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: **dairy products, grain, flour, feed concentrates, bakery products, pastry, pasta, meat, sausage products, vegetables, fruit jam products; cattle keeping; woodwork.**

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, %:
Tatarchuk Valery Grigoryevich (Chairperson)	0.0071	0.0013
Mikhaylov Andrei Viktorovich	0	0
Bruslinovsky Igor Petrovich	0	0
Grigoryev Sergei Ivanovich	0	0
Panov Igor Leonidovich	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, %:
Grigoryev Sergei Ivanovich	0	0

The company’s collegiate executive body

No provision is made for a collegiate executive body.

10. Full corporate name: **Limited Liability Company Insurance Company Surgutneftegas**

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

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

INN: **8602103061**

OGRN: **1028600581811**

Reason(s) whereby the issuer exercises control over the organization under control (equity position in the organization controlled by the issuer, trust deed, simple partnership agreement, agency contract, shareholder agreement, other agreement in force the subject of which is the exercise of rights certified by the shares (stakes) of an organization under the issuer’s control): **equity position in the organization controlled by the issuer.**

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, %:
<i>Solovyeva Elvira Damirovna</i>	<i>0</i>	<i>0</i>

The company's collegiate executive body

No provision is made for a collegiate executive body.

11. Full corporate name: *Limited Liability Company "Kirishinefteorgsintez"*

Abbreviated corporate name: *LLC "KINEF"*

Location: *Russia, Leningradskaya Oblast, Kirishi, shosse Entuziastov, 1*

INN: *4708007089*

OGRN: *1024701478735*

Reason(s) whereby the issuer exercises control over the organization under control (equity position in the organization controlled by the issuer, trust deed, simple partnership agreement, agency contract, shareholder agreement, other agreement in force the subject of which is the exercise of rights certified by the shares (stakes) of an organization under the issuer's control): *equity position in the organization controlled by the issuer.*

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: *oilstock refining, manufacturing and marketing of oil products (automobile gasoline, diesel fuel and fuel oil, petroleum asphalt, 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, %:
<i>Somov Vadim Evseevich</i>	<i>0.0086</i>	<i>0.0103</i>

The company's collegiate executive body

No provision is made for a collegiate executive body.

12. Full corporate name: *ZAO Surgutneftegasbank*

Abbreviated corporate name: *ZAO SNGB*

Location: *628400 Russia, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Kukuyevitskogo, 19*

INN: *8602190258*

OGRN: *1028600001792*

Reason(s) whereby the issuer exercises control over the organization under control (equity position in the organization controlled by the issuer, trust deed, simple partnership agreement, agency contract, shareholder agreement, other agreement in force the subject of which is the exercise of rights certified by the shares (stakes) of an organization under the issuer's control): *equity position in the organization controlled by the issuer.*

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
Ashikhmin Vladimir Petrovich	0	0
Burtsev Gennady Alekseevich	0	0
Zhernovkov Alexander Georgievich	0.0007	0.0001
Pospelova Natalia Evgenyevna	0.0028	0.0033
Druchinin Andrei Vladislavovich	0.0006	0.0004
Sobakinskikh Valery Leonidovich	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
Chernozyukov Evgeny Nikolaevich	0	0
Krotov Sergei Grigoryevich	0	0
Potapova Vera Vladimirovna	0	0

The Board is the collegial executive body of ZAO 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 31.12.2014

Unit of measure: **thousand RUB**

Name of fixed assets group	Historical (replacement) cost	Accumulated depreciation
Land and objects of environmental management	13,817,382	
Buildings, structures and transfer mechanisms	2,159,030,669	1,627,107,902
Machinery, equipment and vehicles	457,180,890	362,035,611
Perennial growing stock	96,631	11,418
Other types of fixed assets	3,821,883	3,030,453
TOTAL	2,633,947,455	1,992,185,384

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 depreciation rates calculated on the basis of useful life of such assets.

Reporting date: **31.12.2014**

As of 31.03.2015

Unit of measure: *thousand RUB*

Name of fixed assets group	Historical (replacement) cost	Accumulated depreciation
Land and objects of environmental management	13,858,183	
Buildings, structures and transfer mechanisms	2,173,459,671	1,642,682,878
Machinery, equipment and vehicles	462,657,787	367,855,930
Perennial growing stock	96,631	12,027
Other types of fixed assets	3,838,855	3,069,453
TOTAL	2,653,911,127	2,013,620,288

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 depreciation rates calculated on the basis of useful life of such assets.*

Reporting date: *31.03.2015*

The results of the last revaluation of fixed assets and long-term leased fixed assets for the last completed fiscal year, specifying the date of revaluation, full and residual (net of depreciation) of book value of fixed assets before revaluation and of 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	Full value prior to revaluation	Residual (net of depreciation) value prior to revaluation	Date of revaluation	Full replacement cost after revaluation	Residual (net of depreciation) replacement value after revaluation
Land and objects of environmental management	15,469,933	15,469,933	31.12.2014	13,817,382	13,817,382
Buildings and structures	2,116,260,714	526,028,483	31.12.2014	2,159,030,669	531,922,767
Machinery, equipment and vehicles	441,132,222	93,175,553	31.12.2014	457,180,890	95,145,279
Perennial growing stock	96,631	85,213	31.12.2014	96,631	85,213
Other types of fixed assets	3,775,729	771,559	31.12.2014	3,821,883	791,430
Total	2,576,735,229	635,530,741	31.12.2014	2,633,947,455	641,762,071

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 valuation 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 facts of encumbrance of the issuer's fixed assets.*

Section IV. Financial and operating activities of the issuer

4.1. Results of the issuer's financial and operating 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	2013	2014
Net profit margin, %	31.506	103.371
Asset turnover ratio, times	0.387	0.286
Return on assets, %	12.185	29.556
Return on equity, %	13.074	31.584
Uncovered loss as of the reporting date	0	0
Uncovered loss as of the reporting date to book value of the assets, %	0	0

Indicator	2014, 3 months	2015, 3 months
Net profit margin, %	62.53	54.457
Asset turnover ratio, times	0.098	0.083
Return on assets, %	6.113	4.51
Return on equity, %	6.524	4.734
Uncovered loss as of the reporting date	0	0
Uncovered loss as of the reporting date to book value of the assets, %	0	0

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:

- **High level of return and profitability in 2014 indicates a stable financial position and effective use of the Company's assets;**

- **Significant growth in 2014 compared with 2013 and decrease in 1Q2015 in comparison with 1Q2014 in net profit margin and profitability are caused by changes in exchange rates and quotations for crude oil as well as changes in tax legislation.**

The opinions of the issuer's management bodies regarding the reasons or level of their influence on the financial and operating results 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 operating results 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. 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**

Indicator	2013	2014
Net working capital	557,142,610	790,797,062
Current liquidity ratio	7.368	7.183
Quick liquidity ratio	6.543	6.514

Indicator	2014, 3 months	2015, 3 months
Net working capital	599,100,490	721,680,252
Current liquidity ratio	8.03	9.609
Quick liquidity ratio	7.212	8.804

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

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

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 operating costs based on the economic analysis of the above performance, which (in the opinion of the issuer's management bodies) have the most considerable influence on the issuer's liquidity and solvency: **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 operating results 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 operating results 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. Issuer's financial investments

As of 31.12.2014

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

Investments in the issuer's equity securities

There are no investments in the issuer's equity securities constituting 5 and more percent of all financial investments.

Investments in the issuer's non-equity securities

There are no investments in the issuer's non-equity securities constituting 5 and more percent of all financial investments.

The issuer has formed a reserve for devaluation of financial investments in equity securities.

The reserve for devaluation of financial investments in equity securities as of the first and last day of the completed financial year before the end date of the last reporting quarter:

- The reserve for devaluation of financial investments in equity securities as of 01.01.2014 and 31.12.2014 amounted to RUB 100,000;

- The Company's financial investments are shown at book value net of the amount of a reserve formed for financial investments devaluation.

Other financial investments

Object of financial investments: *loans granted*

Amount of the investments in money terms: *103,042,368*

Unit of measure: *thousand RUB*

Returns from the object of financial investments or the procedure of its determination, the payment period: *interest accrual on the sums of the loans granted and transfer dates are determined in accordance with the terms and conditions of the contracts.*

Additional information: *no*.

Object of financial investments: *deposits*

Amount of the investments in money terms: *1,806,478,870*

Unit of measure: *thousand RUB*

Returns from the object of financial investments or the procedure of its determination, the payment period: *interest accrual on the sums of the deposits and payment periods are determined in accordance with the terms and conditions of the contracts.*

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 December 10, 2002 of the RF Ministry of Finance "Accounting Regulations "Financial Investments Recognition" PBU 19/02".*

As of 31.03.2015

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

Investments in the issuer's equity securities

There are no investments in the issuer's equity securities constituting 5 and more percent of all financial investments.

Investments in the issuer's non-equity securities

There are no investments in the issuer's non-equity securities constituting 5 and more percent of all financial investments.

The issuer has formed a reserve for devaluation of financial investments in equity securities.

The reserve for devaluation of financial investments in equity securities as of the first and last day of the completed financial year before the end date of the last reporting quarter:

- The reserve for devaluation of financial investments in equity securities as of 01.01.2014 and 31.12.2014 amounted to RUB 100,000;

- The Company's financial investments are shown at book value net of the amount of a reserve formed for their devaluation.

Other financial investments

Object of financial investments: ***loans granted***

Amount of the investments in money terms: ***103,042,897***

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

Returns from the object of financial investments or the procedure of its determination, the payment period: ***interest accrual on the sums of the loans granted and transfer dates are determined in accordance with the terms and conditions of the contracts.***

Additional information: ***no.***

Object of financial investments: ***deposits***

Amount of the investments in money terms: ***1,881,238,773***

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

Returns from the object of financial investments or the procedure of its determination, the payment period: ***interest accrual on the sums of the deposits and payment periods are determined in accordance with the terms and conditions of the contracts.***

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 December 10, 2002 of the RF Ministry of Finance "Accounting Regulations "Financial Investments Recognition" PBU 19/02".***

4.4. Issuer's intangible assets

As of 31.12.2014

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

Name of intangible assets group	Historical (replacement) cost	Accumulated depreciation
TOTAL	<i>1,166,315</i>	<i>695,057</i>

Accounting standards (rules) used by the issuer to disclose information about its intangible assets:

- Intangible assets are recorded at their actual (historical) cost determined as of the date when such assets were recorded;

- The Company records intangible assets in accordance with Order No. 153n dated December 27, 2007 of the RF Ministry of Finance "On Approval of Accounting Regulations "Intangible Assets Accounting" PBU 14/2007".

Reporting date: ***31.12.2014***

As of 31.03.2015

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

Name of intangible assets group	Historical (replacement) cost	Accumulated depreciation
TOTAL	<i>1,172,653</i>	<i>714,567</i>

Accounting standards (rules) used by the issuer to disclose information about its intangible assets:

- Intangible assets are recorded at their actual (historical) cost determined as of the date when such assets were recorded;

- The Company records intangible assets in accordance with Order No. 153n dated December 27, 2007 of the RF Ministry of Finance "On Approval of Accounting Regulations "Intangible Assets Accounting" PBU 14/2007".

Reporting date: 31.03.2015

4.5. Data on the issuer's philosophy and expenditures for scientific-and-technological development, advanced designs, research work, as well as in relation to licenses and patents

OJSC "Surgutneftegas" research and development (R&D) activity.

In 2014, the Company's R&D Institute "SurgutNIPIneft" carried out 102 research projects, while third-party contractors completed other 45 projects. In 2014, the Company's expenses for 147 projects totaled RUB 2,185.468 million.

In 1Q2015, the Company carried out 85 research projects, while third-party contractors completed another 20 projects. The Company's expenses in 1Q2015 for 105 projects totaled RUB 481.815 million.

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

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

The section "Mastering of new operating procedures, production methods and equipment" of the innovative plan for 2014 included 232 projects to introduce new equipment and technology. As many as 241 projects to introduce new technology were carried out subject to adjustments and amendments in 2014. Forty-eight business units of the Company were engaged in introduction of new engineering processes and new types of production methods and equipment.

The section "Mastering of new operating procedures, production methods and equipment" of the innovative plan for 2015 includes 257 projects to introduce new equipment and technology. As many as 120 projects to introduce new technology were carried out subject to adjustments and amendments in 1Q2015. In the first quarter, 39 structural units of the Company were engaged in introduction of new engineering processes 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 2014 includes 112 projects. Subject to adjustments and amendments to the plan, tests in 2014 were carried out under a total of 99 projects. Tests of 80 models of new equipment were completed, 66 of them with positive results.

The section "Pilot projects to test new equipment and technology of the innovative plan" for 2015 includes 141 projects. Subject to adjustments and amendments to the plan, tests in 1Q2015 were carried out under a total of 84 projects. Tests of 6 models of new equipment were completed, 5 of them with positive results.

3. Import substitution program.

As many as 408 items were manufactured subject to adjustments and amendments in 2014. The savings amounted to RUB 816 million.

As many as 364 items were manufactured subject to adjustments and amendments in 1Q2015. The savings amounted to RUB 233.9 million.

The Company's rationalization and invention activities, and acquisition of patents.

In 2014, the Company issued and sent 11 applications to the Federal Institute of Industrial Property (FIPS).

The Company obtained 19 documents of title, including 1 document for an invention, 8 documents for databases, 3 documents for utility models and 7 documents for software.

There are no risk factors related to termination of these documents of title.

Rospatent is currently reviewing 1 application for an invention and 1 application for software.

The obtained documents of title increased the cost of the Company's intangible assets in 2014 by RUB 136.6 million.

In 1Q2015, the Company issued and sent 5 applications to the Federal Institute of Industrial Property (FIPS), including 4 applications for state database registration and 1 application for trademark registration.

The Company obtained 2 documents of title for databases.

There are no risk factors related to termination of these documents of title.

Rospatent is currently reviewing 5 applications, including 1 application for an invention, 1 application for a trademark, 2 applications for databases and 1 application for software.

The obtained documents of title increased the cost of the Company's intangible assets in 1Q2015 by RUB 13.5 million.

Information on intellectual industrial property (inventions, utility models, industrial prototypes, trademarks) of OJSC "Surgutneftegas" as of **31.03.2015**

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 dtd 16.06.2003	02.11.1999	02.11.2019
2	Well stream stimulation method	Patent (I) No. 2209948 dtd 10.08.2003	20.11.2000	20.11.2020
3	Road design	Certif. (PM) No. 29936 dtd 10.06.2003	30.10.2002	30.10.2015
4	Design of securing seating for derrick man evacuation device at cluster rig	Patent (PM) No. 36432 dtd 10.03.2004	06.10.2003	06.10.2016
5	Method of determination of SPM mass concentration with scratch resistance over 5 in well production	Patent (I) No. 2273020 dtd 27.03.2006	10.12.2003	10.12.2023
6	BOP suspended manifold of modular-assembly rigs	Patent (PM) No. 43585 dtd 27.01.2005	21.09.2004	21.09.2017
7	Oil man outfit "Universal"	Patent (PO) No. 59443 dtd 16.07.2006	27.07.2004	27.07.2019
8	Development method of complex oil deposit with thin oil margin	Patent (I) No. 2095552 dtd 10.11.1997	15.09.1995	15.09.2015
9	Method of determining filtration parameters at complex reservoirs and multilayer objects	Patent (I) No. 2290507 dtd 27.12.2006	11.01.2005	11.01.2025
10	Drill bits for drilling liner technological mountings with interchangeable cutters	Patent (PM) No. 49084 dtd 10.11.2005	01.06.2005	01.06.2015
11	Tubing-casing annulus sealing tool	Patent (I) No. 2311525 dtd 27.11.2007	10.01.2006	10.01.2026
12	Method of hydraulic fracturing	Patent (I) No. 2311528 dtd 27.11.2007	10.01.2006	10.01.2026
13	Submersible electric centrifugal pump package (UPETsNM)	Patent (PM) No. 65586 dtd 10.08.2007	30.08.2006	30.08.2016
14	Safety screen for fire monitor (options)	Patent (PM) No. 65767 dtd 27.08.2007	18.01.2007	18.01.2017
15	Automatic winding drum shelter UNKRT-2M	Patent (PM) No. 67643 dtd 27.10.2007	31.05.2007	31.05.2017
16	Bottom-hole formation zone protector	Patent (PM) No. 72719 dtd 27.04.2008	14.12.2007	14.12.2017
17	Drilling bit design	Patent (PM) No. 73017 dtd 10.05.2008	14.12.2007	14.12.2017
18	Wash tank dewaxer	Patent (PM) No. 79810 dtd 20.01.2009	14.02.2008	14.02.2018
19	Blowout valve	Patent (PM) No. 80495 dtd 10.02.2009	05.06.2008	05.06.2018
20	Loading control unit for natural gas liquids (NGL) and commercial propane/butane mixture (CPBM)	Patent (PM) No. 89985 dtd 27.12.2009	18.05.2009	18.05.2019
21	Method to remove insulating lacquer coatings of lacquer-impregnated windings of electric motors, including submersible electric motors (SEM)	Patent (I) No. 2396670 dtd 10.08.2010	04.05.2009	04.05.2029
22	Design of an adsorber vessel	Patent (PM) No. 102307 dtd 27.02.2011	19.07.2010	19.07.2020
23	Restoration method of disturbed wetlands (swamplands)	Patent (I) No. 2459397 dtd 27.08.2012	22.09.2010	22.09.2030
24	Production tree heater	Patent (PM) No. 113902 dtd 27.02.2012	20.07.2011	20.07.2021

25	Sludge pump	Patent (PM) No. 124335 dtd 20.01.2013	14.12.2011	14.12.2021
26	Method of determining kerogen parameters and its content in rocks	Patent (I) No. 2485495 dtd 20.06.2013	20.07.2011	20.07.2031
27	Method for repairing a tubing unit without removing the logging cable	Patent (I) No. 2513319 dtd 18.02.2014	27.07.2012	27.07.2032
28	Stand for pneumatic tests of screwed pipe joints	Patent (PM) No. 136570 dtd 10.01.2014	01.10.2012	01.10.2022
29	Design of the liner running into the well drilled under balance	Patent (PM) No. 137571 dtd 20.03.2014	26.03.2013	26.03.2023
30	Open Joint Stock Company “Surgutneftegas”	Certificate of trademark No. 438918 dtd 09.06.2011	06.05.2010	06.05.2020
31	Equipment for multizone well survey and operation	Patent (PM) No. 131074 dtd 10.08.2013	10.01.2013	10.01.2023
32	Turning casing float valve	Patent (PM) No. 135706 dtd 20.12.2013	23.07.2013	23.07.2023
33	Circular casing module	Patent (PM) No. 146266 dtd 03.09.2014	19.05.2014	19.05.2024

4.6. Oil industry trends analysis

The development of oil and gas industry in Russia depends greatly on the ongoing changes in the global oil and gas industry. In the reporting year, the key factor in the development of the global oil and gas market was a decline in oil prices caused by imbalance of supply and demand of hydrocarbons as a result of a slowdown in the economies of major oil-importing countries, growth of shale oil production in the United States and a number of other factors.

In 2014, the volume of crude oil production in Russia amounted to 526.7 million tonnes, 0.7% higher than in 2013. In the reporting year, significant contribution to the achieved level of oil production was made by oil fields that had been put online in Eastern Siberia several years ago and new fields in Krasnoyarsky Krai and Nenetsky Autonomous Okrug. In addition, oil companies managed to halt the decline in production in brown fields, which is the result of the active work aimed at improving the wells' operation carried out in recent years.

In 2014, oil companies put on stream 6,065 new oil wells. The share of inactive wells remained the same as in the previous year and amounted to 13.1%. They continued to expand their exploratory drilling which at the end of the year reached 993.9 thousand meters, 21.6% higher than in 2013. In contrast to this, the volume of development drilling decreased by 5.1%.

Despite the record volume of production, the export of oil declined in the reporting year and amounted to 42% of oil produced. Reduced supplies were observed both for CIS and non-CIS countries. The greater portion of exports to non-CIS countries was delivered via marine terminals. They accounted for 58.7%. At the same time, transportation of crude oil via pipelines increased, mainly due to Asian countries.

In 2014, the Russian refineries received about 290 million tonnes of oil for processing, 5.3% up against 2013. The utilization of refining capacities still remains high (94.1%). The conversion ratio at the refinery reached 72.4%. The industry continued an extensive upgrade of refineries aimed at higher conversion ratio and compliance Technical Regulations on the characteristics of oil products. The investments of oil companies in development and upgrading of refineries in the reporting year amounted to RUB 290 billion, or 7.8% up on 2013; thirteen processing units were commissioned.

Basic petroleum products output increased in 2014 by 5.5%, mostly a diesel fuel, due to the fact that the retrofitted refineries are adapted specifically for this product. Its production increased by 8.2% and amounted to 77.4 thousand tonnes. Aviation fuel production grew significantly – by 5.4%. Automobile gasolines production decreased slightly (by 1%). The share of ecology Class 5 product increased in the general structure of petroleum products: for diesel fuel – from 43% to 58%, for gasoline – from 63% to 75%. Supplies of major oil products for the domestic market increased by 8.3% compared with the level of 2013 and amounted to over 46% from their production. Diesel fuel deliveries grew by 3.4%, and within this sector the share of Class 5 products grew to 74%.

Natural gas production in Russia in 2014 amounted to 654.2 billion cubic meters. OAO Gazprom and OAO NOVATEK generated the bulk of production. The share of oil companies engaged in domestic gas production continued to grow and reached 14% in the reporting year, which is due to a more active involvement in production of gas through both purchase of gas assets, development of gas fields, and compliance with legal requirements for maintaining APG utilization rate at 95%. In 2014, the domestic APG utilization rate reached 84% against 78.8% in 2013.

OJSC “Surgutneftegas” is one of the largest vertically integrated oil companies in the Russian Federation. At 2014 year-end, OJSC “Surgutneftegas” accounts for nearly 12% of Russia’s total crude output and about 15% of associated petroleum gas output, as well as about 7% of the crude refining.

The Company’s oil and gas operations take place mainly in Western and Eastern Siberia. Oil production of OJSC “Surgutneftegas” was 61.4 million tonnes in the reporting year, which is the same as the previous year. A crucial role in sustaining the oil production belongs to East Siberian fields – in the reporting year, this region accounted for 13% of the Company’s total oil output.

The total number of production oil wells of Surgutneftegas is 13.3% of operating well stock; in the end of 2014, the share of inactive wells counts 8.6% which is the lowest rate in the industry.

The Company pays special attention to the development of the system for collection and rational use of associated petroleum gas. The associated petroleum gas is processed at the Company’s gas processing plant, delivered to the Company’s gas turbine and gas-fired reciprocating engine power plants for electric power generation; it is used as a fuel and feedstock for the process needs, and is injected to formation to keep the reservoir pressure. Such an approach allows OJSC “Surgutneftegas” to reach a high level of APG utilization and keep a leading position in this in the industry – in 2014 the utilization rate was 99.14%.

OJSC “Surgutneftegas” incorporates LLC “KINEF” that is one of the leading refineries in terms of hydrocarbons refining output among Russian companies. The refinery’s oil processing facilities are being upgraded, new objects are being built to help ecological parameters of the fuel produced. Oil refining throughput at LLC “KINEF” amounted to 18.5 million tonnes, with light petroleum products growth by 1.1 million tonnes. The production of ecology Class 5 gasoline has increased by 34% among basic petroleum products, with all diesel fuel complying with ecology Class 5.

The Company’s marketing network is located in the North-West of Russia. Over many years, due to high quality of the marketed oil products, the level of service and a wide range of services the marketing subsidiaries of OJSC “Surgutneftegas” have leading positions in the regions of its operations.

In 1Q2015, the Russian oil and gas industry was influenced by further decline in oil prices in the world market. According to real-time data of the State Enterprise “CDU TEK” volume of oil production in Russia decreased slightly – by 1.7% compared with 4Q2014 and totaled 131.5 million tonnes. Over 70 million tonnes was refined, or 53% of the crude produced. Oil companies reduced the volume of development and exploratory drilling. In 1Q2015, development drilling decreased by 1.7% compared to 4Q2014 and amounted to 4,835.1 thousand meters; exploratory drilling decreased by 37.4% and amounted to 204 thousand meters. In the reporting quarter, the crude oil exports to non-CIS countries via Transneft pipeline system increased, the bulk of deliveries came through the seaside terminals.

In 1Q2015, OJSC “Surgutneftegas” produced 15.2 million tonnes of crude oil, which is 11.5% of the industry production. Development drilling of the Company decreased against 4Q2014 to 978.6 thousand meters while exploratory drilling grew by 29.7% to 58.9 thousand meters. The share of OJSC “Surgutneftegas” in the volume of development drilling in the reporting quarter was 20.2%, in the exploration drilling – 28.9%. Oil refining throughput at LLC “KINEF” amounted to 4.3 million tonnes, which is 6.4% of Russia’s refining capacity.

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 on global and domestic markets;*
- Tax burden ratio;*
- Foreign exchanges/national currency rate;*
- Inflation rate and natural monopoly tariffs;*
- Operating figures.*

Hydrocarbon price trends on global and domestic markets

The Company’s operation is mostly affected by oil and oil products prices on domestic and global markets.

In 1Q2015, global oil prices kept on decreasing:

- Brent price amounted to 53.3 USD/bbl, 30.1% down against the previous quarter and 50.7% down against the same period of 2014.*
- The weighted average Urals price went down by 30.4% from 4Q2014 to 52.2 USD/bbl, which means a 50.8% decrease against the same period of the previous year.*

The prices in the domestic market of Russia depend on export alternatives and take into account seasonal demand for hydrocarbons, changes in excise duties on oil products and other factors. In 1Q2015, the weighted average oil price in the open Russian market grew by 16.7% against 4Q2014 to 15.2 thousand RUB/tonne (West-Siberian petroleum province). It is also a 8.9% growth compared to the same period of 2014.

Further decrease in oil prices will have a negative impact on the Company’s revenue and operating profit.

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 1Q2015, a “tax maneuver” was introduced in the oil and gas industry. It provides for a decrease in crude export duties and a simultaneous growth of mineral extraction tax rates.

In the reporting period, the average duty rate for crude oil to be exported to non-CIS countries dropped by 58.4% compared to 4Q2014 and 66.5% compared to 1Q2014.

Since 1 January 2015, the MET rate increased to 766 RUB/tonne (in 2014, it was 493 RUB/tonne). In 1Q2015, the Mineral Extraction Tax effective rate increased by 29.8% compared to 4Q2014 under conditions of oil prices decline, increase of basic rate and weakening of ruble against the US dollar. It is also a 12.4% growth of the Mineral Extraction Tax rate compared to the same period of 2014.

The foreign exchanges/national currency rate

A significant part of the Company’s revenue from export of crude oil and oil products is denominated in foreign currency. As a result, any fluctuations in the exchange rate of the Russian ruble to main currencies strongly influence the Company’s financial results, mostly the revenue figures.

During 1Q2015, high volatility of ruble against the US dollar was observed. As a result of a stronger US dollar, the average value for the quarter reached its historical highs and equaled 62.19 RUB/USD, a 31.1% increase from the previous quarter. It is also a 77.9% growth compared to 1Q2014.

Inflation rate and natural monopoly tariffs

The Company’s performance is adversely affected by inflation growth rates and higher natural monopoly tariffs because soaring prices drive up the Company’s costs.

Since 1 January 2015, Transneft tariffs for pipeline transportation and service tariffs for orders and crude delivery supervision grew by 6.8% on the average.

The inflation rate in 1Q2015 accounted for 7.4%, which is the highest rate for the last decade.

Operating figures

In 1Q2015, the Company maintained crude production at the level of 1Q2014 that was 15.2 million tonnes, including more than 2 million tonnes produced in Eastern Siberia (+ 11.9%).

In the reporting period, gas production totaled about 2.4 billion cubic meters, 1.3% higher than in the same period of 2014. The Company’s gas processing plant processed 1.6 billion cubic meters of gas.

In 1Q2015, development drilling increased by 10.8% compared to 1Q2014 and amounted to 978.6 thousand meters; exploratory drilling increased by 9.7% and amounted to 58.9 thousand meters. As many as 303 new wells were put online. The Company generated 1,318.1 million kWh of electric power at its own gas turbine power stations, which is a 7% increase from 1Q2014.

4.8. Issuer’s competitors

The main Company’s competitors in terms of production operation are Russian vertically integrated oil companies: LUKOIL, Rosneft, Gazprom neft, Bashneft, and Tatneft.

Key competitive strengths of the Company include sound resource base and availability of advanced equipment and technologies for oil production which ensure development of hard-to-recover reserves and enhanced oil recovery at the Company’s fields.

Key competitive strengths of the refining segment include close proximity of the Company’s refinery to the sea ports and own marketing outlets which ensure efficient oil products supply.

The Company’s key competitive strength in the gas sector is the complete cycle for production, utilization, and processing of associated petroleum gas.

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

Full description of the structure of the issuer’s management bodies and their terms of reference in accordance with the issuer’s charter (constituent documents):

The general shareholders’ meeting is the supreme management body of the Company.

The Board of Directors carries out the general management of the Company’s activities and has the right to make decisions on any matters concerning the Company’s activities except those, which the Company’s Charter limits to the terms of reference for the general shareholders’ meeting. The members of the Board of Directors in the number determined by a resolution of the Company’s general shareholders’ meeting are elected by the annual general shareholders’ meeting in the order stipulated by the Company’s Charter for a term lasting till the next annual general shareholders’ meeting. The members of the Board of Directors can be re-elected an unlimited number of times.

Director General is the individual executive body of the Company and manages the Company’s current

activities in the order and within the terms of reference determined by the Company's Charter as well as in accordance with resolutions of the Board of Directors and the general shareholders' meeting. The Company's Board of Directors appoints Director General of the Company for a five-year period. At expiration of Director General's term of office, the Board of Directors can appoint this person for the same period an unlimited number of times.

Director General reports to the Board of Directors and the Company's general meeting of shareholders.

The powers of the Company's management bodies are determined by the Company's Charter.

The terms of reference for the Company's general shareholders' (members') meeting, as determined by its Charter (constituent documents).

The terms of reference for the general shareholders' meeting include the following issues (the resolutions on these issues are adopted if shareholders who own more than 50% of the Company's voting shares and take part in the general shareholders' meeting have voted for it, except as otherwise provided by the Company's Charter):

1) To amend the Company's Charter or to approve the Company's Charter in a new wording excluding cases stipulated by the Federal Law "On Joint Stock Companies" and the Company's Charter

2) To decrease the charter capital through reduction of par value of shares, acquisition of a portion of shares by the Company to reduce their total amount or to redeem partly paid-in shares and through redemption of shares acquired or bought back by the Company

3) To approve the Company's annual reports and annual accounting statements, including profit and loss accounts (profit and loss statements) of the Company and its profit and loss distribution

4) To adopt a resolution to pay annual dividends, to approve the dividend size and the form of its payment on shares of each category (type). Such resolution is adopted on the Board of Directors' recommendation. The annual dividend size can not exceed the size recommended by the Board of Directors

5) To elect members to the Company's Auditing Committee and to terminate their powers ahead of schedule, to approve the Company's Regulations on the Auditing Committee

6) To adopt resolutions to restructure the Company

7) To adopt resolutions to liquidate the Company, to appoint the liquidation commission and approve interim and final liquidation balance sheets

8) To determine the number of members of the Company's Board of Directors, to elect members to the Board of Directors and terminate their powers ahead of schedule

9) To determine the amount of declared shares, their par value, their category (type) and rights granted by these shares

10) To approve the Company's auditor

11) To determine the procedure of a general shareholders' meeting

12) To establish the counting commission

13) To determine the procedure following which the Company provides information (materials) subject to presentation to shareholders while preparing for a general shareholders' meeting, including choice of a press agency in case of publication

14) To carry out share split and share consolidation

15) To adopt a resolution on the Company's approval of interested party transactions in accordance with the Federal Law "On Joint Stock Companies"

16) To adopt a resolution on the Company's approval of major transactions in accordance with the Federal Law "On Joint Stock Companies", Article 79, Item 3

17) To increase the Company's charter capital through placement of additional ordinary shares through public subscription if the quantity of the ordinary shares to be additionally placed exceeds 25 percent of the ordinary shares previously placed

18) To increase the Company's charter capital through placement of additional shares through private subscription

19) To place equity securities convertible into shares through private subscription. To place through public subscription convertible equity securities which can be converted into ordinary shares exceeding 25 percent of the ordinary shares previously placed

20) To increase the Company's charter capital through increase in par value of shares

21) To pass a resolution to participate in holding companies, financial and industrial groups, associations and other unions of business

22) To approve internal documents governing the activities of the Company's bodies

23) Other issues provided for by the law of the Russian Federation currently in force.

Issues within the terms of reference for the general shareholders' meeting cannot be delegated to the Board of Directors and Director General of the Company.

The terms of reference for the Company's Board of Directors (Supervisory Board), as determined by its Charter (constituent documents).

The terms of reference for the Board of Directors include the following issues:

1) To submit issues stipulated by the Company's Charter to a general shareholders' meeting for adopting a resolution

2) To recommend the size of dividends to be paid to shareholders and the procedure for dividend payment

3) To determine priority lines of the Company's activity

4) To convene annual and extraordinary general shareholders' meetings of the Company

- 5) To adopt the agenda for general shareholders' meetings
- 6) To determine the date for making up the list of persons having the right to participate in a general shareholders' meeting as well as the date, venue and time of a general shareholders' meeting, informing shareholders of holding a meeting, of the list of materials (information) to be presented to shareholders while preparing for a general shareholders' meeting, of the form and text of a ballot paper
- 7) To preliminarily approve annual reports, balance sheets, profit and loss accounts of the Company
- 8) To increase the Company's charter capital through placement by the Company of:
 - Additional ordinary shares through public subscription within the quantity and the category (type) of declared shares if the quantity of the ordinary shares to be placed additionally amounts to 25% or less of the ordinary shares placed earlier by the Company;
 - Additional preferred shares through public subscription;
 - Additional shares at the expense of the Company's property;
- 9) To approve reports on results of issues and purchases of the Company's shares by the Company
- 10) To amend the Company's Charter after an increase in its charter capital resulting from an increase in the par value of shares
- 11) To amend the Company's Charter after an increase in its charter capital resulting from the placement of additional shares
- 12) Placement by the Company of:
 - Bonds and other equity securities convertible into shares if the mentioned bonds (other equity securities) are placed through public subscription and can be converted into the Company's ordinary shares amounting to 25% or less of the ordinary shares placed earlier;
 - Bonds and other equity securities if they are not convertible into the Company's shares under the subscription terms;
- 13) To determine the market value of the Company's property
- 14) To purchase and buy back shares, bonds and other securities placed by the Company in cases stipulated by the Company's Charter
- 15) To dispose of shares purchased and bought back by the Company and of shares which came to the disposal of the Company due to the fact that their buyers have not fulfilled their payment obligations;
- 16) To elect the Chairperson of the Board of Directors and the Deputy Chairperson of the Board of Directors out of the members of the Board of Directors;
- 17) To appoint the Director General of the Company, to determine the size of bonuses and compensations paid to him
- 18) To recommend the size of bonuses and compensations paid to the members of the Company's Auditing Committee and to determine the amount of auditor's service payment
- 19) To determine ways of application of the Company's reserve, purpose-oriented and other funds
- 20) To approve the Company's internal documents excluding those internal documents which, in conformity with the Federal Law "On Joint Stock Companies", are to be approved by a General shareholders' meeting, and other internal documents of the Company which, according to the Company's Charter, are to be approved by the Director General
- 21) To establish branches and to open representative offices of the Company
- 22) To amend the Company's Charter because of newly established branches and representative offices and their liquidation
- 23) To adopt resolutions on the Company's approval of major transactions in accordance with the Federal Law "On Joint Stock Companies"
- 24) To adopt resolutions on the Company's approval of interested party transactions in accordance with the Federal Law "On Joint Stock Companies"
- 25) To approve the Company's registrar, to approve and to cancel an agreement with the Company's registrar
- 26) Other issues, as provided by the law of the Russian Federation.

The terms of reference for the individual and collegial executive bodies of the Company, as provided by its Charter (constituent documents).

The terms of reference for Director General of the Company include the following:

- 1) To implement resolutions of a general shareholders' meeting and the Company's Board of Directors
- 2) To issue orders, instructions, decrees, directions and other acts concerning the Company's activities, which all the Company's employees are required to follow
- 3) Within the rights granted to him/her, to take all necessary actions to exercise legal powers to possess, use and dispose of the Company's property, including conclusion of contracts on acquisition and alienation of the Company's property, loan, credit, and other agreements on behalf of the Company and in accordance with the law of the Russian Federation currently in force and the present Charter
- 4) To act on behalf of the Company in relations with any Russian or foreign legal and natural persons, to sign contracts and agreements in the Russian Federation and abroad, to carry out other transactions on behalf of the Company including signing contracts on acquisition of property accounting for up to 25% of the book value of the Company's assets as per the Company's accounting statements as of the last reporting date, to employ the Company's reserve, purpose-oriented and other funds in compliance with the directions of the Company's Board of Directors, to give letters of attorney to carry out transactions, to open settlement accounts and other accounts with banks and other organizations and institutions
- 5) To deal with issues concerning investments in the development of enterprises and organizations

- 6) To approve and change the Company's structure, to establish and abolish the Company's structural units, to approve the provisions on the Company's structural units
- 7) To approve the manning table, office expenses estimates, amount and type of compensation for the Company's employees as well as Internal Labor Regulations and job descriptions for all categories of the Company's employees
- 8) To employ, appoint, dismiss, and discharge the Company's employees, heads of structural units, to determine their salaries and bonuses as well as incentives for and sanctions against them, to pass resolutions on their material responsibility, to sign employment agreements (contracts) with employees on behalf of the Company
- 9) To take decisions on the social development of the Company and its subsidiaries
- 10) On behalf of the Company, to pass resolutions to raise claims and take legal actions against legal and natural persons both in the Russian Federation and abroad, as determined by the legislation.

The Director General of the Company also has the right to pass resolutions on management of any current activities of the Company and its subsidiaries, which do not pertain to the terms of reference for the general shareholders' meeting and the Company's Board of Directors. The Director General passes resolutions on issues within his/her terms of reference independently.

For a period of his/her absence and under any other circumstances, the Director General has the right to appoint any of the Company's officials as an acting Director General.

5.2. Members of the issuer's management bodies

5.2.1. The issuer's Board of Directors (Supervisory Board):

Name: *Vladimir P. Erokhin*

(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	by		
2010	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*

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 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 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: *Vladimir L. Bogdanov*

Year of birth: *1951*

Education: *Higher professional education, 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	by		
2010	present	Open Joint Stock Company "Surgutneftegas"	Director General
2010	present	Open Joint Stock Company "Surgutneftegas"	Vice Chairperson of the Board of Directors
2010	May 2012	ZAO Surgutneftegasbank	Chairman of the Board of Directors
2010	June 2010	Open Joint Stock Company "Zarubezhneft"	Member of the Board of Directors
2010	June 2012	Open Joint Stock Company "Oil Company "Rosneft"	Member of the Board of Directors
2010	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**

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 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 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: ***Alexander N. Bulanov***

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	by		
2010	present	Open Joint Stock Company "Surgutneftegas"	Chief Engineer – First Deputy Director General
2010	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**

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 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 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: **Ivan K. Dinichenko**

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	by		
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**

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 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 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: **Viktor M. Krivosheev**

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	by		
2010	July 2010	Open Joint Stock Company "Surgutneftegas"	Chief Power Engineer – Energy Division Head
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**

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 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 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: **Nikolai I. Matveev**

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	by		
2010	present	Open Joint Stock Company "Surgutneftegas"	Member of the Board of Directors

Share in the charter capital of the issuer/no ordinary shares.

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 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 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: **Vladimir I. Raritsky**

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	by		
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**

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 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 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: **Ildus S. Usmanov**

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	by		
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**

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 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 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: ***Vladimir A. Shashkov***

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	by		
June 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**

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 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 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: ***Vladimir L. Bogdanov***

Year of birth: ***1951***

Education: ***Higher professional education, 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	by		
2010	present	Open Joint Stock Company "Surgutneftegas"	Director General
2010	present	Open Joint Stock Company "Surgutneftegas"	Vice Chairperson of the Board of Directors
2010	May 2012	ZAO Surgutneftegasbank	Chairman of the Board of Directors

2010	June 2010	Open Joint Stock Company “Zarubezhneft”	Member of the Board of Directors
2010	June 2012	Open Joint Stock Company “Oil Company “Rosneft”	Member of the Board of Directors
2010	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**

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 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 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. 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

Board of Directors

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

Indicator	2014	2015, 3 months
Remuneration for the participation in the work performed by the management body	15,490	3,928
Salary		
Bonus		
Commission		
Benefits		
Other types of remuneration	5,578	62
TOTAL	21,068	3,990

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.***

Compensation

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

Management body	2014	2015, 3 months
Board of Directors	515	75

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

Give the full description of the structure of the agencies supervising the issuer’s financial and business activities and their terms of reference in accordance with the issuer’s charter (constituent documents) and internal documents:

The Company’s Auditing Committee is established to supervise the Company’s financial and business activities. The Company’s Auditing Committee consists of three members elected by a general shareholders’ meeting out

of shareholders or their proxies. Shares owned by members of the Board of Directors and the Company's Director General cannot vote to elect members of the Auditing Committee. The Auditing Committee passes resolutions either at its meetings or through polls by a majority of its members' votes, in the order established in the Regulations on the Auditing Committee. A member of the Auditing Committee cannot be a member of the Board of Directors; neither can she/he hold a post of the Company's Director General.

Once a financial year is over, the Auditing Committee conducts an annual audit (inspection) of the Company's activities. An unscheduled audit (inspection) is conducted by the Committee at any time on its own initiative, in compliance with the resolution adopted by a general shareholders' meeting, at a shareholder's (shareholders') request in writing, provided the shareholder (shareholders) own(s) an aggregate of at least 10% of the Company's voting shares, or in accordance with the resolution passed by the Board of Directors. As requested by the Auditing Committee, the Company's officers must timely provide the Auditing Committee with all necessary information and documents on the Company's financial and business activities. Based on its findings, the Auditing Committee prepares a report.

The Auditing Committee is entitled to require an extraordinary general shareholders' meeting to be convened, following the procedure stipulated by the Company's Charter.

To have annual financial statements audited and confirmed, the Company annually hires a professional auditor who does not share any property interests with the Company or with its shareholders.

The Company's auditor is approved by a general shareholders' meeting. The auditor's service payment is determined by the Company's Board of Directors.

An audit of the Company's activities must be conducted at any time at a shareholder's (shareholders') request in writing, provided the shareholder (shareholders) own(s) an aggregate of at least 10% of the Company's placed shares.

The Company established the Audit Committee of the Board of Directors.

Key functions of the Audit Committee:

The Audit Committee of the Company's Board of Directors (hereinafter, the Committee) was formed under the Company's Board of Directors.

The Committee shall be elected from among the members of the Company's Board of Directors and shall consist of at least 3 (three) members, with at least one Committee member being an independent director. The Chairperson of the Audit Committee shall be an independent director.

Committee members shall be elected at a meeting of the Board of Directors for a period until new members of the Board of Directors are elected by the annual general shareholders' meeting of the Company. A resolution to elect the members to the Committee shall be passed by simple majority of the total number of Board members.

The key objective of the Committee shall be efficient supervision of the Company's financial and business activities by the Board of Directors

The main functions of the Committee are as follows:

- *Evaluation of internal control procedures and improvement proposals;*
- *Evaluation of candidates when selecting the Company's audit organization (hereinafter, the Company's auditor);*
- *Evaluation of the audit opinion on the Company's financial and business activities for the year.*

When performing its duties, the Committee may communicate with the Company's auditor, Auditing Committee, internal Audit Service, other subdivisions and the Company's management.

The Committee shall present an annual performance report to the Board of Directors by a Board meeting.

An annual report prepared by the Committee shall include the following:

- *Evaluation of the Company's auditor candidates by the Committee;*
- *Evaluation of the audit opinion on the Company's financial and business activities for the year.*

Member of the Audit Committee of the Board of Directors

Name	Chairman
Vladimir A. Shashkov	<i>yes</i>
Nikolai I. Matveev	<i>no</i>
Ivan K. Dinichenko	<i>no</i>

The issuer's separate business unit(s) for risk management and internal control (body (business unit) other than the Auditing Committee (Auditor), performing internal audit of the issuer's financial and business activities), its objectives and functions: *no*.

The issuer's separate business unit (service) for internal audit, its objectives and functions:

The structure and staff of the Internal Audit Service are approved by the Director General.

The objectives of the Internal Audit Service are:

- *Control over business and financial transactions conducted by the Company in compliance with the Russian Federation legislation, the Charter and other local acts of the Company;*

- Control over the expediency, correctness, completeness and accuracy of business and financial transactions conducted by the Company in accounting and tax accounting;
- Control over the preservation of the items of value and cost monitoring.

In order to ensure independence and objectivity of the internal control, the Internal Audit Service and reports to the Audit Committee of OJSC "Surgutneftegas" Board of Directors on the functional level and to the Company's Director General on the administrative level.

Internal Audit Service acts in compliance with the legislation of the Russian Federation, the Company's Charter and the present Regulations.

The issuer's policy in the sphere of risk management and internal control is presented in Clause 2.4 of the present quarterly report.

The issuer ratified (approved) the issuer's internal document establishing rules to prevent unauthorized use of confidential and insider information.

The issuer's internal document establishing rules to prevent unauthorized use of confidential and insider information: OJSC "Surgutneftegas" Regulations on Insider Information are accessible to the public in Internet (see the Company's web site).

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: **Taisiya P. Klinovskaya**

(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	by		
2010	January 2013	Open Joint Stock Company "Surgutneftegas"	Financial Division Head
June 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**

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 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 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: **Tamara F. Oleynik**

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	by		

Share in the charter capital of the issuer/no ordinary shares.

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 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 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: **Valentina V. Musikhina**

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	by		
2010	May 2010	Open Joint Stock Company "Surgutneftegas"	Head of Capital Investments and Exploration Accounting Department, Accounting and Reporting Division
May 2010	June 2012	Open Joint Stock Company "Surgutneftegas"	Deputy Head of Accounting and Reporting Division

Share in the charter capital of the issuer/no ordinary shares.

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 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 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	by		
2010	present	Open Joint Stock Company "Surgutneftegas"	Head of Internal Audit Service

Share in the charter capital of the issuer/no ordinary shares.

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 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 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.**

If the issuer has a separate business unit(s) for risk management and internal control (body (business unit) other than the Auditing Committee (Auditor), performing internal audit of the issuer's financial and business activities) and/or separate business unit (service) for internal audit, the information provided for in this clause shall contain data on the head of the issuer's business unit (body).

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

Unit of measure: **thousand RUB**

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

Remuneration for the participation in the work performed by the supervising agency

Unit of measure: **thousand RUB**

Indicator	2014	2015, 3 months
Remuneration for the participation in the work performed by the agency supervising the issuer's financial and business activities	210	0
Salary		
Bonus		
Commission		
Benefits		
Other types of remuneration		
TOTAL	210	0

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 the work performed by the supervising agency

Unit of measure: **thousand RUB**

Indicator	2014	2015, 3 months
Remuneration for the participation in the work performed by the agency supervising the issuer's financial and business activities		
Salary	9,740	1,948
Bonus	785	4
Commission		
Benefits		
Other types of remuneration		
TOTAL	10,525	1,952

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)	2014	2015, 3 months
Auditing Committee	0	0
Internal Audit Service	1,574	0

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	2014	2015, 3 months
Average number of employees, people	103,514	103,070
Gross payroll for the reporting period	104,858,289	24,009,589
Social payments for the reporting period	1,816,999	98,931

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 (share) capital (mutual fund)

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

Section VI. 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: **33,008**

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): **31,128**

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): **14.05.2014**

Holders of the issuer's ordinary shares who were to be included in such list: **31,128**

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

Information on the number of treasury shares on the issuer's balance as of the day 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. 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

1. Nominee holder

Information on nominee holder:

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

Abbreviated corporate name: *NCO CJSC NSD*

Location: *Russian Federation, Moscow, ul. Spartakovskaya, 12*

INN: *7702165310*

OGRN: *1027739132563*

Telephone: *(495) 956-0931*

Fax: *(495) 956-0938*

E-mail: *reginfo@nsd.ru*

License of securities market professional participant

Number: *177-12042-000100*

Date of issue: *19.02.2009*

Valid till: *Unlimited*

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

Number of the issuer’s ordinary shares registered in the issuer’s shareholder register in the name of the said nominee holder: *3,914,219,897*

Number of the issuer’s preferred shares registered in the issuer’s shareholder register in the name of the said nominee holder: *5,198,702,860*

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 rights (“golden share”)

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

Municipal ownership

Name: *Administration of the city of Surgut*

Location: *ul.Engelsa, 8, Surgut, Tyumenskaya Oblast, Russia, 628408*

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: *Administration of Surgutsky District*

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

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: *Administration of the city of Surgut*

Location: *ul.Engelsa, 8, Surgut, Tyumenskaya Oblast, Russia, 628408*

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: *Administration of Surgutsky District*

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

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 the 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 when the list was drawn up 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 31.12.2014

Unit of measure: *thousand RUB*

Indicator	Indicator value
Accounts receivable from buyers and customers	56,024,140
including those overdue	4,123,426
Notes receivable	
including those overdue	
Members’ (incorporators’) arrears of charter capital contributions	
including those overdue	
Other accounts receivable	124,766,126
including those overdue	
Total accounts receivable	180,790,266
including total overdue accounts receivable	4,123,426

Debtors who account for at least 10 percent of the total accounts receivable in the reporting period: *no such debtors.*

As of 31.03.2015

Unit of measure: *thousand RUB*

Indicator	Indicator value
Accounts receivable from buyers and customers	78,101,985
including those overdue	4,304,233
Notes receivable	
including those overdue	

Members' (incorporators') arrears of charter capital contributions	
including those overdue	
Other accounts receivable	134,314,880
including those overdue	
Total accounts receivable	212,416,865
including total overdue accounts receivable	4,304,233

Debtors who account for at least 10 percent of the total accounts receivable in the reporting period: *no such debtors.*

Section VII. Issuer's accounting (financial) statements and other financial information

7.1. Annual accounting (financial) statements of the issuer 2014

Balance Sheet As of 31.12.2014

Company: **Open Joint Stock Company "Surgutneftgas"**

Taxpayer identification number

Type of activity: **oil production**

Form of legal organization / form of ownership: **open joint stock company/private property**

Unit of measure: **thousand RUB**

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

Form No. 1 by OKUD

Codes

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Date

31.12.2014

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INN

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by OKVED

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384

Notes	ASSETS	Line code	As of 31.12.2014	As of 31.12.2013	As of 31.12.2012
1	2	3	4	5	6
	I. NON-CURRENT ASSETS				
3.1	Intangible assets	1110	515,101	440,909	402,173
3.2	R&D results	1120	160,404	138,515	79,712
3.3	Intangible prospecting assets	1130	73,240,752	70,051,419	12,796,912
	Tangible prospecting assets	1140			
3.4	Fixed assets	1150	691,063,519	641,086,929	564,003,118
	including buildings, machinery, equipment, and other fixed assets, excluding land, objects of environmental management, and capital investments in progress	1151	627,944,689	589,652,193	529,582,150
3.4	Income yielding investments in tangible assets	1160	48,429	51,009	54,506
3.5	Financial investments	1170	1,280,457,334	707,816,723	646,161,955
	including other financial investments, excluding investments in organizations and loans granted	1171	1,154,646,709	588,536,763	533,808,601
3.10	Deferred tax assets	1180	32,313	45,016	127,157
	Other non-current assets	1190	14,125,572	12,718,149	13,686,513
	TOTAL for Section I	1100	2,059,643,424	1,432,348,669	1,237,312,046
	II. CURRENT ASSETS				
3.6	Inventories	1210	81,425,788	68,279,281	65,664,959
	Value Added Tax on acquired valuables	1220	4,103,573	3,848,562	4,034,860
3.7	Accounts receivable	1230	180,790,266	161,489,569	152,253,838
3.5	Financial investments (excluding cash equivalents)	1240	658,014,455	408,139,542	301,387,763
	including other financial investments, excluding investments in organizations and loans granted	1241	651,832,161	402,139,542	301,387,763
3.8	Cash and cash equivalents	1250	30,922,038	29,017,245	35,275,667
	Other current assets	1260	1,989,624	2,003,481	1,136,574
	TOTAL for Section II	1200	957,245,744	672,777,680	559,753,661
	BALANCE (assets)	1600	3,016,889,168	2,105,126,349	1,797,065,707

Notes	LIABILITIES	Line code	As of 31.12.2014	As of 31.12.2013	As of 31.12.2012
1	2	3	4	5	6
	III. CAPITAL AND RESERVES				
3.9.	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	482,261,224	477,878,998	437,867,973
	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	2,098,453,730	1,241,732,806	1,009,573,263
	TOTAL for Section III	1300	2,823,168,931	1,962,065,781	1,689,895,213
	IV. LONG-TERM LIABILITIES				
	Borrowed funds	1410			
3.10	Deferred tax liabilities	1420	65,034,039	54,699,539	36,171,564
	Estimated liabilities	1430			
3.11	Other liabilities	1450	269,580	148,199	209,954
	TOTAL for Section IV	1400	65,303,619	54,847,738	36,381,518
	V. SHORT-TERM LIABILITIES				
3.11	Borrowed funds	1510	139,650	139,650	232,890
3.11	Accounts payable	1520	116,340,208	77,355,155	59,616,241
3.12	Deferred income	1530	516,885	716,490	938,530
3.13	Estimated liabilities	1540	10,715,949	9,675,073	9,483,744
	Other liabilities	1550	703,926	326,462	517,571
	TOTAL for Section V	1500	128,416,618	88,212,830	70,788,976
	BALANCE (liabilities)	1700	3,016,889,168	2,105,126,349	1,797,065,707

**Income Statement
for 2014**

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

Taxpayer identification number

Type of activity: **oil production**

Form of legal organization / form of ownership: **open joint stock company/private property**

Unit of measure: **thousand RUB**

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

Form No. 2 by OKUD

Date

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384

Notes	Indicator	Line code	For 12 months of 2014	For 12 months of 2013
1	2	3	4	5
5.1	Revenue	2110	862,599,616	814,187,839
5.1	Cost of sales	2120	-621,309,902	-546,726,123
	Gross profit (loss)	2100	241,289,714	267,461,716
5.1	Selling expenses	2210	-64,439,756	-67,790,404
	Management expenses	2220		
	Sales profit (loss)	2200	176,849,958	199,671,312
	Income from participation in other organizations	2310	2,344,365	1,100,616
	Interest receivable	2320	62,497,864	49,666,241
	Interest payable	2330	-14	-541
5.2	Other income	2340	2,074,386,978	1,165,271,871
5.2	Other expenses	2350	-1,247,942,885	-1,102,591,714
	Profit (loss) before tax	2300	1,068,136,266	313,117,785
	Current profit tax	2410	-171,419,959	-38,065,768
3.10	incl. permanent tax liabilities (assets)	2421	4,740,150	4,811,933
3.10	Change in deferred tax liabilities	2430	-10,334,500	-18,527,975
3.10	Change in deferred tax assets	2450	-12,703	-82,141
	Other	2460	18,486	-498
	Reallocation of profit tax within the consolidated group of taxpayers	2465	5,291,819	75,107
	Net profit (loss)	2400	891,679,409	256,516,510
	FOR REFERENCE ONLY:			
	Results of revaluation of non-current assets not included in net profit (loss) of the period	2510	8,921,991	44,812,261
	Results of other operations not included in net profit (loss) of the period	2520		
	Comprehensive income of the period	2500	900,601,400	301,328,771
5.3	Base profit (loss) per share	2900		
	Diluted profit (loss) per share	2910		

**Statement of Changes in Equity
for 2014**

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

Taxpayer identification number

Type of activity: **oil production**

Form of legal organization / form of ownership: **open joint stock company/private property**

Unit of measure: **thousand RUB**

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

Form No. 3 by OKUD

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12247 / 16
384

1. Capital flow							
Indicator	Line code	Charter capital	Treasury shares	Additional paid-in capital	Reserve capital	Retained profit (uncovered loss)	Total
1	2	3	4	5	6	7	8
Capital as of 31 December 2012	3100	43,427,993		630,379,759	6,514,198	1,009,573,263	1,689,895,213
For 2013							
Increase in capital – total:	3210			52,759,396		261,421,498	314,180,894
including:							
net profit	3211					256,516,510	256,516,510
revaluation of property	3212			52,759,396			52,759,396
income allocated directly to increase in capital	3213					4,904,988	4,904,988
additional issue of shares	3214						
increase in par value of shares	3215						
reorganization of a legal entity	3216						
Decrease in capital – total:	3220			-12,748,371		-29,261,955	-42,010,326
including:							
loss	3221						
revaluation of property	3222			-7,947,135			-7,947,135
expenses allocated directly to decrease in capital	3223			-4,801,236			-4,801,236
decrease in par value of shares	3224						
decrease in the number of shares	3225						
reorganization of a legal entity	3226						
dividends	3227					-29,261,955	-29,261,955
Change in additional capital	3230						
Change in reserve capital	3240						
Capital as of 31 December 2013	3200	43,427,993		670,390,784	6,514,198	1,241,732,806	1,962,065,781
For 2014							
Increase in capital – total:	3310			11,888,754		896,333,237	908,221,991
including:							

net profit	3311					891,679,409	891,679,409
revaluation of property	3312			11,888,754			11,888,754
income allocated directly to increase in capital	3313					4,653,828	4,653,828
additional issue of shares	3314						
increase in par value of shares	3315						
reorganization of a legal entity	3316						
Decrease in capital – total:	3320			-7,506,528		-39,612,313	-47,118,841
including:							
loss	3321						
revaluation of property	3322			-2,966,763			-2,966,763
expenses allocated directly to decrease in capital	3323			-4,539,765			-4,539,765
decrease in par value of shares	3324						
decrease in the number of shares	3325						
reorganization of a legal entity	3326						
dividends	3327					-39,612,313	-39,612,313
Change in additional capital	3330						
Change in reserve capital	3340						
Capital as of 31 December 2014	3300	43,427,993		674,773,010	6,514,198	2,098,453,730	2,823,168,931

2. Adjustments due to changes in the accounting policy and error correction					
Indicator	Line code	As of 31.12.2012	Changes in capital for 2013		As of 31.12.2013
			due to net profit	due to other factors	
1	2	3	4	5	6
Capital – total					
prior to adjustments	3400				
adjustment due to:					
changes in the accounting policy	3410				
error correction	3420				
after adjustments	3500				
including:					
retained profit (uncovered loss):					
prior to adjustments	3401				
adjustment due to:					
changes in the accounting policy	3411				
error correction	3421				
after adjustments	3501				
other adjusted capital items:					
(by items)					
prior to adjustments	3402				
adjustment due to:					
changes in the accounting policy	3412				
error correction	3422				
after adjustments	3502				

Reference information				
Indicator	Code	As of 31.12.2014	As of 31.12.2013	As of 31.12.2012
1	2	3	4	5
Net assets	3600	2,823,685,816	1,962,782,271	1,690,833,743

**Cash Flow Statement
for 2014**

Company: **Open Joint Stock Company “Surgutneftegas”**
 Taxpayer identification number
 Type of activity: **oil production**
 Form of legal organization / form of ownership: **open joint stock company/private property**
 Unit of measure: **thousand RUB**

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

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Indicator	Line code	For 12 months of 2014	For 12 months of 2013
1	2	3	4
Cash flow from operations			
Proceeds – total	4110	934,073,040	826,993,519
including:			
from sale of goods, products, works and services	4111	926,358,586	820,981,962
lease payments, license payments, royalty, commission, and other similar payments	4112	773,314	978,600
from resale of financial investments	4113		
other proceeds	4119	6,941,140	5,032,957
Payments – total	4120	-855,621,867	-672,172,489
including:			
to suppliers (contractors) for raw materials, supplies, works and services	4121	-251,723,264	-233,569,289
due as remuneration of employees’ labor	4122	-91,706,668	-82,375,885
debenture interest	4123		-42
corporate profit tax	4124	-125,577,491	-36,441,475
taxes and charges (excl. profit tax)	4125	-370,166,037	-304,926,242
other payments	4129	-16,448,407	-14,859,556
Cash flow balance from operations	4100	78,451,173	154,821,030
Cash flow from investing			
Proceeds – total	4210	65,809,432	42,325,379
including:			
from sale of non-current assets (excl. financial investments)	4211	280,025	575,839
from sale of shares of (interest in) other organizations	4212		6,007,105
from repayment of loans granted and sale of debt securities (cash receivables from other persons)	4213	1,632,000	5,036,420
dividends, interest on financial debt investments, and similar proceeds from interest in other organizations	4214	63,776,383	30,573,042
other proceeds	4219	121,024	132,973
Payments – total	4220	119,933,167	-177,099,958
including:			

due to acquisition, formation, modernization, reconstruction, and preparation of non-current assets for use	4221	-46,155,659	-67,298,298
due to acquisition of shares of (interest in) other organizations	4222	-183	-500,000
due to acquisition of debt securities (cash receivables from other persons) and loans granted to other persons	4223	-8,345,058	-21,614,397
debenture interest to be included in the cost of investment assets	4224		
other payments	4229	-65,432,267	-87,687,263
Cash flow balance from investing	4200	-54,123,735	-134,774,579
Cash flow from financing			
Proceeds – total	4310		
including:			
borrowings and loans received	4311		
cash deposits by owners (members)	4312		
from issue of shares and increase in interest	4313		
from issue of bonds, bills of exchange, other debt securities, etc.	4314		
other proceeds	4319		
Payments – total	4320	-37,719,308	-26,528,310
including:			
to owners (members) due to repurchase of their shares of (interest in) the organization or cessation of their membership	4321		
for payment of dividends and other payments related to distribution of profit among owners (members)	4322	-37,719,308	-26,528,310
due to payment (buyback) of bills of exchange and other debt securities and repayment of borrowings and loans	4323		
other payments	4329		
Cash flow balance from financing	4300	-37,719,308	-26,528,310
Cash flow balance for the reporting period	4400	-13,391,870	-6,481,859
Balance of cash and cash equivalents at the beginning of the reporting period	4450	29,017,138	35,275,584
Balance of cash and cash equivalents at the end of the reporting period	4500	30,922,010	29,017,138
Effect of changes in the exchange rates of foreign currency to the Russian ruble	4490	15,296,742	223,413

Appendix to the Balance Sheet

The information is provided in the appendix to the present Quarterly Report.

Information attending the accounting statements

The information is provided in the appendix to the present Quarterly Report.

Audit Report

The information is provided in the appendix to the present Quarterly Report.

7.2. Quarterly accounting (financial) statements of the issuer

Balance Sheet as of 31.03.2015

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

Taxpayer identification number

Type of activity: **oil production**

Form of legal organization / form of ownership: **open joint stock company/private property**

Unit of measure: **thousand RUB**

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

Form No. 1 by OKUD

Date

by OKPO

INN

by OKVED

by OKOPF / OKFS

by OKEI

Codes

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12247 / 16

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Notes	ASSETS	Line code	As of 31.03.2015	As of 31.12.2014	As of 31.12.2013
1	2	3	4	5	6
	I. NON-CURRENT ASSETS				
	Intangible assets	1110	503,159	515,101	440,909
	R&D results	1120	178,700	160,404	138,515
	Intangible prospecting assets	1130	76,572,570	73,240,752	70,051,419
	Tangible prospecting assets	1140			
	Fixed assets	1150	696,415,475	691,063,519	641,086,929
	including buildings, machinery, equipment, and other fixed assets, excluding land, objects of environmental management, and capital investments in progress	1151	626,432,656	627,944,689	589,652,193
	Income yielding investments in tangible assets	1160	3,255,096	48,429	51,009
	Financial investments	1170	1,461,179,514	1,280,457,334	707,816,723
	including other financial investments, excluding investments in organizations and loans granted	1171	1,334,291,360	1,154,646,709	588,536,763
	Deferred tax assets	1180	30,087	32,313	45,016
	Other non-current assets	1190	13,573,410	14,125,572	12,718,149
	TOTAL for Section I	1100	2,251,708,011	2,059,643,424	1,432,348,669
	II. CURRENT ASSETS				
	Inventories	1210	63,310,807	81,425,788	68,279,281
	Value Added Tax on acquired valuables	1220	4,199,531	4,103,573	3,848,562
	Accounts receivable	1230	212,416,865	180,790,266	161,489,569
	Financial investments (excluding cash equivalents)	1240	553,003,707	658,014,455	408,139,542
	including other financial investments, excluding investments in organizations and loans granted	1241	546,947,413	651,832,161	402,139,542
	Cash and cash equivalents	1250	25,073,117	30,922,038	29,017,245
	Other current assets	1260	1,014,023	1,989,624	2,003,481
	TOTAL for Section II	1200	859,018,050	957,245,744	672,777,680
	BALANCE (assets)	1600	3,110,726,061	3,016,889,168	2,105,126,349

Notes	LIABILITIES	Line code	As of 31.03.2015	As of 31.12.2014	As of 31.12.2013
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	479,737,952	482,261,224	477,878,998
	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	2,241,273,211	2,098,453,730	1,241,732,806
	TOTAL for Section III	1300	2,963,465,140	2,823,168,931	1,962,065,781
	IV. LONG-TERM LIABILITIES				
	Borrowed funds	1410			
	Deferred tax liabilities	1420	62,695,931	65,034,039	54,699,539
	Estimated liabilities	1430			
	Other liabilities	1450	283,042	269,580	148,199
	TOTAL for Section IV	1400	62,978,973	65,303,619	54,847,738
	V. SHORT-TERM LIABILITIES				
	Borrowed funds	1510	139,650	139,650	139,650
	Accounts payable	1520	70,725,675	116,340,208	77,355,155
	Deferred income	1530	456,009	516,885	716,490
	Estimated liabilities	1540	12,511,608	10,715,949	9,675,073
	Other liabilities	1550	449,006	703,926	326,462
	TOTAL for Section V	1500	84,281,948	128,416,618	88,212,830
	BALANCE (liabilities)	1700	3,110,726,061	3,016,889,168	2,105,126,349

**Income Statement
for 3 months of 2015**

Company: **Open Joint Stock Company “Surgutneftegas”**
 Taxpayer identification number
 Type of activity: **oil production**
 Form of legal organization / form of ownership: **open joint stock company/private property**
 Unit of measure: **thousand RUB**

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

Form No. 2 by OKUD	Codes
Date	0710002
by OKPO	31.03.2015
INN	05753490
by OKVED	8602060555
by OKOPF / OKFS	11.10.11
by OKEI	12247 / 16
	384

Notes	Indicator	Line code	For 3 months of 2015	For 3 months of 2014
1	2	3	4	5
	Revenue	2110	257,627,139	219,008,552
	Cost of sales	2120	-168,148,846	-154,685,122
	Gross profit (loss)	2100	89,478,293	64,323,430
	Selling expenses	2210	-20,136,186	-15,846,504
	Management expenses	2220		
	Sales profit (loss)	2200	69,342,107	48,476,926
	Income from participation in other organizations	2310		
	Interest receivable	2320	24,461,238	13,677,748
	Interest payable	2330	-4	-4
	Other income	2340	733,670,399	364,207,288
	Other expenses	2350	-659,664,480	-265,675,000
	Profit (loss) before tax	2300	167,809,260	160,686,958
	Current profit tax	2410	-30,332,564	-26,888,368
	incl. permanent tax liabilities (assets)	2421	98,748	480,831
	Change in deferred tax liabilities	2430	2,338,108	-293,508
	Change in deferred tax assets	2450	-2,226	-3,617
	Other	2460	68,492	-140
	Reallocation of profit tax within the consolidated group of taxpayers	2465	415,139	3,444,780
	Net profit (loss)	2400	140,296,209	136,946,105
	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	140,296,209	136,946,105
	Base profit (loss) per share	2900		
	Diluted profit (loss) per share	2910		

7.3. Consolidated financial statements of the issuer

Not subject to presentation in this reporting quarter.

7.4. Accounting policy of the issuer

Basic provisions of the Accounting Policy of the Company developed by the Company in compliance with the requirements of the laws of the Russian Federation on accounting and approved by the order of the Company for the 2015.

Accounting policy of the Company is developed in compliance with the requirements of the laws of the Russian Federation on accounting, federal and industry standards.

1. Intangible Assets Accounting

The cost of IA is redeemed through amortization under the straight-line method within the fixed period of their useful life.

Useful life of IA is determined when an item is entered in accounting records, based on the term of a patent or certificate, other limitations for useful life of intellectual property under the law of the Russian Federation, and expected useful life of such item during which the Company can obtain economic benefits (profit).

Useful life of IA is checked by the Company annually during inventory to see whether it needs to be adjusted. If the duration of the period during which the Company expects to use the asset changes by more than 5%, the useful life of such asset is to be adjusted.

Changes in estimated values caused by this are shown in prospect.

Intangible assets are not revaluated. Intangible assets are not tested for impairment.

2. Research, development and technological works accounting

The R&D cost is written off as general production (general industrial) costs within the fixed period of their expected useful life (but not more than 5 years).

3. Intangible Prospecting and Exploration Assets Accounting

Intangible prospecting assets include prospecting costs – costs of prospecting, hydrocarbon fields appraisal and (or) hydrocarbon resources exploration associated with acquisition of the corresponding licenses paid by the Company for discovery of hydrocarbon fields and preliminary appraisal of reserves before production was proved to be commercially feasible and recorded as investments in non-current assets.

The Company's intangible prospecting assets are ceased to be recognized in relation to a certain subsurface area when hydrocarbons production is proved to be commercially feasible or recognized as unpromising.

Intangible prospecting assets are not amortized during prospecting, hydrocarbon fields appraisal and (or) hydrocarbon resources exploration, except for licenses which authorize to carry out prospecting, hydrocarbon fields appraisal and hydrocarbon resources exploration.

The part of the cost of licenses which authorize to carry out prospecting, hydrocarbon fields appraisal and hydrocarbon resources exploration is transferred equally during the term of these licenses.

If production of hydrocarbons in the relative license area (field) is recognized as unpromising, the cost of intangible prospecting asset constitutes the part of the Company's other expenses.

If production of hydrocarbons in a relevant license area is proved to be commercially feasible, intangible prospecting asset is tested for impairment and transferred to fixed assets or other non-current assets meant for exploration and extraction of mineral resources:

- Costs of construction (drilling)

of prospecting and exploration wells built when developing intangible prospecting assets recognized as productive are recorded as fixed assets.

- Prospecting costs paid by the Company for discovery of hydrocarbon fields and preliminary appraisal of reserves (including costs of subsoil rights acquisition, drilling of prospecting and exploration wells, etc.) before production was proved to be commercially feasible form the value of exploration assets recorded as investments in non-current assets.

As of the end of the reporting period, the Company analyzes factors which imply possible devaluation of intangible prospecting assets.

Intangible assets are not revalued.

4. Fixed Assets Accounting:

The historical cost of fixed assets recorded after January 1, 2002 is redeemed through straight-line depreciation in conformity with depreciation rates calculated on the basis of useful life of such assets determined when such assets are entered in accounting records.

The historical cost of fixed assets recorded before January 1, 2002 is redeemed according to the procedure valid at the time when such assets were recorded, through straight-line depreciation in conformity with depreciation rates for complete repair approved by Resolution No. 1072 of the USSR Council of Ministers of 22.10.90.

Revaluation is conducted annually as of 31 December of the reporting year.

5. Financial Investments Accounting

Financial investments are recorded at their historical cost. The historical cost of financial investments acquired at a charge is the amount of the Company's actual costs of their acquisition.

When financial investments with current market value that cannot be determined are retired, their value is determined on the basis of the historical cost of each unit of financial investments accounting.

When financial investments with current market value that can be determined are retired, their value is determined on the basis of the last evaluation.

Income from sales of securities, interest and other income are recognized as other income.

6. Inventory Accounting

Stocks are recorded at their actual cost.

Stocks are written off to production or otherwise retired at their average cost of production.

7. Formation of Reserves, Recording of Estimated Liabilities

An estimated liability is recorded in order to account for expenses for vacation payments to employees. Reserves at the end of a reporting year are adjusted in line with the inventory results. Reserves are additionally created from costs of manufacturing of goods (performing of works, rendering of services). Over-accrued reserves are adjusted against other expenses.

As of 31 December, the Company carries out an inspection for devaluation of financial investments (not traded publicly) with current market value that cannot be determined. If the inspection confirms that the cost of financial investments is substantially and persistently reduced (by more than 5%), a reserve is formed for devaluation of financial investments.

A reserve is formed for decreases in the value of tangible assets for slow moving inventory the market price for which went down during the reporting year or which became obsolete or which lost, either fully or partially, their original qualities.

Reserves for doubtful debts are formed if any accounts receivable are deemed doubtful. Accounts receivable are deemed doubtful if they are not redeemed, or if there is high risk of their non-redemption within the period established by the contract, and if they are not duly guaranteed. Such reserves are formed out of other expenses.

Estimated liabilities used to dispose of facilities constructed (purchased) in the course of prospecting, hydrocarbon fields appraisal, hydrocarbon resources exploration and restoration of disturbed lands are created. The sums of the reserves are included in intangible prospecting assets (explorations assets).

8. Deferred Expenses Accounting

Expenses incurred in the reporting period but relating to next reporting periods are shown in the balance sheet as per the conditions for recognition of assets set forth in accounting regulations and are to be written off in accordance with the procedure established for writing off the value of this type of assets.

9. Definition of Revenue from Sale

For accounting purposes, revenue from sale of products, works, services, goods and property of the Company to other organizations and natural persons are recognized provided that the requirements stipulated by Item 12 (including requirements of Item 14) of the Accounting Regulations "Income of an Enterprise" PBU 9/99 approved by Order No. 32n of the Ministry of Finance of the Russian Federation of May 6, 1999 are met. Export duties are not included in revenue from export of products.

7.5. Total export and share of export in total sales

Unit of measure: *thousand RUB*

Indicator	2014	2015, 3 months
Total earnings of the issuer from export of products (goods, works, services)	<i>570,448,560</i>	<i>197,771,898</i>
Share of such earnings in sales revenue, %	<i>66.1</i>	<i>76.8</i>

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

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 affect/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. Further information on the issuer and equity securities placed by the issuer

8.1. Further information on the issuer

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

The issuer's charter (share) capital (mutual fund) 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, %: **82.264899**

Preferred shares

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

Share in the charter capital, %: **17.735101**

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.***

Some of the issuer's shares are traded outside the Russian Federation in conformity with the foreign law governing foreign issuers' securities which represent such shares of the 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): **6.70%**

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

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

Location: ***USA, NY 10286, New York, 101, Barclay Street, 22w.***

Summary of the issue program (type of the program) for the foreign issuer's depository securities representing shares of the relevant 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 a federal executive authority for the securities market for placement of and/or dealing in the issuer's equity securities of the relevant category (type) outside the Russian Federation (if applicable): ***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 December 30, 1996.***

Type of securities: ***shares***

Category of shares: ***preferred***

Type of shares: ***-***

Shares traded outside the Russian Federation in the total number of shares of the same category (type): **10.35%**

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

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

Location: ***USA, NY 10286, New York, 101, Barclay Street, 22w.***

Summary of the issue program (type of the program) for the foreign issuer's depository securities representing shares of the relevant 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 a federal executive authority for the securities market for placement of and/or dealing in the issuer's equity securities of the relevant category (type) outside the Russian Federation (if applicable): ***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 March 19, 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

Supreme management body of the issuer: ***General Shareholders' Meeting***

Notification of shareholders (members) about a meeting (session) of the issuer's supreme management body

A notice of a general shareholders' meeting is given within the period stipulated by the Federal Law "On Joint Stock Companies" but at least 30 days before such meeting is held.

A notice of a general shareholders' meeting shall include:

full corporate name and location of the Company;

form of a general shareholders' meeting (a meeting or absent voting);

date, venue and time of a general shareholders' meeting, as well as the mailing address for sending completed ballot papers to the Company; the deadline for ballot papers and mailing address for sending completed ballot papers to, in case a general shareholders' meeting is held through absent voting;

the date of compiling the list of persons entitled to participate in a general shareholders' meeting;

agenda of a general shareholders' meeting;

procedure of familiarization with the information (materials) subject to presentation to shareholders while preparing for a general shareholders' meeting, and address(es) where this information is available.

The notice of a general meeting to be held in the form of a meeting shall additionally state the registration time for participants of such general meeting.

Information on a general shareholders' meeting is published in the newspaper "Nefi Priobya". The agenda of a general shareholders' meeting cannot be changed after the information has been published. A general shareholders' meeting is not entitled to adopt resolutions on issues not included in the agenda, neither is it entitled to alter the agenda.

Persons (bodies) entitled to convene (request) an extraordinary meeting (session) of the issuer's supreme management body and the procedure for submitting (filing) such requests:

Extraordinary general shareholders' meetings can be convened by the Company's Board of Directors either on its own initiative or at the written request of the Auditing Committee, the Company's Auditor, or a shareholder (shareholders) holding an aggregate of at least 10 percent of the Company's voting shares as of the date such request is submitted. The request shall state the issues to be included in the agenda of a meeting. It shall be signed by the person (persons) demanding that an extraordinary general shareholders' meeting be convened.

Determination of the date of a meeting (session) of the issuer's supreme management body:

The Company's Board of Directors determines the date, venue and time of a general shareholders' meeting, its agenda and procedure, the date of compiling the list of persons entitled to participate in a general shareholders' meeting, the order of informing shareholders about a general shareholders' meeting, list of materials (information) available for the shareholders while preparing for a general shareholders' meeting, the form and the text of a ballot paper.

Persons entitled to propose the agenda of a meeting (session) of the issuer's supreme management body and the procedure for such proposals:

Shareholders (a shareholder) of the Company holding an aggregate of at least 2 percent of the Company's voting shares are entitled to introduce issues to the agenda of an annual general shareholders' meeting and to nominate candidates for the Company's Board of Directors and Auditing Committee, provided that the number of candidates does not exceed the number of members of the above mentioned bodies, not later than 30 days after the end of the Company's financial year.

Issues are included in the agenda of a general shareholders' meeting in writing; each shall state the name(s) of the shareholder(s) proposing the issue, the number and category (type) of shares he/she holds. Nomination of candidates for the Company's Board of Directors and Auditing Committee (including self-nomination) shall be made in writing and shall state the name of the candidate (if the candidate is a shareholder of the Company), the number and category (type) of shares he/she holds, the name(s) of the shareholder(s) nominating the candidate, and the number and category (type) of shares he/she/they hold(s).

The Company's Board of Directors is obliged to consider submitted proposals and pass a resolution on whether or not to include them in the agenda of an annual general shareholders' meeting not later than 5 days after the deadline for proposals concerning the agenda and for nomination of candidates. The Board of Directors' reasoned resolution not to include any issue into the agenda or not to include any candidate in the list of candidates is to be sent to the shareholder (shareholders) who proposed that issue or nomination not later than 3 days after such decision was made.

Persons who have the right to review information (materials) presented in order to arrange and hold a meeting (session) of the issuer's supreme management body and the procedure for review of such information (materials):

In accordance with the Federal Law "On Joint Stock Companies", persons who have the right to review the information presented in order to arrange and hold a shareholders' meeting are the persons who have the right to participate in a general shareholders' meeting. The list of persons who have the right to participate in a general shareholders' meeting is compiled on the basis of the Company's shareholder register.

Review of the information presented in order to arrange a shareholders' meeting shall be made in compliance with Article 52 of the Federal Law "On Joint Stock Companies".

Procedure for announcement (communication to the issuer's shareholders (members)) of resolutions passed by the issuer's supreme management body and vote returns:

Resolutions passed at a general shareholders' meeting and vote returns shall be communicated to shareholders at a general shareholders' meeting. If votes cannot be counted before a general shareholders' meeting is closed or in case of absentee voting, resolutions passed at a general shareholders' meeting and vote returns shall be communicated to shareholders within the period set forth by the law of the Russian Federation by way of publication in the Neft Priobya newspaper.

8.1.4. Commercial organizations where the issuer holds not less than five percent of the charter (share) capital (mutual fund) or not less than five percent of ordinary shares

Commercial organizations where the issuer holds not less than five percent of the charter (share) capital (mutual fund) or not less than 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: ***Russia, Veliky Novgorod***

INN: ***5321059365***

OGRN: ***1025300788644***

The issuer's share in the charter (share) capital (mutual fund) 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: ***Russia, 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 (share) capital (mutual fund) 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 Pskovnefteproduct***

Abbreviated corporate name: ***LLC Pskovnefteproduct***

Location: ***Russia, Pskov***

INN: ***6027042337***

OGRN: ***1026000970049***

The issuer's share in the charter (share) capital (mutual fund) 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 Tvernefteproduct***

Abbreviated corporate name: ***LLC Tvernefteproduct***

Location: ***Russia, Tver, ul.Novotorzhskaya, 6***

INN: ***6905041501***

OGRN: ***1026900510647***

The issuer's share in the charter (share) capital (mutual fund) 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: ***Russia, Kaliningrad, Central District, ul.Komsomolskaya, 22-b.***

INN: ***3900000136***

OGRN: ***1023900589240***

The issuer's share in the charter (share) capital (mutual fund) 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: **Russia, Saint Petersburg, nab.Obvodnogo kanala, 94.**

INN: **7810327462**

OGRN: **1057803105755**

The issuer's share in the charter (share) capital (mutual fund) 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: **KIRISHIAVTOSERVIS Ltd**

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

INN: **7840016802**

OGRN: **1057807804064**

The issuer's share in the charter (share) capital (mutual fund) 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: **119847 Russia, Moscow, Zubovsky boulevard, 17, bld.1**

INN: **7704667322**

OGRN: **1077762407580**

The issuer's share in the charter (share) capital (mutual fund) 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: **Russia, Tyumenskaya Oblast, Tyumensky District, s.Chervishevo**

INN: **7224019466**

OGRN: **1027200789142**

The issuer's share in the charter (share) capital (mutual fund) 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: **Russia, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut**

INN: **8602103061**

OGRN: **1028600581811**

The issuer's share in the charter (share) capital (mutual fund) 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 "Kirishinefteorgsintez"**

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

Location: **Russia, Leningradskaya Oblast, Kirishi, shosse Entuziastov, 1**

INN: **4708007089**

OGRN: **1024701478735**

The issuer's share in the charter (share) capital (mutual fund) 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: **ZAO Surgutneftegasbank**

Abbreviated corporate name: **ZAO SNGB**

Location: **628400 Russia, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Kukuyevitskogo, 19**

INN: **8602190258**

OGRN: **1028600001792**

The issuer's share in the charter (share) capital (mutual fund) 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: **Closed Joint Stock Company “Surgutinvestneft”**

Abbreviated corporate name: **CJSC “Surgutinvestneft”**

Location: **Russia, Tyumenskaya Oblast, Surgut.**

INN: **8602039063**

OGRN: **1028600588246**

The issuer's share in the charter (share) capital (mutual fund) of commercial organization: **16.5043%**

The Company's ordinary shares held by the issuer: **16.5043%**

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

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

14. Full corporate name: **Limited Liability Company Invest-Zaschita.**

Abbreviated corporate name: **LLC “Invest-Zaschita”**

Location: **628400 Russia, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Entuziastov, 52/1.**

INN: **8602102332**

OGRN: **1028600581680**

The issuer's share in the charter (share) capital (mutual fund) 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%**

15. Full corporate name: **Limited Liability Company “Neft-Konsalting”**

Abbreviated corporate name: **LLC “Neft-Konsalting”**

Location: **Russia, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Entuziastov, 52/1.**

INN: **8602102290**

OGRN: **1028600581602**

The issuer's share in the charter (share) capital (mutual fund) of commercial organization: **18.8492%**

The person's share in the charter capital of the issuer: **0.0083%**

The issuer's ordinary shares held by the person: **0.0024%**

16. Full corporate name: **Open Joint Stock Company “Khantymansiyskintersport”**

Abbreviated corporate name: **OJSC “Khantymansiyskintersport”**

Location: **626200 Russia, Tyumenskaya Oblast, Khanty-Mansiysk, ul.Mira, 5a.**

INN: **8601009436**

OGRN: **1028600517285**

The issuer's share in the charter (share) capital (mutual fund) of commercial organization: **10%**

The Company's ordinary shares held by the issuer: **10%**

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: *Closed Joint Stock Company “St. Petersburg International Mercantile Exchange”*
 Abbreviated corporate name: *CJSC “SPIMEX”*
 Location: *191119 Russia, Saint Petersburg, ul.Marata, 69-71, lit. A*
 INN: *7840389730*
 OGRN: *1089847188903*
 The issuer’s share in the charter (share) capital (mutual fund) 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%*
18. Full corporate name: *Open Joint Stock Company “Aksionerny Bank “ROSSIYA”*
 Abbreviated corporate name: *OJSC “AB “ROSSIYA”*
 Location: *Russia, Saint Petersburg*
 INN: *7831000122*
 OGRN: *1027800000084*
 The issuer’s share in the charter (share) capital (mutual fund) 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%*
19. Full corporate name: *Open Joint-Stock Company “Airport Surgut”*
 Abbreviated corporate name: *OJSC “Airport Surgut”*
 Location: *628422 Russia, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Aeroflotskaya, 49/1*
 INN: *8602060523*
 OGRN: *1028600603998*
 The issuer’s share in the charter (share) capital (mutual fund) 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%*
20. 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 (share) capital (mutual fund) of commercial organization: *13.62%*
 The person’s share in the charter capital of the issuer: *0%*
 The issuer’s ordinary shares held by the person: *0%*
21. Full corporate name: *Joint-Stock Company “National Media Group”*
 Abbreviated corporate name: *JSC “National Media Group”*
 Location: *119034 Russia, Moscow, Prechistenskaya nab., 13, bld. 1*
 INN: *7704676655*
 OGRN: *1087746152207*
 The issuer’s share in the charter (share) capital (mutual fund) 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

Major transactions (groups of interrelated transactions), liabilities under each of which equal to or exceed 10 percent of the book value of the issuer’s assets according to its accounting statements for the last completed reporting year and for the period consisting of three months of this year.

No such transactions in the period under review.

8.1.6. Credit ratings of the issuer

There are no credit ratings known to the issuer.

8.2. Data on each category (type) of the issuer's shares

Category of shares: *ordinary*

Par value of each share (RUB): *1*

Number of outstanding shares (number of shares that are not redeemed or cancelled): *35,725,994,705*

Number of additional shares which can be or being placed (number of shares in additional issue in respect to which the state registration has been granted, but additional issue report was not registered, or additional issue notification was not submitted in case Federal Law "On Securities Markets" does not prescribe state registration of additional issue report): *0*

Number of declared shares: *0*

Number of shares which came to the disposal (are on the balance) of the issuer: *0*

Number of additional shares that can be placed through conversion of previously placed securities convertible into shares or by virtue of fulfillment of the issuer's option obligations: *0*

Issues of shares of this category (type):

Date of state registration	State registration number of the Issue:
24.06.2003	1-01-00155-A

Shares grant shareholders the following rights:

An ordinary share of the Company entitles its owner:

- To one vote when addressing issues put to the vote at a general shareholders' meeting excluding elections of members to the Company's Board of Directors (members to the Company's Board of Directors are elected through cumulative voting. When conducting cumulative voting the number of votes for each Company's voting share shall be equal to the total number of the Board of Directors of the Company. A shareholder has the right to cast all the votes carried by his/her share for one candidate or distribute them among several candidates to the Company's Board of Directors);

- To receive dividend out of the Company's net profit;

- To a share of the Company's property if the Company is dissolved;

- To demand that the Company buy out shares belonging to him/her in case:

the Company is being restructured or a major transaction is being conducted, the resolution about which is adopted by the general shareholders' meeting in compliance with the Company's Charter, if he/she voted against such resolution or transaction or did not vote on these issues;

the Company's Charter is amended or approved in a new wording to restrict his/her rights if he/she voted against the corresponding resolution or did not participate in voting;

- To participate in the general shareholders' meeting both in person and by proxy that can be acted by, without limitations, other shareholders of the Company as well as its officers;

- To purchase and dispose of shares belonging to him/her (consent of other shareholders is not required).

In case the Company, via public subscription, places voting shares and securities convertible into voting shares which are paid with money, those of the shareholders who own voting shares of the Company have the pre-emptive right over these securities in the quantity proportional to the quantity of the Company's voting shares belonging to them.

A share can be cross-owned by two or several persons. In this case, the Company deems the co-owners a single shareholder; they exercise their rights to hold, use and dispose of the Company's share in the order established by the agreement between members.

Other information about the shares as the issuer may wish to disclose:

In accordance with Ordinance of the Federal Securities Market Commission of Russia No. 03-1215/r dated June 24, 2003, the additional issues of equity securities of OJSC "Surgutneftegas" were consolidated to cancel the following state registration numbers assigned to the issues of preferred registered non-documentary shares of OJSC "Surgutneftegas":

87-1-664 dated 19.07.94;

MF 67-1-01184 dated 05.04.96;

MF 67-1-01431 dated 30.09.96;

2-05-00155-A dated 25.08.97;

2-06-00155-A dated 24.10.97.

Category of shares: *preferred*

Type of shares:

Par value of each share (RUB): *1*

Number of outstanding shares (number of shares that are not redeemed or cancelled): *7,701,665,235*

Number of additional shares which can be or being placed (number of shares in additional issue in respect to which the state registration has been granted, but additional issue report was not registered, or additional issue notification was not submitted in case Federal Law “On Securities Markets” does not prescribe state registration of additional issue report: 0

Number of declared shares: 0

Number of shares which came to the disposal (are on the balance) of the issuer: 0

Number of additional shares that can be placed through conversion of previously placed securities convertible into shares or by virtue of fulfillment of the issuer’s option obligations: 0

Issues of shares of this category (type):

Date of state registration	State registration number of the Issue:
24.06.2003	2-01-00155-A

Shares grant shareholders the following rights:

A preferred share of the Company entitles its owner:

- To receive an annual fixed dividend. The total amount paid as a dividend on each preferred share is set at the rate of 10% of the Company’s net profit on the basis of the latest financial year results divided by the number of shares accounting for 25% of the Company’s charter capital. If the amount of dividend paid by the Company on each ordinary share in a certain year exceeds the amount payable as dividends on each preferred share, the dividend rate paid on the latter must be increased up to the dividend rate paid per ordinary share. The Company is not entitled to pay out preferred dividends in a manner differing from the procedure stipulated by the Company’s Charter

- To vote at a general shareholders’ meeting when resolutions regarding the Company’s reorganization and liquidation, introduction of amendments and supplements to the Company’s Charter affecting the rights and interests of preferred shareholders are adopted;

- To get a share of the Company’s property if the Company is dissolved;

- To participate in a general meeting of shareholders with the vote on all the issues within its terms of reference starting from the meeting following the annual general meeting of shareholders, which, irrespective of the reasons, did not adopt the resolution to pay dividends or adopted a resolution to partially pay dividends on preferred shares of this type. The preferred shareholders’ right to participate in the general meeting of shareholders becomes invalid after the first full dividend payment on the shares mentioned is effected;

- To purchase and dispose of shares belonging to him/her (no consent of other shareholders of the Company is required);

- In case of acquisition of the voting right, to demand that the Company buy back his/her shares if:

the Company is being restructured or a major transaction is being conducted, the resolution about which is adopted by the general shareholders’ meeting in compliance with the Company’s Charter, if he/she voted against such resolution or transaction or did not vote on these issues;

the Company’s Charter is amended or approved in a new wording to restrict his/her rights if he/she voted against the corresponding resolution or did not participate in voting.

A share can be cross-owned by two or several persons. In this case, the Company deems the co-owners a single shareholder; they exercise their rights to hold, use and dispose of the Company’s share in the order established by the agreement between members.

Other information about the shares as the issuer may wish to disclose:

In accordance with Ordinance of the Federal Securities Market Commission of Russia No. 03-1215/r dated June 24, 2003, the additional issues of equity securities of OJSC “Surgutneftegas” were consolidated to cancel the following state registration numbers assigned to the issues of preferred registered non-documentary shares of OJSC “Surgutneftegas”:

87-1-664 dated 19.07.94;

MF 67-1-01184 dated 05.04.96;

MF 67-1-01431 dated 30.09.96;

2-05-00155-A dated 25.08.97;

2-06-00155-A dated 24.10.97.

8.3. Previous issues of the issuer’s equity securities excluding the issuer’s shares

8.3.1. Issues with all securities redeemed

No such issues.

8.3.2. Issues with securities that are not redeemed

No such issues.

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 monetary claims

8.4.2.1. Person keeping records of claims under pledge and funds received into the collateral account

8.4.2.2. Insurance of downside risks caused by non-fulfillment of liabilities for monetary claims under pledge, and (or) liability risk of non-fulfillment of liabilities for collateral cash secured bonds

8.4.2.3. Organizations serving monetary claims under pledge

8.4.2.4. Scope, structure and value (amount) of collateral for collateral bonds that includes monetary claims

8.4.2.5. Forms, ways of risk taking and the amount of risks, taken by the original and (or) subsequent bond creditors, monetary claims under which make collateral

8.5. Organizations keeping records of rights for the issuer's equity securities

Information about the registrar

Full corporate name: *Closed Joint Stock Company "Surgutinvestneft"*

Abbreviated corporate name: *CJSC "Surgutinvestneft"*

Location: *Russian Federation, Tyumenskaya Oblast, Surgut*

INN: *8602039063*

OGRN: *1028600588246*

License for keeping the register of security holders

Number: *10-000-1-00324*

Date of issue: *24.06.2004*

Valid till: *Unlimited*

Issuing authority: *Russian Federal Commission for the Securities Market (FKTsB) (Federal Financial Markets Service (FSFR) of Russia)*

The date when the registrar started keeping the register for holders of the issuer's registered securities: *02.04.1994*

8.6. Legislative acts regulating import and export of capital, which may influence the payment of dividends, interests, and other payments to non-residents

As of 31 March 2015, the following legislative acts were in force regulating import and export of capital that may influence the payment of dividends, interests or other payments to non-residents:

Federal Law No. 173-FZ dated 10.12.2003 "On Currency Exchange Regulation and Control";

Federal Law No. 208-FZ dated 26.12.1995 "On Joint Stock Companies";

Federal Law No. 160-FZ dated 09.07.1999 "On Foreign Investments in the Russian Federation";

Federal Law No. 39-FZ dated 25.02.1999 "On Investment Activities in the Form of Capital Investments in the Russian Federation";

Tax Code of the Russian Federation;

Federal Law No. 115-FZ dated 07.08.2001 "On Counteraction of the Legitimization of Proceeds of Crime and the Financing of Terrorism";

Double taxation treaties between the Russian Federation and foreign states where holders of the Company's securities reside.

8.7. Declared (accrued) and (or) paid dividends on the issuer's shares; the issuer's bond yield

8.7.1. Dividends declared and paid on the issuer's shares

Dividend period

Year: **2010**

Period: **full year**

The issuer's management body which passed a resolution of dividend declaration: **General shareholders' (members') meeting**

Date of the meeting (session) of the issuer's management body when the resolution to pay (declare) dividends was passed: **24.06.2011**

The date of compiling the list of persons who have the right to receive dividends for this dividend period: **13.05.2011**

Date of the Minutes: **27.06.2011**

Minutes Number: **22**

Category (type) of shares: **ordinary**

Dividends declared on shares of this category (type) per one share, RUB: **0.5**

Total dividends declared on all shares of this category (type), RUB: **17,862,997,352.5**

Total dividends paid on all issuer's shares of the same category (type), RUB: **17,852,089,109.64**

Sources of payment of the declared dividends: **net profit.**

Declared dividends ratio in the net profit of the reporting year, %: **13.91**

Payout ratio in the total amount of the declared dividends on all shares of this category (type), %: **99.94**

Category (type) of shares: **preferred**

Dividends declared on shares of this category (type) per one share, RUB: **1.18**

Total dividends declared on all shares of this category (type), RUB: **9,088,357,917.30**

Total dividends paid on all issuer's shares of the same category (type), RUB: **8,985,237,238.54**

Sources of payment of the declared dividends: **net profit.**

Declared dividends ratio in the net profit of the reporting year, %: **7.08**

Payout ratio in the total amount of the declared dividends on all shares of this category (type), %: **98.87**

The due period (date) for declared dividend payment: from 01.07.2011 till 23.08.2011.

Form and other payment terms for declared dividends on the issuer's shares: **cash in compliance with the dividend payment procedure established and approved by the general shareholders' meeting.**

Declared dividends on the issuer's shares paid by the issuer not in full.

Reasons for non-payment of declared dividends: **see below.**

Dividend period

Year: **2011**

Period: **full year**

The issuer's management body which passed a resolution of dividend declaration: **General shareholders' (members') meeting**

Date of the meeting (session) of the issuer's management body when the resolution to pay (declare) dividends was passed: **29.06.2012**

The date of compiling the list of persons who have the right to receive dividends for this dividend period: **14.05.2012**

Date of the Minutes: **02.07.2012**

Minutes Number: **23**

Category (type) of shares: **ordinary**

Dividends declared on shares of this category (type) per one share, RUB: **0.6**

Total dividends declared on all shares of this category (type), RUB: **21,435,596,823**

Total dividends paid on all issuer's shares of the same category (type), RUB: **21,422,248,498.1**

Sources of payment of the declared dividends: **net profit.**

Declared dividends ratio in the net profit of the reporting year, %: **9.19**

Payout ratio in the total amount of the declared dividends on all shares of this category (type), %: **99.94**

Category (type) of shares: **preferred**

Dividends declared on shares of this category (type) per one share, RUB: **2.15**

Total dividends declared on all shares of this category (type), RUB: **16,559,296,205.25**

Total dividends paid on all issuer's shares of the same category (type), RUB: **16,373,226,769.31**

Sources of payment of the declared dividends: **net profit**.

Declared dividends ratio in the net profit of the reporting year, %: **7.1**

Payout ratio in the total amount of the declared dividends on all shares of this category (type), %: **98.88**

The due period (date) for declared dividend payment: **dividends shall be paid not later than on August 28, 2012.**

Form and other payment terms for declared dividends on the issuer's shares: **cash in compliance with the dividend payment procedure established and approved by the general shareholders' meeting.**

Declared dividends on the issuer's shares paid by the issuer not in full.

Reasons for non-payment of declared dividends: **see below.**

Dividend period

Year: **2012**

Period: **full year**

The issuer's management body which passed a resolution of dividend declaration: **General shareholders' (members') meeting**

Date of the meeting (session) of the issuer's management body when the resolution to pay (declare) dividends was passed: **28.06.2013**

The date as of which the persons entitled to dividends are determined: **14.05.2013**

Date of the Minutes: **01.07.2013**

Minutes Number: **24**

Category (type) of shares: **ordinary**

Dividends declared on shares of this category (type) per one share, RUB: **0.5**

Total dividends declared on all shares of this category (type), RUB: **17,862,997,352.5**

Total dividends paid on all issuer's shares of the same category (type), RUB: **17,850,935,853.12**

Sources of payment of the declared dividends: **net profit**

Declared dividends ratio in the net profit of the reporting year, %: **11.1**

Payout ratio in the total amount of the declared dividends on all shares of this category (type), %: **99.93**

Category (type) of shares: **preferred**

Dividends declared on shares of this category (type) per one share, RUB: **1.48**

Total dividends declared on all shares of this category (type), RUB: **11,398,957,387.8**

Total dividends paid on all issuer's shares of the same category (type), RUB: **11,269,257,608.58**

Sources of payment of the declared dividends: **net profit**

Declared dividends ratio in the net profit of the reporting year, %: **7.08**

Payout ratio in the total amount of the declared dividends on all shares of this category (type), %: **98.86**

The due period (date) for declared dividend payment: **dividends shall be paid not later than on August 27, 2013.**

Form and other payment terms for declared dividends on the issuer's shares: **cash in compliance with the dividend payment procedure established and approved by the general shareholders' meeting.**

Declared dividends on the issuer's shares paid by the issuer not in full

Reasons for non-payment of declared dividends: **see below.**

Dividend period

Year: **2013**

Period: **full year**

The issuer's management body which passed a resolution of dividend declaration: **General shareholders' (members') meeting**

Date of the meeting (session) of the issuer's management body when the resolution to pay (declare) dividends was passed: **27.06.2014**

The date as of which the persons entitled to dividends are determined: **16.07.2014**

Date of the Minutes: **30.06.2014**

Minutes Number: **25**

Category (type) of shares: **ordinary**

Dividends declared on shares of this category (type) per one share, RUB: **0.6**

Total dividends declared on all shares of this category (type), RUB: **21,435,596,823**

Total dividends paid on all issuer's shares of the same category (type), RUB: **21,419,366,203.82**

Sources of payment of the declared dividends: **net profit**

Declared dividends ratio in the net profit of the reporting year, %: **8.36**

Payout ratio in the total amount of the declared dividends on all shares of this category (type), %: **99.92**

Category (type) of shares: **preferred**

Dividends declared on shares of this category (type) per one share, RUB: **2.36**

Total dividends declared on all shares of this category (type), RUB: **18,176,715,834.6**

Total dividends paid on all issuer's shares of the same category (type), RUB: **17,959,462,571.5**

Sources of payment of the declared dividends: **net profit**

Declared dividends ratio in the net profit of the reporting year, %: **7.09**

Payout ratio in the total amount of the declared dividends on all shares of this category (type), %: **98.8**

The due period (date) for declared dividend payment: **dividends shall be paid not later than on August 20, 2014.**

Form and other payment terms for declared dividends on the issuer's shares: **cash in compliance with the dividend payment procedure established and approved by the general shareholders' meeting.**

Declared dividends on the issuer's shares paid by the issuer not in full.

Reasons for non-payment of declared dividends: **see below.**

Obligations to pay dividends for 2010 – 2013 on the Company's 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.

Dividends for 2014 have not been declared on the date of signing the report.

8.7.2. Accrued and paid yield on the issuer's bonds

The issuer did not issue any bonds.

8.8. Miscellaneous information

In view of specific features of the electronic form provided by the Federal Financial Markets Service of Russia:

1. The form of Section VII "Issuer's Accounting (Financial) Statements and Other Financial Information" of the present report prepared with the help of software questionnaire (version 3.0.9) of the Federal Financial Markets Service of Russia for the issuer's quarterly report does not meet the requirements of Federal Law of the Russian Federation No. 402-FZ "On Accounting" dated December 06, 2011; Order of the Ministry of Finance of the Russian Federation No. 66n "Reporting Standards of Enterprises" dated July 2, 2010.

2. In paragraph 3.6.1, columns 2 and 3 of the table "Results of the latest reappraisal of fixed assets as of 31 December 2014" shall be interpreted as "Historical (replacement) cost prior to reappraisal" and "Residual (net of depreciation) historical (replacement) cost prior to reappraisal" respectively.

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.



Ref. 177/049-33/AZ-14

AUDIT REPORT

of independent audit company
Rosexpertiza LLC
for accounting (financial)
statements of
OJSC "Surgutneftegas" for 2014

To shareholders of Open Joint Stock Company "Surgutneftegas"

AUDIT REPORT
of independent audit company Rosexpertiza LLC
for accounting (financial) statements of OJSC "Surgutneftegas" for 2014

Audited entity:

- Name: Open Joint Stock Company "Surgutneftegas"
- State registration number: 1028600584540
- Location: ul.Grigoriya Kukuyevitskogo 1, bld. 1., Surgut, Khanty-Mansiysky Autonomous Okrug - Yugra, Tyumenskaya Oblast, Russian Federation, 628415.

Auditor:

- Name: Rosexpertiza Limited Liability Company.
- Certificate of state registration of Rosexpertiza LLC No. 183142 issued on September 23, 1993 by Moscow Registration Chamber.
- Certificate of Record of a legal entity registered prior to July 01, 2002 entered into the Uniform State Register of Legal Entities under main state registration number 1027739273946 on September 27, 2002.
- Location:
 - Legal address: ul.Mashi Poryvaevoy, 11, Moscow, Russian Federation, 107078
 - Mailing address: Tikhvinsky per., 7, building 3, Moscow, Russian Federation, 127055.
- A member of SROA (Self-Regulatory Organization of Auditors) "Nonprofit Partnership "Russian Collegium of Auditors" according to RCA Board decision dated April 23, 2007, Certificate No. 362-yu.
- Main registration number in the Auditors and Auditing Firms Register is 10205006556.

We have audited the accompanying accounting (financial) statements of OJSC "Surgutneftegas" consisting of the balance sheet as of December 31, 2014, income statement, statement of changes in equity, cash flow statement for 2014, and other appendices to the balance sheet and income statement.

These statements were prepared by the executive body of OJSC "Surgutneftegas" in accordance with Federal Law No. 402-FZ "On Accounting" of December 06, 2011, "Accounting and Reporting Regulations in the Russian Federation" approved by Order No. 34n of the Ministry of Finance of the Russian Federation of July 29, 1998, "Accounting Regulations "Reporting of an Enterprise" PBU 4/99 approved by Order No. 43n of the Ministry of Finance of the Russian Federation of July 6, 1999, and Order No. 66n of the Ministry of Finance of the Russian Federation of July 2, 2010 "Reporting Standards of Enterprises".

Responsibility of the audited entity for accounting (financial) statements

The management of the audited entity is responsible for preparation and accuracy of these accounting (financial) statements in compliance with the established rules for preparation of accounting (financial) statements and for the internal control system necessary to prepare accounting (financial) statements free of any material misstatements due to fraud or errors.

Auditor's responsibility

It is our responsibility to express, based on our audit, an opinion on the accuracy of these accounting (financial) statements.

We conducted our audit in accordance with:

- Federal Law No. 307-FZ dated December 30, 2008 "On Auditing Activity";
- Federal Rules (Standards) for Auditing Activity (Decree of the RF Government No. 696 of September 23, 2002 as amended by Decrees of the RF Government No. 405 of July 4, 2003, No. 532 of October 7, 2004, No. 228 of April 16, 2005, No. 523 of August 25, 2006, No. 557 of July 22, 2008, No. 863 of November 19, 2008, No. 586 of August 2, 2010, No. 30 of January 27, 2011);
- Federal Standards of Auditing Activity (FSAA) (Orders of the Ministry of Finance of the Russian Federation No. 16n of February 24, 2010, No. 46n of May 20, 2010, No. 90n of August 17, 2010, No. 99n of August 16, 2011);
- Code of Professional Ethics for Auditors of Russia (approved by the Council for Auditing Activities on March 22, 2012, Minutes No. 4 (as amended by Minutes No. 9 of June 27, 2013).

These standards require compliance with applicable ethical standards, as well as audit planning and performance, so as to obtain reasonable assurance about whether the accounting (financial) statements are free of material misstatements.

The audit included audit procedures to obtain audit evidence confirming numerical indicators in the accounting (financial) statements and disclosure of information in such statements. Selection of audit procedures is the subject of our judgment, which is based on assessment of material misstatement risk due to fraud or errors. In the course of assessment of this risk, we reviewed the internal control system that ensures preparation and accuracy of the accounting (financial) statements in order to select adequate audit procedures but not in order to express an opinion on efficiency of the internal control system.

The audit also included assessment of the proper nature of the applicable accounting policy and substantiation of estimates obtained by the management of the audited entity, as well as general evaluation of the accounting (financial) statements presentation.

We believe that audit evidence obtained in the course of the audit provides a reasonable basis for the opinion on accuracy of the accounting (financial) statements.

Opinion

In our opinion, the accounting (financial) statements of OJSC “Surgutneftegas” give a true and fair view of the state of the company’s financial standing as of December 31, 2014, the results of the company’s financial and business activity, and the cash flow for 2014 in accordance with the established rules for preparation of accounting (financial) statements.

Auditor

Audit Director, Audit Services Department, Rosexpertiza LLC
Unified Auditor Qualification Certificate
No. 05-000323 dated 08.02.13
issued for an unlimited period of time
Main registration number in the Register of Auditors and
Audit Organizations No. 29505019397
Member of Self-Regulatory Organization of Auditors
“Nonprofit Partnership “Russian Collegium of Auditors”
as per Resolution of the RCA Board dated 14.08.09,
Certificate No. 3042

A.M.Popov

For management of Rosexpertiza LLC

Director General

A.V.Kozlov

30 March 2015
Stamp

1.2. Historical cost of intangible assets created by the organization

Indicator	Line code	As of 31 December	As of 31 December	As of 31 December
		<u>2014</u>	<u>2013</u>	<u>2012</u>
Total	5120	675 798	519 911	385 523
including:				
exclusive rights to invention, industrial prototype, utility model	5121	438	433	369
exclusive rights to computer programs and databases	5122	675 360	519 478	385 154
exclusive rights to trademarks and service marks	5123	-	-	-
other protected results of intellectual property and individualization means	5124	-	-	-

1.3. Intangible assets with fully redeemed cost

Indicator	Line code	As of 31 December	As of 31 December	As of 31 December
		<u>2014</u>	<u>2013</u>	<u>2012</u>
Total	5130	385 411	378 119	392 615
including:				
exclusive rights to invention, industrial prototype, utility model	5131	28	1 694	6 694
exclusive rights to computer programs and databases	5132	376 436	366 879	385 893
exclusive rights to trademarks and service marks	5133	11	11	11
other protected results of intellectual property and individualization means	5134	8 936	9 535	17
goodwill	5135	-	-	-

1.4. Availability and flow of R&D results

Indicator	Code	Period	At year beginning		Changes during the period				At period end	
			historical cost	part of the cost written off to expenses	received	retired		part of the cost written off to expenses for the period	historical cost	part of the cost written off to expenses
						historical cost	part of the cost written off to expenses			
1	2	3	4	5	6	7	8	9	10	11
R&D – total	5140	for 2014	102 698	(76 232)	70 496	-	-	(27 194)	173 194	(103 426)
	5150	for 2013	273 294	(261 894)	26 467	(197 063)	197 063	(11 401)	102 698	(76 232)

1.5. R&D in progress, non-finalized R&D, acquisition of intangible assets in progress

Indicator	Code	Period	At year beginning	Changes during the period			At period end
				expenses for the period	expenses written off as those with negative results	recorded as intangible assets or R&D	
1	2	3	4	5	6	7	8
Expenses on research and development in progress – total	5160	for 2014	112 049	161 132	-	(182 545)	90 636
	5170	for 2013	68 312	149 084	-	(105 347)	112 049
Acquisition of intangible assets in progress - total	5180	for 2014	30 645	64 015	-	(50 817)	43 843
	5190	for 2013	554	34 105	(208)	(3 806)	30 645

1.6. Intangible prospecting assets

Indicator	Code	Period	At year beginning	Changes during the period				results of devaluation	At period end
				proceeds and costs for the period	retired				
					costs to be written off when minerals production/licence acquisition is recognized as unpromising/impractical	transferred to other non-current assets	other disposal		
1	2	3	4	5	6	7	8	9	10
Intangible prospecting assets – total	5191	for 2014	70 051 419	15 084 712	(5 315 727)	(1 784 468)	(797 989)	(3 997 195)	73 240 752
	5192	for 2013	12 796 912	60 628 859	(2 063 118)	(655 813)	-	(655 421)	70 051 419
including: licenses	51910	for 2014	49 698 838	3 639 509	(38 190)	-	-	(181 453)	53 118 704
	51920	for 2013	606 794	49 109 417	(17 373)	-	-	-	49 698 838
geological exploration	51911	for 2014	2 589 792	2 812 350	(152 898)	(269 130)	-	(387 053)	4 593 061
	51921	for 2013	1 496 000	1 255 083	(21 087)	(133 774)	-	(6 430)	2 589 792
construction of prospecting and exploration wells	51912	for 2014	16 964 800	7 653 191	(5 124 639)	(1 515 338)	-	(3 428 689)	14 549 325
	51922	for 2013	10 694 118	9 466 370	(2 024 658)	(522 039)	-	(648 991)	16 964 800
advances issued for construction of prospecting and exploration wells	51913	for 2014	797 989	979 662	-	-	(797 989)	-	979 662
	51923	for 2013	-	797 989	-	-	-	-	797 989

2. Fixed assets

2.1. Availability and flow of fixed assets

Indicator	Code	Period	At year beginning		Changes during the period						At period end	
			historical cost	accumulated depreciation	received	Items retired		accrued depreciation	revaluation		historical cost	accumulated depreciation
						historical cost	accumulated depreciation		historical cost	accumulated depreciation		
1	2	3	4	5	6	7	8	9	10	11	12	13
Fixed assets (net of income yielding investments in tangible assets) – total	5200	for 2014	2 441 340 039	(1 836 271 402)	156 793 091	(21 397 901)	20 583 799	(125 518 885)	57 212 226	(50 978 896)	2 633 947 455	(1 992 185 384)
	5210	for 2013	1 975 390 535	(1 445 405 362)	154 563 922	(20 283 170)	19 407 144	(124 020 429)	331 668 752	(286 252 755)	2 441 340 039	(1 836 271 402)
including: land and objects of environmental management	5201	for 2014	15 416 444	-	55 891	(2,402)	-	-	(1 652 551)	-	13 819 782	-
	5211	for 2013	403 023	-	27 731	(1 036)	-	-	14 986 726	-	15 416 444	-
buildings	5202	for 2014	183 126 220	(80 611 960)	10 349 572	(803 061)	538 660	(7 243 294)	1 586 255	(1 089 116)	194 258 986	(88 405 710)
	5212	for 2013	169 804 655	(71 235 384)	7 475 396	(1 073 622)	701 121	(6 966 597)	6 919 791	(3 111 100)	183 126 220	(80 611 960)
structures and transfer mechanisms	5203	for 2014	1 818 803 578	(1 421 322 114)	108 641 195	(3 856 790)	3 482 128	(85 077 651)	41 183 700	(35 784 555)	1 964 771 683	(1 538 702 192)
	5213	for 2013	1 404 903 359	(1 062 474 213)	112 788 276	(2 319 648)	2 171 756	(83 003 632)	303 431 591	(278 016 025)	1 818 803 578	(1 421 322 114)
machinery and equipment	5204	for 2014	379 108 544	(305 211 990)	33 535 392	(13 303 695)	13 175 444	(29 295 110)	14 249 306	(12 855 672)	413 589 547	(334 187 328)
	5214	for 2013	357 534 354	(283 976 729)	30 008 267	(13 881 247)	13 569 843	(30 252 354)	5 447 170	(4 552 750)	379 108 544	(305 211 990)
vehicles	5205	for 2014	41 092 961	(26 266 658)	4 052 486	(3 353 466)	3 311 934	(3 670 289)	1 799 362	(1 223 270)	43 591 343	(27 848 283)
	5215	for 2013	38 689 661	(24 676 940)	4 061 975	(2 938 186)	2 896 767	(3 522 177)	1 279 511	(964 308)	41 092 961	(26 266 658)
production and general purpose tools	5206	for 2014	3 404 578	(2 714 670)	156 964	(76 583)	75 016	(215 541)	45 048	(25 769)	3 530 007	(2 880 964)
	5216	for 2013	3 686 858	(2 916 912)	200 361	(67 865)	66 832	(259 579)	(414 776)	394 989	3 404 578	(2 714 670)

Indicator	Code	Period	At year beginning		Changes during the period						At period end	
			historical cost	accumulated depreciation	received	Items retired		accrued depreciation	revaluation		historical cost	accumulated depreciation
						historical cost	accumulated depreciation		historical cost	accumulated depreciation		
1	2	3	4	5	6	7	8	9	10	11	12	13
draft livestock and producing livestock	5207	for 2014	-	-	-	-	-	-	-	-	-	-
	5217	for 2013	-	-	-	-	-	-	-	-	-	-
other types of fixed assets	5208	for 2014	387 714	(144 010)	1 591	(1 904)	617	(17 000)	1 106	(514)	388 507	(160 907)
	5218	for 2013	368 625	(125 184)	1 916	(1 566)	825	(16 090)	18 739	(3 561)	387 714	(144 010)
Recorded as income yielding investments in tangible assets – total	5220	for 2014	57 659	(6 650)	-	(1 200)	256	(1 636)	-	-	56 459	(8 030)
	5230	for 2013	59 942	(5 436)	5 379	(7 662)	399	(1 613)	-	-	57 659	(6 650)
including: property given for temporary use (temporary possession and use)	5221	for 2014	57 659	(6 650)		(1 200)	256	(1 636)	-	-	56 459	(8 030)
	5231	for 2013	59 942	(5 436)	5 379	(7 662)	399	(1 613)	-	-	57 659	(6 650)

2.2. Capital investments in progress

Indicator	Code	Period	At year beginning	Changes during the period			At period end
				expenses for the period	delivered for assembly/ retired	recorded as fixed assets or increase in the value	
1	2	3	4	5	6	7	8
Construction in progress, acquisition, modernization, etc. of fixed assets in progress – total	5240	for 2014	36 018 292	185 153 076	(15 756 224)	(156 113 696)	49 301 448
	5250	for 2013	34 017 945	171 097 034	(14 582 652)	(154 514 035)	36 018 292
including: equipment requiring assembly	5241	for 2014	4 866 750	15 475 448	(15 096 494)	-	5 245 704
	5251	for 2013	4 640 458	14 138 552	(13 912 260)	-	4 866 750
acquisition of land and objects of environmental management	5242	for 2014	571	55 825	-	(55 891)	505
	5252	for 2013	638	27 664	-	(27 731)	571
acquisition of fixed assets	5243	for 2014	84 419	25 998 861		(25 909 074)	174 206
	5253	for 2013	80 720	22 876 618		(22 872 919)	84 419
construction in progress, including proprietary manufacturing of fixed assets	5244	for 2014	30 810 363	139 823 346	(462 722)	(130 148 731)	40 022 256
	5254	for 2013	28 741 517	133 966 147	(283 916)	(131 613 385)	30 810 363
advances issued for capital construction	5245	for 2014	256 189	3 799 596	(197 008)	-	3 858 777
	5255	for 2013	554 612	88 053	(386 476)	-	256 189

2.3. Change in the value of fixed assets resulting from additional construction, equipping, reconstruction, and partial liquidation

Indicator	code	For 2014	For 2013
1	2	3	4
Increase in the value of fixed assets resulting from additional construction, equipping, reconstruction, and partial liquidation – total	5260	32 398 406	31 091 606
including:			
buildings	5261	1 086 049	1 094 074
structures and transfer mechanisms	5262	30 434 655	29 192 842
machinery, equipment and vehicles	5263	876 930	804 658
other fixed assets	5264	772	32
Decrease in the value of fixed assets resulting from partial liquidation – total:	5270	(1 838 801)	(2 044 656)
including:			
buildings	5271	(194 503)	(77 428)
structures and transfer mechanisms	5272	(297 393)	(177 342)
machinery, equipment and vehicles	5273	(1 345 643)	(1 789 631)
other fixed assets	5274	(1 262)	(255)

2.4. Other use of fixed assets

Indicator	code	As of 31.12.2014	As of 31.12.2013	As of 31.12.2012
1	2	3	4	5
Leased fixed assets on the balance	5280	14 776 106	6 449 426	5 497 992
Leased fixed assets off the balance	5281	-	-	-
Fixed assets on the balance received under lease	5282	-	-	-
Fixed assets off the balance received under lease	5283	17 433 351	15 452 012	15 773 734
Real estate accepted for operation and actually used, currently in the process of state registration	5284	5 007 184	3 261 065	7 158 192
Fixed assets transferred for preservation	5285	48 754 481	44 879 041	21 948 651
Other use of fixed assets	5286	-	-	-

Short-term – total	5305	for 2014	408 139 542	-	237 211 101	(462 360 921)	-	-	-	475 024 733	658 014 455	-
	5315	for 2013	301 387 763	-	25 295 200	(314 689 819)	-	-	-	396 146 398	408 139 542	-
including: securities issued by other organizations	5306	for 2014	6 000 000	-	1 402 000	(1 402 000)	-	-	-	-	6 000 000	-
	5316	for 2013	-	-	11 000 000	(5 000 000)	-	-	-	-	6 000 000	-
including: debt securities (bonds, bills of exchange)	53060	for 2014	6 000 000	-	1 402 000	(1 402 000)	-	-	-	-	6 000 000	-
	53160	for 2013	-	-	11 000 000	(5 000 000)	-	-	-	-	6 000 000	-
loans granted	5307	for 2014	-	-	412 294	(230 000)	-	-	-	-	182 294	-
	5317	for 2013	-	-	-	-	-	-	-	-	-	-
deposits	5308	for 2014	402 139 542	-	235 396 807	(460 728 921)	-	-	-	475 024 733	651 832 161	-
	5318	for 2013	301 387 763	-	14 295 200	(309 689 819)	-	-	-	396 146 398	402 139 542	-
other	5309	for 2014	-	-	-	-	-	-	-	-	-	-
	5319	for 2013	-	-	-	-	-	-	-	-	-	-
Financial investments – total	5300	for 2014	1 115 955 703	562	1 284 876 728	(462 360 921)	-	-	(283)	-	1 938 471 510	279
	5310	for 2013	947 549 207	511	487 284 156	(318 877 660)	-	-	51	-	1 115 955 703	562

3.2. Other use of financial investments

Indicator	code	As of 31.12.2014	As of 31.12.2013	As of 31.12.2012
Pledged financial investments – total	5320	61 457	61 457	61 457
including: securities issued by other organizations	5321	61 457	61 457	61 457
incl. debt securities (bonds, bills of exchange)	5322	-	-	-

4. Stocks

4.1. Availability and flow of stock

Indicator	Code	Period	At year beginning		Changes during the period					At period end	
			production costs	reserve for decreases in the value	proceeds and costs	retired		losses from decreases in the value	stock turnover among their groups (types)	production costs	reserve for decreases in the value
						production costs	reserve for decreases in the value				
1	2	3	4	5	6	7	8	9	10	11	12
Stocks - total	5400	for 2014	68 284 263	(4 982)	1 477 928 308	(1 464 785 749)	4 120	(172)	-	81 426 822	(1 034)
	5420	for 2013	65 666 269	(1 310)	1 396 061 284	(1 393 443 290)	-	(3 672)	-	68 284 263	(4 982)
including: raw materials, supplies and other similar values	5401	for 2014	39 372 030	(4 982)	114 622 461	(303 277 602)	4 120	(172)	193 411 458	44 128 347	(1 034)
	5421	for 2013	38 835 256	(1 310)	109 945 587	(287 074 321)	-	(3 672)	177 665 508	39 372 030	(4 982)
work-in-progress expenses	5402	for 2014	1 043 265	-	1 215 111	(533 663)	-	-	-	1 724 713	-
	5422	for 2013	977 161	-	699 823	(633 719)	-	-	-	1 043 265	-
finished goods	5403	for 2014	6 940 252	-	810 430 933	(219 718 394)	-	-	(588 041 085)	9 611 706	-
	5423	for 2013	4 478 940	-	731 817 709	(178 355 597)	-	-	(551 000 800)	6 940 252	-
goods for resale	5404	for 2014	163 559	-	1 011 828	(964 998)	-	-	(6 306)	204 083	-
	5424	for 2013	165 294	-	1 032 313	(1 022 589)	-	-	(11 459)	163 559	-
goods shipped	5405	for 2014	649 945	-	-	(394 416 020)	-	-	394 635 933	869 858	-
	5425	for 2013	1 030 423	-	-	(373 727 229)	-	-	373 346 751	649 945	-
deferred expenses	5406	for 2014	675 180	-	2 230 697	(2 300 396)	-	-	-	605 481	-
	5426	for 2013	637 613	-	2 686 667	(2 649 100)	-	-	-	675 180	-
other stock and costs	5407	for 2014	19 440 032	-	548 417 278	(543 574 676)	-	-	-	24 282 634	-
	5427	for 2013	19 541 582	-	549 879 185	(549 980 735)	-	-	-	19 440 032	-

4.2. Pledged stock

Indicator	code	As of 31.12.2014	As of 31.12.2013	As of 31.12.2012
1	2	3	4	5
Stock unpaid at the reporting date – total	5440	-	-	-
Pledged stock under contract – total	5445	-	-	-

5. Accounts payable and receivable

5.1. Availability and flow of accounts receivable

Indicator	Code	Period	At year beginning		Changes during the period							At period end		
			recorded as per contract terms and conditions	reserve for doubtful debts	received		retired				reserve creation	transferred from long-term to short-term debt	recorded as per contract terms and conditions	reserve for doubtful debts
					resulting from business transactions (the amount of debt under a transaction or operation)	interest, fines, and other charges due	repaid	written off to financial result	reserve restoration	written off to reserve amounts				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Long-term accounts receivable – total	5501	for 2014	28 138 730	-	51 097 807	-	(265 537)	(1 706)	-	-	-	(40 420 345)	38 548 949	-
	5521	for 2013	1 383 764	-	27 723 514	-	(815 708)	(1 422)	-	-	-	(151 418)	28 138 730	-
including: buyers and customers	5502	for 2014	539 451	-	147 504	-	(216 227)	(1 575)	-	-	-	(181 702)	287 451	-
	5522	for 2013	874 579	-	191 655	-	(398 683)	(1 422)	-	-	-	(126 678)	539 451	-
advances paid	5503	for 2014	9 599	-	3 603	-	(108)	-	-	-	-	(582)	12 512	-
	5523	for 2013	385 880	-	1 597	-	(369 212)	-	-	-	-	(8 666)	9 599	-
other	5504	for 2014	27 589 680	-	50 946 700	-	(49 202)	(131)	-	-	-	(40 238 061)	38 248 986	-
	5524	for 2013	123 305	-	27 530 262	-	(47 813)	-	-	-	-	(16 074)	27 589 680	-
Short-term accounts receivable – total	5510	for 2014	133 657 154	(306 315)	101 833 745	-	(133 328 031)	(2 683)	3 692	(24 677)	(36 590)	40 420 345	142 555 853	(314 536)
	5530	for 2013	150 942 149	(72 075)	108 030 707	-	(125 424 876)	(41 906)	46	(338)	(234 624)	151 418	133 657 154	(306 315)
including: buyers and customers	5511	for 2014	84 590 923	(218)	55 569 815	-	(84 605 192)	(185)	76	-	(232)	181 702	55 737 063	(374)
	5531	for 2013	81 931 642	-	84 377 527	-	(81 844 829)	(95)	-	-	(218)	126 678	84 590 923	(218)
advances paid	5512	for 2014	7 458 026	-	13 721 792	-	(7 451 551)	(616)	-	-	-	582	13 728 233	-
	5532	for 2013	21 605 092	-	7 426 330	-	(21 582 062)	-	-	-	-	8 666	7 458 026	-

Indicator	Code	Period	At year beginning		Changes during the period							At period end		
			recorded as per contract terms and conditions	reserve for doubtful debts	received		retired			reserve creation	transferred from long-term to short-term debt	recorded as per contract terms and conditions	reserve for doubtful debts	
					resulting from business transactions (the amount of debt under a transaction or operation)	interest, fines, and other charges due	repaid	written off to financial result	reserve restoration					written off to reserve amounts
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
incorporators	5513	for 2014	-	-	-	-	-	-	-	-	-	-	-	-
	5534	for 2013	-	-	-	-	-	-	-	-	-	-	-	-
other	5514	for 2014	41 608 205	(306 097)	32 542 138		(41 271 288)	(1 882)	3 616	(24 677)	(36 358)	40 238 061	73 090 557	(314 162)
	5534	for 2013	47 405 415	(72 075)	16 226 850	-	(21 997 985)	(41 811)	46	(338)	(234 406)	16 074	41 608 205	(306 097)
Total	5500	for 2014	161 795 884	(306 315)	152 931 552	-	(133 593 568)	(4 389)	3 692	(24 677)	(36 590)	-	181 104 802	(314 536)
	5520	for 2013	152 325 913	(72 075)	135 754 221	-	(126 240 584)	(43 328)	46	(338)	(234 624)	-	161 795 884	(306 315)

5.2. Overdue accounts receivable

Indicator	Code	As of 31.12.2014		As of 31.12.2013		As of 31.12.2012	
		recorded as per contract terms and conditions	book value	recorded as per contract terms and conditions	book value	recorded as per contract terms and conditions	book value
1	2	3	4	5	6	7	
Total	5540	4 437 962	4 123 426	379 229	72 914	118 650	46 575
including: buyers and customers	5541	4 123 800	4 123 426	73 132	72 914	46 497	46 497
advances paid	5542	-	-	-	-	78	78
other	5543	314 162	-	306 097	-	72 075	-

5.3. Availability and flow of accounts payable

Indicator	Code	Period	Balance at year beginning	Changes during the period					Balance at period end
				received		retired		transferred from long-term to short-term debt	
				resulting from business transactions (the amount of debt under a transaction or	interest, fines, and other charges due	repaid	written off to financial result		
1	2	3	4	5	6	7	8	9	10
Long-term accounts payable – total	5551	for 2014	54 847 738	10 542 479	-	-	-	(86 598)	65 303 619
	5571	for 2013	36 381 518	18 645 491	-	-	-	(179 271)	54 847 738
including: due to suppliers and contractors	5552	for 2014	127 521	197 463	-	-	-	(86 176)	238 808
	5572	for 2013	109 063	103 123	-	-	-	(84 665)	127 521
advances received	5553	for 2014	20 678	10 516	-	-	-	(422)	30 772
	5573	for 2013	100 891	14 393	-	-	-	(94 606)	20 678
borrowings and loans	5554	for 2014	-	-	-	-	-	-	-
	5574	for 2013	-	-	-	-	-	-	-
deferred tax liabilities	5555	for 2014	54 699 539	10 334 500	-	-	-	-	65 034 039
	5575	for 2013	36 171 564	18 527 975	-	-	-	-	54 699 539
Short-term accounts payable – total	5560	for 2014	77 494 805	115 693 438	14	(76 768 035)	(26 962)	86 598	116 479 858
	5580	for 2013	59 849 131	76 622 411	14	(59 154 666)	(1 356)	179 271	77 494 805
including: due to suppliers and contractors	5561	for 2014	14 162 468	15 848 138	-	(13 922 980)	(26 754)	86 176	16 147 048
	5581	for 2013	12 621 321	13 755 486	-	(12 297 740)	(1 264)	84 665	14 162 468
advances received	5562	for 2014	14 236 281	17 628 888	-	(14 234 960)	(4)	422	17 630 627
	5582	for 2013	7 786 819	14 234 457	-	(7 879 601)	-	94 606	14 236 281
taxes, charges, payments to state non-budget funds	5563	for 2014	36 151 203	69 554 647	-	(36 151 203)	-	-	69 554 647
	5583	for 2013	27 478 683	36 151 203	-	(27 478 683)	-	-	36 151 203

Indicator	Code	Period	Balance at year beginning	Changes during the period					Balance at period end
				received		retired		transferred from long-term to short-term debt	
				resulting from business transactions (the amount of debt under a transaction or	interest, fines, and other charges due	repaid	written off to financial result		
1	2	3	4	5	6	7	8	9	10
profit payment due to incorporators	5564	for 2014	493 738	238 261	-	(150 143)	-	-	581 856
	5584	for 2013	463 600	170 142	-	(140 004)	-	-	493 738
borrowings and loans	5565	for 2014	139 650	-	-	-	-	-	139 650
	5585	for 2013	232 890	-	-	(93 240)	-	-	139 650
other	5566	for 2014	12 311 465	12 423 504	14	(12 308 749)	(204)	-	12 426 030
	5586	for 2013	11 265 818	12 311 123	14	(11 265 398)	(92)	-	12 311 465
Total	5550	for 2014	132 342 543	126 235 917	14	(76 768 035)	(26 962)	-	181 783 477
	5570	for 2013	96 230 649	95 267 902	14	(59 154 666)	(1 356)	-	132 342 543

5.4. Overdue accounts payable

Indicator	Code	as of 31.12.2014	As of 31.12.2013	As of 31.12.2012
1	2	3	4	5
Total	5590	915	30 348	43 437
including:				
due to suppliers and contractors	5591	629	29 870	43 406
borrowings and loans	5592	-	-	-
advances received	5593	286	478	31
other	5594	-	-	-

6. Costs of production

Indicator 1	Code 2	For 2014 3	For 2013 4
Material expenses	5610	172 429 756	158 512 168
Remuneration of labor	5620	76 431 713	69 291 802
Social expenditures	5630	14 992 395	13 926 999
Depreciation	5640	111 706 987	107 956 420
Other costs	5650	318 604 224	266 874 526
Total for elements	5660	694 165 075	616 561 915
Change in balances (increase [-], decrease [+]): for work in progress, finished goods, etc.	5670	(8 415 417)	(2 045 388)
Total expenses for ordinary activities	5600	685 749 658	614 516 527

7. Estimated liabilities

Indicator 1	Code 2	Balance at year beginning 3	Recognized 4	Paid off 5	Written off as extra amount 6	Balance at period end 7
Estimated liabilities – total	5700	9 675 073	18 637 044	(16 655 155)	(941 013)	10 715 949
Long-term estimated liabilities – total	5701	-	-	-	-	-
including: reserves for future expenses / reserves for assets liquidation	5702	-	-	-	-	-
reserves for future expenses / reserves for restoration of disturbed lands	5703	-	-	-	-	-
Short-term estimated liabilities – total	5704	9 675 073	18 637 044	(16 655 155)	(941 013)	10 715 949
including: reserves for future expenses / reserves for vacation payments	5705	9 672 994	18 637 044	(16 654 511)	(939 578)	10 715 949
reserves for future expenses / reserves for restoration of disturbed lands	5706	2 079	-	(644)	(1 435)	0

8. Collateral for obligations

Indicator	Code	As of 31.12.2014	As of 31.12.2013	As of 31.12.2012
1	2	3	4	5
Received – total	5800	9 352 272	10 694 420	10 895 239
including: fixed assets	5801	16 000	9 000	14 741
securities and other financial investments	5802	-	-	-
other	5803	9 336 272	10 685 420	10 880 498
Granted - total	5810	10 561 457	61 457	61 457
including: securities and other financial investments	5811	61 457	61 457	61 457
other	5812	10 500 000	-	-

First Deputy
Director General on Finance and Taxation
OJSC "Surgutneftegas"

(signature)

V.G.Barankov

(printed name)

Chief Accountant
OJSC "Surgutneftegas"

(signature)

A.V.Druchinin

(printed name)

27 March 2015

Notes
to the Balance Sheet and the Income Statement of Open Joint Stock
Company “Surgutneftegas” for 2014
(text form)

1. General Information on OJSC “Surgutneftegas”

Location: ul.Grigoriya Kukuyevitskogo 1, bld. 1, Surgut, Khanty-Mansiysky Autonomous Okrug – Yugra, Tyumenskaya Oblast, Russian Federation.

Location of the issuer’s continuing executive body: ul.Grigoriya Kukuyevitskogo 1, bld. 1, Surgut, Khanty-Mansiysky Autonomous Okrug – Yugra, Tyumenskaya Oblast, Russian Federation.

Mailing address: 628415 Russian Federation, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Grigoriya Kukuyevitskogo 1, bld. 1.

Telephone: (3462) 42-60-28

Fax: (3462) 42-64-94

E-mail: secretary@surgutneftegas.ru

Full corporate name: Open Joint Stock Company “Surgutneftegas”.

Abbreviated corporate name: OJSC “Surgutneftegas”.

Introduced: 27.06.96.

Grounds for introduction: Federal Law No. 208-FZ dated 26.12.95 “On Joint Stock Companies”.

State registration of the issuer:

Initial state registration

State registration number: 12-4782.

Date of state registration: 27.06.96.

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

Registration of the legal entity:

Main state registration number of the legal person: 1028600584540.

Registration date: 18.09.2002.

Name of the registration authority: Inspectorate of the Ministry of Taxation of the Russian Federation for Surgut, Khanty-Mansiysky Autonomous Okrug – Yugra.

1.1. Operations of OJSC “Surgutneftegas”

Core operations of OJSC “Surgutneftegas” (hereinafter, the Company) include:
geological prospecting and exploration;
oil and oil (associated) gas production and treatment;
oil, gas and refined products sales.

1.2. Management structure

General Shareholders’ Meeting of the Company

Board of Directors of the Company

Executive body of the Company (Director General)

Members of the Board of Directors:
Erokhin Vladimir Petrovich (Chairperson);
Bogdanov Vladimir Leonidovich;
Bulanov Alexander Nikolaevich;
Dinichenko Ivan Kalistratovich;
Krivosheev Viktor Mikhailovich;
Matveev Nikolai Ivanovich;
Raritsky Vladimir Ivanovich;
Usmanov Ildus Shagalievich;
Shashkov Vladimir Aleksandrovich.

Additional information is available at the website: www.surgutneftegas.ru.

Individual executive body of the Company:
Bogdanov Vladimir Leonidovich – Director General.

1.3. Members (names) of the Company's Auditing Committee

Klinovskaya Taisiya Petrovna
Musikhina Valentina Viktorovna
Oleynik Tamara Fedorovna

1.4. Number of the Company's employees

The average number of employees as of 2014 was 103 421 people.

2. Information on accounting policy and amendments thereto

The accounting policy of OJSC "Surgutneftegas" for 2014 for accounting purposes complies with the laws of the Russian Federation on accounting. Information on the accounting policy of the Company for 2014 is represented below in the relative sections of the explanatory note.

The accounting policy for 2014 has not undergone any significant changes. Changes in accounting policy for 2015 are planned subject to any changes in the accounting standards as set forth by the law of the Russian Federation, as well as federal and (or) industry standards (Sub-clause 1, Clause 6, Article 8 of the Federal Law No. 402-FZ).

3. Notes to the Balance Sheet Items

3.1. Intangible assets (hereinafter, IA)

The cost of IA is redeemed through amortization under the straight-line method within the fixed period of their useful life.

Useful life of IA is determined when an item is entered in accounting records, based on the term of a patent or certificate, other limitations for useful life of intellectual property under the law of the Russian Federation, and expected useful life of such item during which the Company can obtain economic benefits (profit).

The Company does not have intangible assets with an indefinite useful life.

Useful life of IA is checked by the Company annually during inventory to see whether it needs to be adjusted. If the duration of the period during which the Company expects to use the asset changes by more than 5%, the useful life of such asset is to be adjusted.

Changes in estimated values caused by this are shown in prospect.

Intangible assets are not revalued and tested for impairment.

Information on availability and flow of intangible assets is given in Tables 1.1, 1.2, 1.3, 1.5 of the Notes to the Balance Sheet and the Income Statement (table form).

3.2. Research, development and technological works (R&D)

The R&D cost is written off as cost of manufacturing of goods (performing of works, rendering of services) within the fixed period of their expected useful life (but not more than 5 years).

Information on availability and flow of R&D results is given in Tables 1.4, 1.5 of the Notes to the Balance Sheet and the Income Statement (table form).

3.3. Intangible prospecting assets

Intangible prospecting assets include prospecting costs (costs of prospecting, hydrocarbon fields appraisal and hydrocarbon resources exploration) associated with acquisition of licenses, paid for discovery of hydrocarbon fields and preliminary appraisal of reserves.

The Company's intangible prospecting assets are ceased to be recognized in relation to a certain subsurface area when hydrocarbons production is proved to be commercially feasible or recognized as unpromising.

Intangible prospecting assets are not amortized during prospecting, hydrocarbon fields appraisal and hydrocarbon resources exploration, except for licenses which authorize to carry out prospecting, hydrocarbon fields appraisal and hydrocarbon resources exploration.

Part of the cost of licenses which authorize to carry out prospecting, hydrocarbon fields appraisal and hydrocarbon resources exploration is transferred equally during the term of these licenses. If on the moment when hydrocarbons production in the license area is proved to be commercially feasible such license is not written off, its residual value is included in the costs for creation of exploration assets in the month when hydrocarbons production is proved to be commercially feasible.

As of the end of the reporting period the Company analyzes factors which imply possible devaluation of intangible prospecting assets.

Intangible assets are not revalued.

If production of hydrocarbons in the relative license area (field) is recognized as unpromising, the cost of intangible prospecting asset constitutes the part of the Company's other expenses.

If production of hydrocarbons in a relevant license area is proved to be commercially feasible, intangible prospecting asset is tested for impairment and

transferred to fixed assets or other non-current assets meant for exploration and extraction of mineral resources:

costs of construction (drilling) of prospecting and exploration wells built when developing intangible prospecting assets recognized as productive are recorded as fixed assets;

prospecting costs paid by the Company for discovery of hydrocarbon fields and preliminary appraisal of reserves (including costs of subsoil rights acquisition, drilling of prospecting and exploration wells, etc.) before production was proved to be commercially feasible form the value of exploration assets recorded as investments in non-current assets.

Information on intangible prospecting assets is given in Table 1.6 of the Notes to the Balance Sheet and the Income Statement (table form).

3.4. Fixed assets and capital investments in progress

3.4.1. The historical cost of fixed assets recorded after 01.01.2002 is redeemed through straight-line depreciation in conformity with depreciation rates calculated on the basis of useful life of such assets determined when such assets are entered in accounting records.

The historical cost of fixed assets recorded before 01.01.2002 is redeemed according to the procedure valid at the time when such assets were recorded, through straight-line depreciation in conformity with depreciation rates for complete repair approved by Resolution No. 1072 of the USSR Council of Ministers of 22.10.90.

In 2014, the Company did not acquire fixed assets under contracts providing fulfillment of obligations (payment) by non-monetary assets.

3.4.2. The amount of capital investments in progress in facilities (for their reconstruction, upgrading, reequipment, etc.), which later will be recorded as fixed assets, is included in Line 1150, "Fixed Assets" of the Balance Sheet.

The amount of capital investments in progress in other assets (excluding fixed assets) is recorded in the Balance Sheet in those lines where these assets will be recorded after the fulfillment of relative investments in non-current assets.

Information on availability and flow of fixed assets, capital investments in progress and income yielding investments in tangible assets is given in Tables 2.1, 2.2, 2.3, 2.4 of the Notes to the Balance Sheet and the Income Statement (table form).

3.5. Financial investments

Financial investments are recorded at their historical cost. The historical cost of financial investments acquired at a charge is the amount of the Company's actual costs of their acquisition.

The Company does not evaluate the discounted value of debt securities and loans granted.

When financial investments with current market value that cannot be determined are retired, their value is determined on the basis of the historical cost of each unit of financial investments accounting.

When financial investments with current market value that can be determined are retired, their value is determined on the basis of the last evaluation.

As of 31 December, the Company carries out an inspection for devaluation of financial investments (not traded publicly) with current market value that cannot be determined. If the inspection confirms that the cost of financial investments is substantially and persistently reduced (by more than 5%), a reserve is formed for devaluation of financial investments.

In 2014, a reserve for devaluation of financial investments was not formed.

Income from sales of securities, interest and other income are recognized as other income.

Long-term financial investments are transferred to short-term investments quarterly at the accounting date if they mature in less than 12 months. In case of prolongation the short-term debt is transferred to long-term.

Information on financial investments is given in Tables 3.1, 3.2 of the Notes to the Balance Sheet and the Income Statement (table form).

3.6. Stocks

Stocks are recorded at its actual cost.

Own stocks (except for assets with maximum value of RUB 40,000 per item) are written off to production or otherwise retired at their weighted average cost of production based on the quantity of the stocks and their price as of the beginning of the month and all monthly returns.

Purchased stocks (except for goods (with the exception to oil and petroleum products) and assets with maximum value of RUB 40,000 per item) are written off to production or otherwise retired at their sliding average cost of production based on the quantity of the stocks and their price as of the beginning of the month and all returns up to the moment of delivery.

Information on stocks is given in Tables 4.1, 4.2 of the Notes to the Balance Sheet and the Income Statement (table form).

3.7. Accounts receivable

Accounts receivable include amounts due to the Company from buyers and customers for shipped goods, completed works and rendered services, advances paid under existing contracts, settlements of claims, net of the reserve for doubtful debts, as well as settlements with the budget and non-budget funds.

Long-term accounts receivable are transferred to short-term ones if, pursuant to the contract, the term to maturity lies within 12 months after the reporting date. Similarly, in case of delayed payment the short-term accounts payable are transferred to long-term ones.

Information on accounts receivable is given in Tables 5.1, 5.2 of the Notes to the Balance Sheet and the Income Statement (table form).

3.8. Cash and cash equivalents

Cash and cash equivalents include balances on ruble and foreign currency settlement accounts, deposits with original maturities up to 3 months under the contract, petty cash and other monetary resources.

thousand RUB		
Indicator	As of 31.12.2014	As of 31.12.2013
Cash and cash equivalents total including:	30 922 038	29 017 245
letters of credit	12 590 658	9 114 306
deposits placed for up to 3 months	17 949 421	17 122 045
settlement account	229 188	34 655
foreign currency account	151 154	2 742 064
petty cash	1 256	2 206
other	361	1 969

Information on availability and flow of cash and cash equivalents in foreign currency at the beginning and the end of the reporting period is shown in the Cash Flow Statement in rubles and equal to the amount calculated at the official rate of foreign currency to ruble determined by the Central Bank of the Russian Federation on the date the payment is made or received.

The difference caused by recalculation of cash flows of the Company and balances of cash and cash equivalents in foreign currency at the exchange rates of different dates is shown in Cash Flow Statement in the line "Effect of changes in the exchange rates of foreign currency to the Russian ruble".

Cash Flow Statement contains brief information concerning:

proceeds and payments in connection with quick return, large amounts and short payment periods;

indirect taxes (VAT) as a part of proceeds from buyers and customers, payments to suppliers and contractors and payments to the budgetary system of the Russian Federation or reimbursement from it;

other calculations that relate more to the counterparties' activities than to the Company's ones, and (or) when receipts from some persons determine relevant payments to other persons.

3.9. Capital

The Company's charter capital as of 31.12.2014 is RUB 43 427 993 thousand. The charter capital is divided into 35 725 995 thousand ordinary shares and 7 701 998 thousand preferred shares, and fully paid.

3.10. Deferred and permanent tax assets and liabilities

The Balance Sheet shows deferred tax assets and deferred tax liabilities with regard to profit tax in detail; the sum of permanent tax liabilities (assets) is shown in the income statement in short form. Provisional profit tax expense totals RUB 177 027 012 thousand.

thousand RUB				
Indicator	as of 01.01.2014	Derived	Paid off	As of 31.12.2014
Deferred tax assets	45 016	487	(13 190)	32 313
Deferred tax liabilities	54 699 539	10 371 229	(36 729)	65 034 039

Permanent tax assets	x	(1 581 731)	x	x
Permanent tax liabilities	x	3 158 419	x	x

3.11. Accounts payable

Accounts payable include amounts currently due from the Company to suppliers and contractors for delivered inventories, completed works and rendered services; on loans; due to employees; due to the budget and non-budget funds, and for advances received from third parties under existing contracts.

Long-term accounts payable are transferred to short-term ones if, pursuant to the contract, the term to maturity lies within 12 months after the reporting date. Similarly, in case of delayed payment the short-term accounts payable are transferred to long-term ones.

Information on accounts payable is given in Tables 5.3, 5.4 of the Notes to the Balance Sheet and the Income Statement (table form).

3.12. Deferred income

This line shows amounts of special purpose financing with regard to commissioned fixed assets.

Amortization of the amount of deferred income, that is formed through using special purpose financing, is shown as part of other income within accumulated depreciation that refers to amounts of special purpose financing.

3.13. Estimated liabilities

The Company creates estimated liabilities to account for vacation payments to employees.

Obligations are expected to be met within 12 months.

Information on estimated liabilities is given in Table 7 of the Notes to the Balance Sheet and the Income Statement (table form).

4. Net assets

Indicator	As of 31.12.2014	As of 31.12.2013
Net asset value of the Company, thousand RUB	2 823 685 816	1 962 782 271

Net asset value is calculated as per Order of the RF Ministry of Finance No. 84n dated 28.08.2014.

5. Notes to the Income Statement

5.1. Revenue, cost

For accounting purposes, revenue from sale of products, works (services), goods and property of the Company are recognized pursuant to the Accounting Regulations "Income of an Enterprise" PBU 9/99 approved by Order No. 32n of the Ministry of Finance of the Russian Federation of 06.05.99.

Revenue from sale of products (works, services) does not include VAT, excises and export duties.

Expenses related to the sale of oil, gas, oil and gas refined products are included into selling expenses.

At the end of a reporting period these expenses are included in the cost of sales or other expenses subject to the type of assets sold or the way of their usage (disposal).

Revenue, cost of sales accounting for five or more percent of the Company's total income:

thousand RUB		
Indicator	For 2014	For 2013
Revenue (net), total	862 599 616	814 187 839
including:		
from oil sales	538 747 562	512 732 444
from sales of oil products	290 803 311	266 266 241

Cost of sales, total	621 309 902	546 726 123
including:		
from oil sales	367 776 711	319 361 926
from sales of oil products	221 182 949	193 882 141

Costs of production (cost of sales, selling expenses) are shown in Table 6 of the Notes to the Balance Sheet and the Income Statement (table form).

5.2. Other income and expenses

Other income accounting for five or more percent of the Company's total income and relative expenses:

thousand RUB		
Other income	For 2014	For 2013
Total other income	2 074 386 978	1 165 271 871
including:		
foreign exchange transactions	1 086 812 828	998 284 522
exchange rate differences	944 453 938	147 228 288

thousand RUB		
Other expenses	For 2014	For 2013
Total expenses	1 247 942 885	1 102 591 714
including:		
foreign exchange transactions	1 081 960 007	998 147 631
exchange rate differences	97 330 215	70 601 738

To reflect business transactions in foreign currency (including those to be paid in rubles) the official exchange rate of the relative currency, determined by the Central Bank of the Russian Federation on the date of transaction, was applied.

Exchange rates determined by the Central Bank of the Russian Federation as of 31 December:

	USD/RUB	EUR/RUB
2014	56.2584	68.3427
2013	32.7292	44.9699

Exchange rate differences caused during the year by transactions on assets and liabilities in foreign currency (excluding received and issued advances) as well as by revaluation of their cost as of the reporting date are shown as part of other income or expenses.

5.3. Base profit per share

Base profit per share for 2014 is RUB 23.19.

6. Information on segments

Interpretation of revenue from sale of goods, products, works, services (less VAT, excises and similar mandatory payments) in the context of reportable segments is presented below:

Indicator	thousand RUB	
	For 2014	For 2013
Oil sales, total	538 747 562	512 732 444
including:		
Export oil sales	386 460 276	399 450 378
Domestic oil sales	152 287 286	113 282 066

Indicator	thousand RUB	
	For 2014	For 2013
Sale of oil products	290 803 311	266 266 241
including:		
Export sales of oil products	183 812 405	185 565 654
Domestic oil sales	106 990 906	80 700 587

Indicator	thousand RUB	
	For 2014	For 2013
Other sales, total	33 048 743	35 189 154
including:		
Domestic oil sales	32 872 864	33 866 162
Export sales (gas refined products)	175 879	1 322 992

7. Information on related parties

Subsidiaries and affiliates whose activities are affected by the Company and percentage shares in their charter capital held by the Company:

LLC "KINEF" – 100.00
 LLC Pskovnefteproduct – 100.00
 LLC Kaliningradnefteproduct – 100.00
 LLC Tvernefteproduct – 100.00
 LLC Novgorodnefteproduct – 100.00
 LLC "Lengiproneftekhim" – 100.00
 KIRISHIAVTOSERVIS Ltd – 100.00
 LLC Syrgutmebel – 100.00
 OJSC "Sovkhoz "Chervishevsky" – 94.9996
 ZAO SNGB – 97.7591
 LLC Insurance Company Surgutneftegas – 100.00
 LLC "Media-Invest" – 100.00
 JSC "National Media Group" – 23.9752.

The full list of affiliates is available on the following website:
www.surgutneftegas.ru.

Types of subsidiaries' operations for 2014.

Revenue from sale of crude oil, oil products and other sales (including taxes) to the subsidiaries:

Indicator	thousand RUB	
	For 2014	For 2013
Sale of oil	15 797 251	15 232 504
Sale of oil products	34 494 924	26 312 518
Other sale	89 162	14 933

Remuneration, with the regional coefficient and the Northern allowance included (salary for the reporting period, taxes and other compulsory payments to relevant budgets and non-budget funds accrued to salary, annual paid vacation for work in the reporting period and similar payments) to key management personnel (9608 people), including structural units, authorized and held responsible for planning, management and control of the Company's operations during the reporting period was RUB 28 638 656 thousand.

8. Contingencies

There are no lawsuits or claim disputes where the Company is a participant and which may substantially affect accounting (financial) statements. There is also no information about any economic events related to possible risks of disputes with tax authorities.

9. Events after the reporting date

There were no economic events which affected or may affect the financial position, the cash flow or operating results of the Company in the period between the reporting date and the date when the accounting (financial) statements for the reporting period are signed.

10. The Company's environmental performance

The Company's activity meets the legal requirements on environmental protection. The Company's management believes that there are no factors which would interfere with the Company's environmental activity.

11. Joint activity

In 2014, the Company did not enter into contracts with other companies on any joint activity.

12. Conclusion

These annual accounting (financial) statements were preceded by inventory of the Company's assets and liabilities, including those recorded off the balance.

The accounting (financial) statements of OJSC "Surgutneftegas" for 2014 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 Russia dated 29.07.98, "Accounting Regulations "Reporting of an Enterprise" PBU 4/99 approved by Order No. 43n of the Ministry of Finance of the Russian Federation dated 06.07.99, 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 2014 for Accounting Purposes" and "Accounting Policy of OJSC "Surgutneftegas" for Taxation Purposes in 2014".

First Deputy Director General
on Finance and Taxation
OJSC "Surgutneftegas"

V.G.Barankov

Chief Accountant
OJSC "Surgutneftegas"

A.V.Druchinin

27 March 2015