

# QUARTERLY REPORT

*Open Joint Stock Company “Surgutneftegas”*

*The issuer’s code: 00155-A*

**for 2Q2017**

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**

Acting Director General

Date: 14 August 2017

\_\_\_\_\_ A.N.Bulanov  
signature

First Deputy Chief Accountant – Head of Accounting and Reporting Division

Date: 14 August 2017

\_\_\_\_\_ P.V.Shevelev  
signature  
STAMP

Contact person: **Anton I. Molchanov, Securities Division Head**

Telephone: **+7 (3462) 42 65 89**

Fax: **+7 (3462) 42 63 40**

E-mail: **Molchanov\_AI@surgutneftegas.ru**

The information presented herein is disclosed at the website(s): **<http://www.surgutneftegas.ru/ru/investors>;**

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

## Table of Contents

Table of Contents .....	2
Section I. The issuer's bank accounts, auditor (audit organization), appraiser and financial advisor as well as persons who signed the present quarterly report .....	6
1.1. The issuer's bank accounts .....	6
1.2. The issuer's auditor(s) .....	6
1.3. The issuer's appraiser(s).....	7
1.4. The 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 .....	7
2.1. The issuer's financial and economic performance.....	7
2.2. The issuer's market capitalization .....	8
2.3. The issuer's liabilities .....	8
2.3.1. Borrowed funds and accounts payable .....	8
2.3.2. The issuer's credit history.....	9
2.3.3. The issuer's liabilities related to security provided by the issuer .....	9
2.3.4. Other liabilities of the issuer .....	10
2.4. Risks related to acquisition of placed securities or those being placed .....	10
Section III. Detailed information on the issuer.....	10
3.1. The issuer's history.....	10
3.1.1. The issuer's corporate name (name).....	10
3.1.2. State registration of the issuer.....	10
3.1.3. Establishment and development of the issuer .....	11
3.1.4. Contacts .....	11
3.1.5. Taxpayer identification number.....	11
3.1.6. Branches and representative offices of the issuer .....	11
3.2. Core operations of the issuer .....	12
3.2.1. Core economic activities of the issuer .....	12
3.2.2. Core operations of the issuer .....	12
3.2.3. The issuer's supplies, goods (raw materials) and suppliers .....	13
3.2.4. Marketing outlets for the issuer's products (works, services) .....	14
3.2.5. The issuer's permits (licenses) or authorizations for certain types of works .....	14
3.2.6. Activity of certain categories of issuers.....	14
3.2.7. Additional information on issuers whose primary activity is mineral resources extraction .....	14
3.2.8. Additional requirements to be met by issuers whose primary activity is telecommunication services provision .....	24
3.3. Plans for the issuer's future activity .....	24
3.4. The issuer's share in banking groups, bank holding companies, holdings and associations .....	25
3.5. Organizations under the issuer's control which are material to the issuer.....	25
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 .....	29
Section IV. Financial and business activities of the issuer .....	30
4.1. Results of the issuer's financial and business activities.....	30

4.2. The issuer's liquidity position, capital and current assets adequacy.....	31
4.3. The issuer's financial investments.....	32
4.4. The issuer's intangible assets .....	32
4.5. Data on the issuer's policy and expenses for scientific and technical development, licenses and patents, new developments and research.....	32
4.6. Oil and gas industry trends analysis .....	34
4.7. Analysis of the factors influencing the issuer's activity .....	35
4.8. The issuer's competitors.....	36
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) .....	36
5.1. Structure and terms of reference for the issuer's management bodies.....	36
5.2. Members of the issuer's management bodies .....	36
5.2.1. The issuer's Board of Directors (Supervisory Board) .....	36
5.2.2. Individual executive body of the issuer .....	41
5.2.3. The issuer's collegiate executive body .....	41
5.3. Remuneration and/or compensation for expenses for each management body of the issuer.....	41
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 .....	42
5.5. Members of the agencies supervising the issuer's financial and business activities.....	42
5.6. Remuneration and (or) compensation for expenses for the agency supervising the issuer's financial and business activity.....	44
5.7. Number of the issuer's employees (workers), their categories and changes in their number .....	45
5.8. Obligations of the issuer to its employees (workers) relating to their possible participation in the issuer's charter capital .....	45
Section VI. The issuer's members (shareholders) and interested party transactions conducted by the issuer.....	45
6.1. Total number of the issuer's shareholders (members).....	45
6.2. The issuer's members (shareholders) holding at least five percent of its charter capital or at least five percent of its ordinary shares as well as persons controlling such members (shareholders) and in absence of such persons – members (shareholders) of such persons who hold at least 20 percent of the charter capital or at least 20 percent of their ordinary shares .....	46
6.3. Share of the state or a municipal formation in the issuer's charter capital; any special rights ("golden share") ...	46
6.4. Restrictions on participation in the issuer's charter capital .....	47
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.....	47
6.6. Interested party transactions conducted by the issuer.....	47
6.7. Accounts receivable.....	48
Section VII. The issuer's accounting (financial) statements and other financial information .....	49
7.1. Annual accounting (financial) statements of the issuer .....	49
7.2. Interim accounting (financial) statements of the issuer .....	49
7.3. Consolidated financial statements of the issuer .....	52
7.4. Accounting policy of the issuer .....	52
7.5. Total export and share of export in total sales .....	52
7.6. Substantial changes in the issuer's property after the end of the last completed reporting year.....	52
7.7. The issuer's participation in litigations in case such participation may substantially affect financial and business activities of the issuer .....	52
Section VIII. Further information on the issuer and equity securities placed by the issuer.....	52
8.1. Further information on the issuer .....	52

8.1.1. Size and structure of the issuer’s charter capital.....	52
8.1.2. Changes in the size of the issuer’s charter capital .....	53
8.1.3. Convening and holding a meeting (session) of the issuer’s supreme management body .....	54
8.1.4. Commercial organizations where the issuer holds at least five percent of the charter capital or at least five percent of ordinary shares .....	54
8.1.5. Major transactions conducted by the issuer .....	57
8.1.6. Credit ratings of the issuer.....	57
8.2. Data on each category (type) of the issuer’s shares.....	57
8.3. Previous issues of the issuer’s equity securities excluding the issuer’s shares .....	57
8.3.1. Issues with all securities redeemed.....	57
8.3.2. Issues with securities that are not redeemed.....	57
8.4. Person(s) who offered security for the issuer’s secured bonds and security offered for the issuer’s secured bonds .....	57
8.4.1. Additional information on the issuer’s mortgage bonds.....	57
8.4.2. Additional information on collateral for collateral bonds that includes money claims .....	57
8.5. Organizations keeping records of rights for the issuer’s equity securities.....	57
8.6. Legislative acts regulating import and export of capital, which may influence the payment of dividends, interests, and other payments to non-residents .....	57
8.7. Declared (accrued) and (or) paid dividends on the issuer’s shares and the issuer’s bond yield .....	58
8.7.1. Dividends declared and paid on the issuer’s shares.....	58
8.7.2. Accrued and paid yield on the issuer’s bonds.....	64
8.8. Miscellaneous information .....	64
8.9. Represented securities and the issuer of represented securities the title to which is evidenced by Russian Depository Receipts.....	64
Appendix to the quarterly report. Annual consolidated accounting (consolidated financial) statements prepared in accordance with International financial reporting standards .....	65

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

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

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

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

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

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

Specify the auditor (auditor organization) who is in charge of or has/have prepared independent audit of accounting (financial) statements of the issuer and consolidated financial statements of the issuer incorporated into a quarterly report as well as the auditor (auditor organization) approved (selected) for audit of annual accounting (financial) statements including the issuer's consolidated financial statements for the current and last completed financial year.

Full corporate name: **Limited Liability Company "Rosexpertiza"**

Abbreviated corporate name: **LLC "Rosexpertiza"**

Location: **ul.Mashi Poryvaevoy, 34, Moscow, Russian Federation, 107078;**

INN: **7708000473**

OGRN: **1027739273946**

Telephone: **+7 (495) 721 3883**

Fax: **+7 (495) 721 3894**

E-mail: **office.msc@rosexpertiza.ru**

Auditor's membership in self-regulated audit organizations

Full name: **Self-Regulated Auditor Organization "Russian Union of Auditors"**

Location: **Petrovsky pereulok, 8, bld. 2 Russian Federation, Moscow, 107031**

Additional information: **LLC "Rosexpertiza" is entered into the Register of Auditors and Audit Organizations opened by Self-Regulated Auditor Organization "Russian Union of Auditors" under Main Registration Number (MRN) 11603046778.**

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

<b>Accounting (financial) statements, year</b>	<b>Consolidated financial statements, year</b>
2012	2012
2013	2013
2014	2014
2015	2015
2016	2016
2017	2017

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 and business activity of the audit organization) and the issuer (officers of the management bodies and bodies supervising the financial and business activity 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.*

*There was no any special engagement of the auditor.*

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 Company's Board of Directors 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".*

*The Company does not have any deferred and overdue payments for the services provided by the auditor.*

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

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

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

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

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

Name: *Bulanov Alexander Nikolaevich*

Year of birth: *1959*

Primary employment:

Company: *OJSC "Surgutneftegas"*

Position: *Chief Engineer – First Deputy Director General.*

Name: *Shevelev Pavel Vadimovich*

Year of birth: *1974*

Primary employment:

Company: *OJSC "Surgutneftegas"*

Position: *First Deputy Chief Accountant – Head of Accounting and Reporting Division*

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

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

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

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

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

Indicator	2016, 6 months	2017, 6 months
Labor productivity	4,566.99	5,243.81
Debt to equity ratio	0.073	0.059
Long-term debt to total amount of long-term debt and equity ratio	0.022	0.022
Debt to operating income (profit)	0.585	0.444
Overdue debts, %	0.0001	0.0001

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

*Labor efficiency proves the effectiveness of labor potential use and operations. Increase of this indicator for 6 months of 2017 is due to positive dynamics of the Company's revenue.*

*Indicators "Debt to equity ratio" and "Long-term debt to total long-term debt and equity ratio" for 6 months of 2017 show a low level of the Company's dependence on raised and borrowed money, with indicator "Debt to equity ratio" retaining a decreasing tendency.*

*Indicator "Debt to operating income (profit)" demonstrates the Company's ability to cover its debts by operating income.*

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

## 2.2. The issuer's market capitalization

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

Unit of measure: *thousand RUB*

Indicator	As of 31.12.2016	As of 30.06.2017
Market capitalization	1,352,008,099.62	1,142,266,712.82

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

## 2.3. The issuer's liabilities

### 2.3.1. Borrowed funds and accounts payable

*As of 30.06.2017, the Company does not have borrowed funds.*

Structure of accounts payable

Unit of measure: *thousand RUB*

Indicator	Indicator value
-----------	-----------------



Total accounts payable	<i>107,854,887</i>
including those overdue	<i>280</i>
including	
accounts payable to the budget and state non-budget funds	<i>39,457,940</i>
including those overdue	
accounts payable to suppliers and contractors	<i>22,937,967</i>
including those overdue	<i>280</i>
accounts payable to personnel	<i>7,643,931</i>
including those overdue	
other	<i>37,815,049</i>
including those overdue	

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

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

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

### 2.3.2. The issuer's credit history

The history of the issuer's obligations fulfilled under credit and (or) loan agreements having been in force during the last completed reporting and current years, including those in the form of bonds issued and sold, the principal amount of which equaled to or exceeded five percent of the book value of the issuer's assets as of the last 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. The issuer's liabilities related to security provided by the issuer

As of 30.06.2017

Unit of measure: *thousand RUB*

Indicator	As of 30.06.2017
Total amount of security provided by the issuer (the amount (sum) of non-fulfilled liabilities in regard to which the issuer provided security if in accordance with terms of provided security the fulfillment of the relevant liabilities is provided in full),	<i>21,836,197</i>
including liabilities of third parties	<i>21,836,197</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,	
including liabilities of third parties	
Amount of security provided by the issuer (the amount (sum) of non-fulfilled liabilities in regard	<i>17,430,527</i>

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,	
including liabilities of third parties	<b>17,430,527</b>

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 accounting (financial) statements which may significantly affect the issuer's financial position, its liquidity, sources of funds, terms of their use, performance results and expenses.*

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

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

### **Section III. Detailed information on the issuer**

#### **3.1. The issuer's history**

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

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

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

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

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

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

Trademark registration

Trademark: *Open Joint Stock Company "Surgutneftegas"*

Certificate of trademark: *No. 438918 dated 09.06.2011*

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

Validity period of the document of title: *06.05.2020*

All previous names of the issuer during its existence

Full corporate name: *Production Association "Surgutneftegas"*

Abbreviated corporate name: *PO "Surgutneftegas"*

Introduced: *15.09.1977*

Grounds for introduction:

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

Abbreviated corporate name: *AOOT "Surgutneftegas"*

Introduced: *06.05.1993*

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

##### **3.1.2. State registration of the issuer**

Initial state registration

State registration number: *12-4782*

Date of state registration: **06.05.1993**  
Body that conducted the state registration: **Administration of the city of Surgut, Khanty-Mansiysky Autonomous Okrug, Tyumenskaya Oblast**  
Registration of the legal entity:  
Main state registration number of the legal entity: **1028600584540**  
Date of entry of the legal body registered prior to 1 July 2002 into the Uniform State Register of Legal Entities: **18.09.2002**  
Name of the registration authority: **Inspectorate of the Ministry of Taxation of Russia for Surgut, Khanty-Mansiysky Autonomous Okrug**

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

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

### **3.1.4. Contacts**

The issuer's location: **Russia, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Grigoriya Kukuyevitskogo, 1, bld. 1**  
Address of the issuer indicated in the uniform state register of legal entities: **628415 Russia, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Grigoriya Kukuyevitskogo, 1, bld. 1**  
Telephone: **+7 (3462) 42 60 28; 42 61 33**  
Fax: **+7 (3462) 42 64 94**  
E-mail: **Bogdanov-VL-REF@surgutneftegas.ru**  
Website(s) where information about the issuer and securities issued and/or being issued by the issuer is available: **<http://www.surgutneftegas.ru/ru/investors>;**  
**<http://www.e-disclosure.ru/portal/company.aspx?id=312>**

The issuer's special division for shareholder and investor relations: **Limited Liability Company Invest-Zaschita**  
Division's location: **ul.Entuziastov, 52/1, Surgut, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Russian Federation, 628400**  
Telephone: **+7 (3462) 46 27 64**  
Fax: **+7 (3462) 42 11 48**  
E-mail: **invz@yandex.ru**  
**No website.**

The issuer's special division for shareholder and investor relations: **Investor relations and DR program support department of Securities division of OJSC "Surgutneftegas"**  
Division's location: **ul.Grigoriya Kukuyevitskogo 1, bld. 1, Surgut, Khanty-Mansiysky Autonomous Okrug – Yugra, Tyumenskaya Oblast, Russian Federation, 628415**  
Telephone: **+7 (495) 698 94 18**  
Fax: **+7 (495) 698 94 14**  
E-mail: **ir@surgutneftegas.ru**  
Website: **www.surgutneftegas.ru**

### **3.1.5. Taxpayer identification number**

**8602060555**

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

*In the reporting quarter, the Company issued the Powers of Attorney to the heads of St. Petersburg Representative Office of OJSC "Surgutneftegas" and Yakutsk Representative Office of OJSC "Surgutneftegas".*

1. Name: **St. Petersburg Representative Office of OJSC "Surgutneftegas"**  
Head: **Bandura Sergei Nikolaevich**  
Term of the Power of Attorney: **03.04.2018**
2. Name: **Yakutsk Representative Office of OJSC "Surgutneftegas"**

### 3.2. Core operations of the issuer

#### 3.2.1. Core economic activities of the issuer

Code of economic activity which is core for the issuer

OKVED2 codes
<i>06.10.1</i>

Other codes of economic activity assigned to the issuer

OKVED2 codes
<i>06.10.3</i>
<i>19.20.2</i>
<i>09.10.9</i>
<i>43.13</i>
<i>46.71</i>
<i>71.12.3</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: *sale of oil*

Indicator	2016, 6 months	2017, 6 months
Revenue from sales (volume of sales) related to the specified type of activity, thousand RUB	<i>305,862,428</i>	<i>335,275,102</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>65.5</i>	<i>62.7</i>

Type of activity: *sale of oil products*

Indicator	2016, 6 months	2017, 6 months
Revenue from sales (volume of sales) related to the specified type of activity, thousand RUB	<i>142,757,486</i>	<i>181,127,465</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>30.6</i>	<i>33.9</i>

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

*For 6 months of 2017, the Company's revenue from sales (volume of sales) derived from core business operations on oil products increased by 26.9% as compared with the corresponding period of the previous year.*

*The key factor behind the increase in the Company's revenue on oil products is the growth of quotes and prices by 26.4% on average and increase in sales by 0.4%.*

Cost structure of the issuer

Indicator	2016, 6 months	2017, 6 months
Raw materials and supplies, %	4.34	3.41
Acquired components and semi-finished articles, %	4.52	4.07
Production works and services performed/rendered by third parties, %	19.97	17.15
Fuel, %	0.24	0.33
Energy, %	1.79	1.65
Labor costs, %	13.33	11.14
Interests on loans, %	0	0
Rental payments, %	0.02	0.03
Social expenditures, %		
Depreciation of fixed assets, %	17.02	16.44
Taxes included in production costs, %	34.05	41.14
Other costs, %	1.38	1.42
amortization of intangible assets, %	0.13	0.15
remuneration for innovation proposals, %	0	0
compulsory insurance payments, %	0.07	0.06
entertainment expenses, %	0	0
other (facility guard and fire protection services, crew transportation services, information and computer services, advertising and auditing services, other expenses, including business travel expenses, expenses for voluntary insurance), %	1.18	1.21
Insurance premiums	3.34	3.22
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	134.9	122.8

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

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

Standards (rules) used for accounting (financial) statements and calculations shown in this subparagraph: *The accounting (financial) statements of the Company have been prepared in accordance with the Federal Law of the Russian Federation No. 402-FZ "On Accounting" dated 06.12.2011, "Accounting and Reporting Regulations in the Russian Federation" approved by Order No. 34n of the Ministry of Finance of the Russian Federation dated 29.07.1998, "Accounting Regulations "Reporting of an Enterprise" PBU 4/99 approved by Order No. 43n of the Ministry of Finance of the Russian Federation dated 06.07.1999, Order No. 66n of the Ministry of Finance of the Russian Federation "Reporting Standards of Enterprises" dated 02.07.2010, and approved regulations "Accounting Policy of OJSC "Surgutneftegas" for 2017 for Accounting Purposes" and "Accounting Policy of OJSC "Surgutneftegas" for Taxation Purposes for 2017".*

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

#### For 6 months of 2017

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 percent for basic materials and goods (raw materials) during the reporting period against the corresponding reporting period of the previous year

*Changes in prices by more than 10 percent during 6 months of 2017 against the same period of 2016 refer to the following types of basic materials and goods (raw materials):*

- pipes;*
- fuel, lubricants and chemicals;*
- oil production equipment*
- building materials;*
- rolled metal products;*
- 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 16.2% of total supplies to the Company.*

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

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

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

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

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

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

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

### **3.2.7. Additional information on issuers whose 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 – 15,264 thous. tonnes; C2 – 2,765 thous. tonnes*

Production rate for the relevant reporting period (periods): *654.554 thous. tonnes*

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

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 845 mn cub m; C2 – 140 mn cub m*

Production rate for the relevant reporting period (periods): *36.002218 mn cub m*

#### **3. Field: Vostochno-Surgutskoye**

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 71,331 thous. tonnes; C2 – 10,552 thous. tonnes*

Production rate for the relevant reporting period (periods): *866.972 thous. tonnes*

#### **4. Field: Vostochno-Surgutskoye**

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 4,303 mn cub m; C2 – 633 mn cub m*

Production rate for the relevant reporting period (periods): *51.454194 mn cub m*

#### **5. Field: Yaunlorskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *oil*  
Proved reserves: *ABC1 – 35,792 thous. tonnes; C2 – 3,099 thous. tonnes*  
Production rate for the relevant reporting period (periods): *468.531 thous. tonnes*

**6. Field: Yaunlorskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *associated gas*  
Proved reserves: *ABC1 – 3,987 mn cub m; C2 – 348 mn cub m*  
Production rate for the relevant reporting period (periods): *42.529650 mn cub m*

**7. Field: Fedorovskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *oil*  
Proved reserves: *ABC1 – 227,974 thous. tonnes; C2 – 35,488 thous. tonnes*  
Production rate for the relevant reporting period (periods): *2046.496 thous. tonnes*

**8. Field: Fedorovskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *associated gas*  
Proved reserves: *ABC1 – 130,699 mn cub m; C2 – 3,646 mn cub m*  
Production rate for the relevant reporting period (periods): *915.415230 mn cub m*

**9. Field: Lyantorskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *oil*  
Proved reserves: *ABC1 – 26,882 thous. tonnes; C2 – 409 thous. tonnes*  
Production rate for the relevant reporting period (periods): *1027.650 thous. tonnes*

**10. Field: Lyantorskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *associated gas*  
Proved reserves: *ABC1 – 104,407 mn cub m; C2 – 17 mn cub m*  
Production rate for the relevant reporting period (periods): *449.493079 mn cub m*

**11. Field: Bystrinskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *oil*  
Proved reserves: *ABC1 – 21,095 thous. tonnes; C2 – 1,420 thous. tonnes*  
Production rate for the relevant reporting period (periods): *631.859 thous. tonnes*

**12. Field: Bystrinskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *associated gas*  
Proved reserves: *ABC1 – 23,191 mn cub m; C2 – 64 mn cub m*  
Production rate for the relevant reporting period (periods): *177.137297 mn cub m*

**13. Field: Vachimskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *oil*  
Proved reserves: *ABC1 – 27,293 thous. tonnes; C2 – 1,780 thous. tonnes*  
Production rate for the relevant reporting period (periods): *310.081 thous. tonnes*

**14. Field: Vachimskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *associated gas*  
Proved reserves: *ABC1 – 10,583 mn cub m; C2 – 2,031 mn cub m*  
Production rate for the relevant reporting period (periods): *83.016866 mn cub m*

**15. Field: Rogozhnikovskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *oil*  
Proved reserves: *ABC1 – 89,031 thous. tonnes; C2 – 40,364 thous. tonnes*

Production rate for the relevant reporting period (periods): *792.356 thous. tonnes*

**16. Field: Rogozhnikovskoye**

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 6,594 mn cub m; C2 – 2,883 mn cub m*

Production rate for the relevant reporting period (periods): *55.804281 mn cub m*

**17. Field: Russkinskoye**

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 56,251 thous. tonnes; C2 – 11,056 thous. tonnes*

Production rate for the relevant reporting period (periods): *762.053 thous. tonnes*

**18. Field: Russkinskoye**

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 2,346 mn cub m; C2 – 762 mn cub m*

Production rate for the relevant reporting period (periods): *39.518320 mn cub m*

**19. Field: Konitlorskoye**

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 21,075 thous. tonnes; C2 – 172 thous. tonnes*

Production rate for the relevant reporting period (periods): *312.810 thous. tonnes*

**20. Field: Konitlorskoye**

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 896 mn cub m; C2 – 9 mn cub m*

Production rate for the relevant reporting period (periods): *24.975269 mn cub m*

**21. Field: Severo-Labatyuganskoye**

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 51,246 thous. tonnes; C2 – 9,115 thous. tonnes*

Production rate for the relevant reporting period (periods): *1257.190 thous. tonnes*

**22. Field: Severo-Labatyuganskoye**

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 3,834 mn cub m; C2 – 721 mn cub m*

Production rate for the relevant reporting period (periods): *103.141989 mn cub m*

**23. Field: Zhumazhanovskoye**

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

Type of minerals: *oil*

Proved reserves: *ABC1 – 12,896 thous. tonnes; C2 – 7,534 thous. tonnes*

Production rate for the relevant reporting period (periods): *316.640 thous. tonnes*

**24. Field: Zhumazhanovskoye**

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

Type of minerals: *associated gas*

Proved reserves: *ABC1 – 793 mn cub m; C2 – 558 mn cub m*

Production rate for the relevant reporting period (periods): *17.632361 mn cub m*

**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 – 117,309 thous. tonnes; C2 – 2,809 thous. tonnes*

Production rate for the relevant reporting period (periods): *1254.094 thous. 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 – 50,452 mn cub m; C2 – 5,941 mn cub m*  
Production rate for the relevant reporting period (periods): *124.504457 mn cub m*

**27. Field: Severo-Talakanskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *oil*  
Proved reserves: *ABC1 – 52,901 thous. tonnes; C2 – 24,664 thous. tonnes*  
Production rate for the relevant reporting period (periods): *471.680 thous. tonnes*

**28. Field: Severo-Talakanskoye**

Rights to the field are held by: *the issuer*  
Type of minerals: *associated gas*  
Proved reserves: *ABC1 – 23,863 mn cub m; C2 – 31,424 mn cub m*  
Production rate for the relevant reporting period (periods): *35.229377 mn cub m*

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

Legal entity that obtained a license: *the issuer*

**1. Number: KhMN 01525 NR**

Date of issue: *18.04.2001.*

Valid till: *31.12.2115.*

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

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

Description of subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug – Yugra, Oktyabrsky and Khanty-Mansiysky Districts, area (sq. km) - 1271.50*

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

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

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

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**2. Number: KhMN 11293 NE**

Date of issue: *05.09.2002*

Valid till: *31.12.2087*

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

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

Description of subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) - 1474.95*

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

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

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

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**3. Number: KhMN 13455 NE**

Date of issue: **25.01.2006**

Valid till: **31.12.2094.**

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

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

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 mineral resources*

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

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

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**4. Number: YaKU 12061 NE**

Date of issue: **26.12.2003**

Valid till: **31.12.2081**

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

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

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

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

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

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

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**5. Number: KhMN 00431 NE**

Date of issue: **05.03.1997**

Valid till: **31.12.2069**

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

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

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

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

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

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

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**6. Number: KhMN 00435 NE**

Date of issue: *05.03.1997*

Valid till: *31.12.2100*

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

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

Description of subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) - 1182.20*

Type of the license: *oil and gas production*

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

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

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**7. Number: KhMN 00438 NE**

Date of issue: *05.03.1997*

Valid till: *31.12.2089*

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

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

Description of subsoil plot provided for use:

*Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) - 457.578*

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

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

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

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**8. Number: KhMN 00408 NE**

Date of issue: *18.12.1996*

Valid till: *31.12.2129*

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

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

Description of subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) - 1952.07*

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

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

Compulsory payments to be made under license terms and conditions: *all kinds of payments are made in compliance*

*with the law currently in force in the Russian Federation.*

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**9. Number: KhMN 00406 NE**

Date of issue: *18.12.1996*

Valid till: *31.12.2162*

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

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

Description of subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) - 1815.72*

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

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

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

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**10. Number: KhMN 00409 NE**

Date of issue: *18.12.1996*

Valid till: *31.12.2069*

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

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

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

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

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

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

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**11. Number: KhMN 00407 NE**

Date of issue: *18.12.1996*

Valid till: *31.12.2129*

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

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

Description of subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) - 658.76*

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

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

Compulsory payments to be made under license terms and conditions: *all kinds of payments are made in compliance*

*with the law currently in force in the Russian Federation.*

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**12. Number: KhMN 00417 NE**

Date of issue: *14.01.1997*

Valid till: *31.12.2083*

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

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

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

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

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

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

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**13. Number: KhMN 00564 NE**

Date of issue: *29.05.1997.*

Valid till: *31.12.2082*

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

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

Description of subsoil plot provided for use: *Khanty-Mansiysky Autonomous Okrug – Yugra, Surgutsky District, area (sq. km) - 1046.28*

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

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

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

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**14. Number: YaKU 14372 NE**

Date of issue: *21.01.2008*

Valid till: *01.02.2028*

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

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

Description of subsoil plot provided for use: *the Republic of Sakha (Yakutia), Lensky District, area (sq. km) - 1188.46*

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

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

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

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**15. Number: KhMN 14906 NR**

Date of issue: **27.04.2010**

Valid till: **31.12.2095**

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

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

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, including prospecting and evaluation of mineral deposits, exploration and production of mineral resources.*

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

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

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**16. Number: KhMN 14757 NR**

Date of issue: **02.10.2009**

Valid till: **22.09.2034**

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

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

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: *prospecting and exploratory drilling, seismic surveys and putting fields into development according to the terms and conditions of the license*

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

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

Legal entity that obtained a license: *the issuer*

**17. Number: KhMN 13143 NR**

Date of issue: **18.05.2005**

Valid till: **16.05.2030**

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

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

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

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

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

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

Fulfillment by the issuer, its subsidiaries and affiliates of license obligations and any factors that may adversely affect fulfillment of license obligations and the possibility of their occurrence: *as of 30.06.2017, all conditions are being met.*

*This section provides a list of fields with production level of 2.0% and more of the total volume of oil produced by the Company in 2Q2017.*

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

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

*Oil, associated petroleum gas and natural gas production at the Company’s fields which are in development for 2Q2017 amounted to 15,002.028 thousand tonnes, 2,469.455883 million cubic meters and 23.337207 million cubic meters respectively.*

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

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

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

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

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

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

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

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

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

#### b) Mineral resources processing

Fixed assets used for processing

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

##### **OIL REFINING**

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

##### **GAS PROCESSING**

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

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

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

#### c) Products marketing

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

*system of trunk pipelines with a 100% trunk pipeline transmission capacity (subject to feasibility).*

### **3.2.8. Additional requirements to be met by issuers whose 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 the Company 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 subsoil blocks;*
- to develop and apply innovative solutions, extend the introduction of advanced technologies and equipment enhancing the efficiency of geological exploration and field development, including fields with tight reserves;*
- to maintain production targets;*
- to form and develop new centers of hydrocarbon production;*
- to use the produced associated petroleum gas in the most efficient way;*
- to provide a high quality of work and control costs.*

#### *Oil refining and gas processing:*

- to enhance refining and processing efficiency through modernization and reconstruction of production facilities;*
- to increase an oil conversion ratio, share of light oil products yield and to reduce the volume of low-margin products;*
- to improve the quality of products and ensure compliance with Russian and international environmental quality standards;*
- to provide an extensive 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 sales of high-margin products;*
- to attract and retain consumers by providing high quality products and services at gas stations and implementation of loyalty programs;*
- to increase the efficiency of retail sales by developing a network of gas stations and expanding the range of related services.*

#### *Power generation:*

- to develop the energy complex which ensures generation, transmission and sale of electric and thermal energy;*
- to introduce energy-saving and energy efficient solutions and technologies within every area of the Company's operations.*

#### *Social responsibility:*

- to mitigate the environmental impact, 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 maintain the reputation of an attractive and responsible employer, creating environment for personnel development;*
- 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.*

*In 2017, the Company is planning to produce 61.1 million tonnes of oil, gas production will amount to 9.6 billion cubic meters. Programs for well construction and workover, well intervention services are designed and optimization of well stock operation modes is continued to ensure planned volume of production.*

*The Company is planning to put into development four new oil fields in 2017: the Sakhalinskoye field, the Yuzhno-Konitlorskoye field, the Filipenko field, the Logachev field. It is planned that the extent of prospecting and exploratory drilling will be about 200 thousand meters, development drilling – 4.6 million meters.*



*The Company's plans for oil and gas production may be adjusted depending on the situation in the hydrocarbons market.*

*In the refining sector, the Company will continue reconstruction and upgrading of the production facilities intended to enhance the range of products and improve the quality of fuel. In 2017, LLC "KINEF" is planning to refine 18.2 million tonnes of oil.*

*In the gas sector, the Company plans to refine 6.4 billion cubic meters of gas at its gas processing plant and utilize about 99% of associated petroleum gas.*

*In the marketing sector, the Company will focus on the strengthening competitive qualities of oil products, developing the network of gas filling stations though enhancing related products trade, expanding the range of products and improving the quality of service.*

*In the energy sector, the Company's efforts will focus on further development of its energy facilities and carrying out its energy conservation program. Power generated in-house by gas turbine and gas reciprocating engine power plants will be about 5.6 billion kWh.*

*In 2017, the Company will continue to pursue its environmental governance program. As part of its social responsibility initiatives, OJSC "Surgutneftegas" will promote comfortable work and leisure environment for its employees, implement various social programs and contribute to the social and economic development of the areas of its operations.*

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

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

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

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

Abbreviated corporate name: *LLC "Novgorodnefteproduct"*

Location: *Russian Federation, Veliky Novgorod*

INN: *5321059365*

OGRN: *1025300788644*

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

Type of control: *direct control*

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

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

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

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

The company's Board of Directors (Supervisory Board)

*No provision is made for the Board of Directors (Supervisory Board).*

Individual executive body of the company

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

The company's collegiate executive body

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

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

Abbreviated corporate name: *LLC "Pskovnefteproduct"*

Location: *Russian Federation, Pskov*

INN: *6027042337*

OGRN: *1026000970049*

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

Type of control: *direct control*

The issuer's share in the charter capital of the controlled organization: **100%**  
 The share of the controlled organization in the charter capital of the issuer: **0%**  
 The issuer's ordinary shares held by the controlled organization: **0%**  
 Description of the company's core business: **procurement, storage and marketing of oil products.**

The company's Board of Directors (Supervisory Board)  
**No provision is made for the Board of Directors (Supervisory Board).**

Individual executive body of the company

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

The company's collegiate executive body  
**No provision is made for a collegiate executive body.**

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

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

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

INN: **6905041501**

OGRN: **1026900510647**

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

Type of control: **direct control**

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

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

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

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

The company's Board of Directors (Supervisory Board)  
**No provision is made for the Board of Directors (Supervisory Board).**

Individual executive body of the company

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

The company's collegiate executive body  
**No provision is made for a collegiate executive body.**

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

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

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

INN: **3900000136**

OGRN: **1023900589240**

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

Type of control: **direct control**

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

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

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

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

The company's Board of Directors (Supervisory Board)  
**No provision is made for the Board of Directors (Supervisory Board).**

Individual executive body of the company

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

The company's collegiate executive body

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

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

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

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

INN: **7810327462**

OGRN: **1057803105755**

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

Type of control: **direct control**

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

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

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

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

The company's Board of Directors (Supervisory Board)

*No provision is made for the Board of Directors (Supervisory Board).*

Individual executive body of the company

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

The company's collegiate executive body

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

6. Full corporate name: **Limited Liability Company "Kirshiyavtoservis"**

Abbreviated corporate name: **LLC "Kirshiyavtoservis"**

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

INN: **7840016802**

OGRN: **1057807804064**

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

Type of control: **direct control**

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

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

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

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

The company's Board of Directors (Supervisory Board)

*No provision is made for the Board of Directors (Supervisory Board).*

Individual executive body of the company

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

The company's collegiate executive body

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

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

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

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

INN: **8602103061**

OGRN: **1028600581811**

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

Type of control: **direct control**

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

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

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

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

The company's Board of Directors (Supervisory Board)

*No provision is made for the Board of Directors (Supervisory Board).*

Individual executive body of the company

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

The company's collegiate executive body

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

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

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

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

INN: **4708007089**

OGRN: **1024701478735**

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

Type of control: **direct control**

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

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

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

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

The company's Board of Directors (Supervisory Board)

*No provision is made for the Board of Directors (Supervisory Board).*

Individual executive body of the company

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

The company's collegiate executive body

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

9. Full corporate name: **Joint Stock Company “Surgutneftegasbank”**

Abbreviated corporate name: **JSC BANK “SNGB”**

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

INN: **8602190258**

OGRN: **1028600001792**

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

Type of control: **direct control**

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

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

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

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

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

The company’s Board of Directors (Supervisory Board)

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

Individual executive body of the company

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

The company’s collegiate executive body

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

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

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

As of 30.06.2017

Unit of measure: **thousand RUB**

Name of fixed assets group	Historical (replacement) cost	Accumulated depreciation
Land and objects of environmental management	13,827,632	

Buildings, structures and transfer mechanisms	2,711,815,783	2,069,604,604
Machinery, equipment and vehicles	588,166,230	470,527,753
Perennial growing stock	127,527	18,168
Other types of fixed assets	5,253,933	3,585,209
<b>TOTAL</b>	<b>3,319,191,105</b>	<b>2,543,735,734</b>

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: **30.06.2017**

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

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

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

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

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

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

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

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

Indicator	2016, 6 months	2017, 6 months

Net profit margin, %		<b>11.845</b>
Asset turnover ratio, times	<b>0.132</b>	<b>0.149</b>
Return on assets, %		<b>1.765</b>
Return on equity, %		<b>1.869</b>
Uncovered loss as of the reporting date	<b>141,896,132</b>	
Uncovered loss as of the reporting date to book value of the assets, %	<b>4.023</b>	

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

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

***indicators characterizing the Company's return and profitability for 6 months of 2017 indicate a stable financial position and effective use of the Company's assets;***

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

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

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

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

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

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

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

<b>Indicator</b>	<b>2016, 6 months</b>	<b>2017, 6 months</b>
Net working capital	<b>644,140,710</b>	<b>624,983,798</b>
Current liquidity ratio	<b>4.854</b>	<b>6.187</b>
Quick liquidity ratio	<b>4.31</b>	<b>5.463</b>

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**.

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 current operating costs based on the economic analysis of the above performance with a description of factors which (in the opinion of the issuer's management bodies) have the most considerable influence on the issuer's liquidity and solvency:

***changes in the net working capital and liquidity ratios are determined by reallocation of financial investments from current to non-current assets, as well as by decrease in the amount of dividends in accounts payable;***

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

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

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

### 4.3. The issuer's financial investments

As of 30.06.2017

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

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

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

Other financial investments

Object of financial investments: *deposits*

Amount of the investments in money terms: *2,118,367,337*

Unit of measure: *thousand RUB*

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

Additional information: *no.*

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

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

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

### 4.4. The issuer's intangible assets

As of 30.06.2017

Unit of measure: *thousand RUB*

Name of intangible assets group	Historical (replacement) cost	Accumulated depreciation
TOTAL	1,306,042	859,866

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

Reporting date: *30.06.2017*

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

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

*For 6 months of 2017, the Company's R&D Institute "SurgutNIPIneft" carried out 91 research projects, and RUB 1,683,192 thousand was spent.*

*During 6 months of 2017, third-party contractors carried out 25 research projects, RUB 18,600 thousand was spent.*

*The total cost of 116 projects was RUB 1,701,792 thousand.*

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



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

*The section “Introduction of new operating procedures, production methods and equipment” of the innovative plan for 2017 includes 276 projects to introduce new equipment and technology. As many as 127 projects to introduce new technology were carried out during 6 months of 2017.*

*Thirty-nine business 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 2017 includes 133 projects. Subject to adjustments and amendments to the plan, tests during 6 months of 2017 were carried out under 103 projects. Tests of 20 models of new equipment were completed, 15 of them with positive results.*

### 3. Import substitution program.

*In order to replace imported equipment, spare parts, and consumables with their domestic equivalents in 2017 there are 1,200 listed projects, which translates into savings of RUB 2,301,600 thousand.*

*During 6 months of 2017, 705 items of the plan were implemented with the economic benefit of more than RUB 760,500 thousand.*

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

*For 6 months of 2017, the Company drew up and submitted five applications to the Federal Institute of Industrial Property (FIPS): two applications for state registration of software and three applications for state registration of an invention.*

*The Company obtained two documents of title, including: 1 software program, 1 invention.*

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

*Rospatent is currently reviewing 10 applications, including: seven applications for inventions, one application for a utility model, two applications for software.*

*The obtained documents of title are recognized in the cost of the Company’s intangible assets in amount of RUB 13,297 thousand for 6 months of 2017.*

Information on intellectual industrial property (inventions, utility models, industrial prototypes, trademarks) of the Company as of **30.06.2017**

No.	Description of intellectual property	Document of exclusive rights (patent, certificate)	Priority (commencement of document of title)	Period of validity of document of title
1	2	3	4	5
1.	Trademark of STsBPO EPU (service mark)	Certif. (TZ) No. 248903 dated 16.06.2003	02.11.1999	02.11.2019
2.	Well stream stimulation method	Patent (I) No. 2209948 dated 10.08.2003	20.11.2000	20.11.2020
3.	Method of determination of SPM mass concentration with scratch resistance over 5 units by Mohs scale in a well production	Patent (I) No. 2273020 dated 27.03.2006	10.12.2003	10.12.2023
4.	BOP suspended manifold of modular-assembly drilling rigs	Patent (PM) No. 43585 dated 27.01.2005	21.09.2004	21.09.2017
5.	Tubing-casing annulus sealing tool	Patent (I) No. 2311525 dated 27.11.2007	10.01.2006	10.01.2026
6.	Method of hydraulic fracturing	Patent (I) No. 2311528 dated 27.11.2007	10.01.2006	10.01.2026
7.	Bottom-hole formation zone protector	Patent (PM) No. 72719 dated 27.04.2008	14.12.2007	14.12.2017
8.	Drilling bit design	Patent (PM) No. 73017 dtd 10.05.2008	14.12.2007	14.12.2017
9.	Wash tank dewaxer	Patent (PM) No. 79810 dtd 20.01.2009	14.02.2008	14.02.2018
10.	Blowout valve	Patent (PM) No. 80495 dated 10.02.2009	05.06.2008	05.06.2018
11.	Loading control unit for natural gas liquids (NGL) and commercial propane/butane mixture (CPBM)	Patent (PM) No. 89985 dated 27.12.2009	18.05.2009	18.05.2019
12.	Method to remove insulating lacquer coatings of lacquer-impregnated windings of electric motors, including submersible electric motors (SEM)	Patent (I) No. 2396670 dated 10.08.2010	04.05.2009	04.05.2029

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

#### 4.6. Oil and gas industry trends analysis

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

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

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

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

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

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

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

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

*In 1H2017, we witnessed further recovery of oil prices in the global market that was largely facilitated by the agreements among oil producing countries on the volume of oil produced.*

*For 6 months of 2017, oil production in Russia insignificantly increased (by 0.9%) and totaled 272.3 million tonnes. The Russian refineries processed 138 million tonnes, or more than 50% of the crude produced. The volume of oil refining increased by 1.9% compared to the same period of the last year. The main products output structure showed the reduction of fuel oil and motor gasoline, while the production of diesel fuel increased.*

*In 1H2017, the amount of exploratory drilling in oil companies increased by 4.4% compared to the same period of the previous year and amounted to 522.2 thousand meters. The amount of development drilling for 6 months of 2017 reached 12,846.5 thousand meters that is 6.8% up on the same period in 2016.*

*In 1H2017, the Company produced 30.1 million tonnes of crude oil, which is 11% of the industry production. Surgutneftegas increased the scope of development drilling by 1.6% against the same period of 2016 and reached 2,245.7 thousand meters. Exploratory drilling performed by the Company amounted to 102.9 thousand meters, which is by 3.1% less compared to 1H2016. The share of the Company in the development drilling in Russia amounts to 17.5%, and in the exploratory drilling – 19.7%. Oil refining throughput at LLC "KINEF" amounted to 9.6 million tonnes for 6 months of 2017, which is 7% of Russian refining volumes.*

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

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

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

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

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

*In 2Q2017 against the previous quarter, world oil prices went down: the price of Brent – by 7.5%, Urals – by 6.8% and amounted to 49.64 USD/bbl and 48.67 USD/bbl respectively. Compared to the same period of 2016, oil prices went up: the price of Brent – by 8.9%, Urals – 11.1%.*

*The price in the domestic market of Russia depends on export alternatives and is based on seasonal demand for hydrocarbons, transportation costs and other factors. In 2Q2017, the weighted average oil price in the open Russian market decreased by 10.8% against the previous quarter, increased by 5.5% against the same quarter in 2016 and amounted to 16 thousand RUB/tonne (West-Siberian petroleum province).*

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

##### *Tax burden ratio*

*In 2017, "tax maneuver" policy was continued in the oil and gas industry: since 01 January 2017, a new MET base rate on oil as well as a new coefficient increasing a MET rate according to the determined indices have been introduced, the coefficient for crude export duty rate calculation has been reduced, and coefficients used to calculate the rate of export duty on oil products have been changed. Besides, since 01 January 2017, rates of excise duties on diesel fuel has been increased.*

*In 2Q2017, the average duty rate for oil to be exported to non-CIS countries dropped by 2.5% against the previous quarter and amounted to 84.3 USD/tonne, and increased by 25.5% against 2Q2016. At the same time, export duties reduced rate for East Siberian crude oil remained at a zero level.*

*Since 01 January 2017, the MET rate has increased to 919 RUB/tonne (in 2016, it was 857 RUB/tonne). In the reporting quarter, decrease of oil price quotes in the global market and strengthening of national currency against the US dollar was observed as compared to the previous quarter, which led to decrease of the MET effective rate by 11.7%. Under the influence of several factors (growth of base tax rate, weakening of the US dollar against the ruble, increasing global oil price quotes), MET effective rate grew by 14.5% compared to the same period of the previous year.*

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

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

During 2Q2017, the national currency continued strengthening against the US dollar. As a result, the average USD rate for the reporting quarter was 57.15 RUB/USD, or 2.9% lower than in the previous quarter. The USD/national currency rate decreased by 13.3% against 2Q2016.

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

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

In the reporting quarter, the growth of tariffs of PJSC "Transneft" for pipeline transportation and service tariffs for orders and supervision of crude delivery on the routes used by the Company equaled 3.4% compared to 2Q2016. There were no changes in tariffs compared to the previous quarter.

Inflation rate in 2Q2017 increased as compared to the previous quarter, and against 2Q2016, and amounted to 1.3%.

#### *Operating figures*

Following the results of the reporting quarter, the Company's crude output decreased against the previous quarter and 2Q2016 and amounted to 15 million tonnes.

In 2Q2017, gas production totaled 2.49 billion cubic meters, 1.6% lower compared to the previous quarter. The volume of gas production increased by 2.4% compared to 2Q2016. The Company's gas processing plant processed 1.5 billion cubic meters of gas, a 6.3% decrease against the previous quarter. The volume of gas processing increased by 4.2% compared to 2Q2016.

In 2Q2017, the amount of development drilling of the Company increased by 12.5% against the previous quarter and totaled 1,189 thousand meters, and decreased by 1.5% against the same period in 2016. The exploratory drilling meterage amounted to 44 thousand meters, which is 25.4% less against the previous quarter, and by 9.7% – against 2Q2016.

The Company generated 1,321 million kWh of electric power at its gas turbine power stations, which is a 4% decrease from the previous quarter. Compared to the same period of 2016, it means a 1.5% increase.

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

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

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

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

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

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

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

Name: *Erokhin Vladimir Petrovich*  
(Chairman)

Year of birth: **1949**

Education: *higher professional*

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

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

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

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

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

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

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

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

Administrative actions taken against such 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: **Bogdanov Vladimir Leonidovich**

Year of birth: **1951**

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

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

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

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

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

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

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

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

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

Administrative actions taken against such 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: **Bulanov Alexander Nikolaevich**

Year of birth: **1959**

Education: **higher professional**

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

Period		Organization	Position
from	to		
2012	present	Open Joint Stock Company	Chief Engineer – First Deputy Director

Period		Organization	Position
		“Surgutneftegas”	General.
2012	present	Open Joint Stock Company “Surgutneftegas”	Member of the Board of Directors

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

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

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

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

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

**The person does not have such shares.**

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

Administrative actions taken against such 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: **Dinichenko Ivan Kalistratovich**  
**Independent Member of the Board of Directors**

Year of birth: **1946**

Education: **higher professional**

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

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

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

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

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

Participation in the work of the committees of the Board of Directors:

Committee	Chairman
Audit Committee of the Board of Directors	No

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

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

Administrative actions taken against such 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: **Krivosheev Viktor Mikhailovich**

Year of birth: **1953**

Education: **higher professional**

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

Period	Organization	Position
--------	--------------	----------

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

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

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

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

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

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

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

Administrative actions taken against such 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: **Matveev Nikolai Ivanovich**

Year of birth: **1942**

Education: **higher professional**

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

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

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

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

Participation in the work of the committees of the Board of Directors:

Committee	Chairman
Audit Committee of the Board of Directors	No

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

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

Administrative actions taken against such 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: **Raritsky Vladimir Ivanovich**

Year of birth: **1940**

Education: **higher professional**

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

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

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

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

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

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

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

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

Administrative actions taken against such 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: **Usmanov Ildus Shagalievich**

Year of birth: **1954**

Education: **higher professional**

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

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

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

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

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

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

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

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

Administrative actions taken against such 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: **Shashkov Vladimir Aleksandrovich**

**Independent Member of the Board of Directors**

Year of birth: **1946**

Education: **higher professional**

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

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



		"Surgutneftegas"	
--	--	------------------	--

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

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

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

Participation in the work of the committees of the Board of Directors:

Committee	Chairman
Audit Committee of the Board of Directors	Yes

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

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

Administrative actions taken against such 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: **Bogdanov Vladimir Leonidovich**

Year of birth: **1951**

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

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

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

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

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

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

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

**The person does not have such shares.**

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

Administrative actions taken against such 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. The issuer's collegiate executive body

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

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

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

## Remuneration

The Board of Directors

Unit of measure: *thousand RUB*

Indicator	2017, 6 months
Remuneration for the participation in the work performed by the management body	<i>10,414.9</i>
Salary	
Bonus	
Commission	
Other types of remuneration	<i>132.6</i>
TOTAL	<i>10,547.5</i>

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

Compensation

Unit of measure: *thousand RUB*

Management body	2017, 6 months
The Board of Directors	<i>4,177.7</i>

Additional information: *no.*

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

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

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

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

Name: *Klinovskaya Taisiya Petrovna*

(*Chairman*)

Year of birth: *1946*

Education: *higher professional*

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

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

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

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

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

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

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

Administrative actions taken against such 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: ***Oleynik Tamara Fedorovna***

Year of birth: ***1947***

Education: ***secondary professional***

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

Period		Organization	Position
from	to		

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

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

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

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

Administrative actions taken against such 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: ***Musikhina Valentina Viktorovna***

Year of birth: ***1960***

Education: ***secondary professional***

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

Period		Organization	Position
from	to		

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

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

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

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

Administrative actions taken against such 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	to		
2012	present	Open Joint Stock Company "Surgutneftegas"	Head of Internal Audit Service

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

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

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

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

Administrative actions taken against such 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.**

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

### Remuneration

For each agency supervising the issuer's financial and business activities (except for the individual who holds the position (who performs the functions) of the issuer's Auditor) all types of remuneration with their amount are specified, including salaries of the members of the agencies supervising the issuer's financial and business activities, who are (were) its employees, including ones having (had) other employment, bonuses, commissions, benefits paid separately for the participation in the work performed by the 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 with 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	2017, 6 months
Remuneration for the participation in the work performed by the agency supervising the issuer's financial and business activities	0
Salary	
Bonus	
Commission	
Other types of remuneration	
TOTAL	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	2017, 6 months
Remuneration for the participation in the work performed by the agency supervising the issuer's financial and business activities	
Salary	5,099.2
Bonus	832
Commission	
Other types of remuneration	
TOTAL	5,931.2

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

#### **Compensation**

Unit of measure: *thousand RUB*

Supervising body (of the business unit)	2017, 6 months
Auditing Committee	72
Internal Audit Service	326.9

Additional information: *no*.

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

Unit of measure: *thousand RUB*

Indicator	2017, 6 months
Average number of employees, people	102,073
Gross payroll for the reporting period	57,202,904.3
Social payments for the reporting period	493,387.9

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

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

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

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

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

The total number of persons having a non-zero balance accounts registered in the issuer's shareholder register as of the

end of the reporting quarter: **32,535**

Total number of the issuer's nominee shareholders: **6**

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

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

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

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

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

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

Information on nominee holder:

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

Abbreviated corporate name: ***NCO JSC NSD***

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

INN: ***7702165310***

OGRN: ***1027739132563***

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

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

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

License of securities market professional participant

Number: ***045-12042-000100***

Date of issue: ***19.02.2009***

Valid till: ***unlimited***

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

Number of the issuer's ordinary shares registered in the issuer's shareholder register in the name of the said nominee holder: ***3,900,898,401***

Number of the issuer's preference shares registered in the issuer's shareholder register in the name of the said nominee holder: ***5,077,526,088***

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

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

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

***Municipal ownership***

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

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

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

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

***Municipal ownership***

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

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

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

***Municipal ownership***

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

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

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

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

***No such right.***

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

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

**6.5. Changes in the list and 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**

Number and value of transactions conducted by the issuer if such transactions are recognized under the law of the Russian Federation as interested party transactions that require approval by an authorized management body of the issuer, as of the last reporting quarter

Unit of measure: ***USD.***

<b>Indicator</b>	<b>Total number</b>	<b>Total value</b>
Interested party transactions conducted by the issuer in the reporting period that required approval of an authorized management body of the issuer	<b><i>1</i></b>	<b><i>106,000</i></b>
Interested party transactions conducted by the issuer in the reporting period and approved by a general members’ (shareholders’) meeting of the issuer	<b><i>1</i></b>	<b><i>106,000</i></b>
Interested party transactions conducted by the issuer in the reporting		

period and approved by the Board of Directors (Supervisory Board of the issuer)		
Interested party transactions conducted by the issuer in the reporting period that required approval of but were not approved by an authorized management body of the issuer		

Transactions (groups of interrelated transactions) with the value equal to or exceeding 5 percent of the book value of the issuer's assets as per its accounting statements as of the last reporting date prior to a transaction conducted by the issuer in the last reporting quarter

*No such transactions.*

Interested party transactions (groups of interrelated transactions) which the Board of Directors (Supervisory Board) or a general shareholders' (members') meeting of the issuer has not resolved to approve in cases when such approval is mandatory according to the law of the Russian Federation:

*No such transactions.*

## 6.7. Accounts receivable

As of 30.06.2017

Unit of measure: *thousand RUB*

Indicator	Indicator value
Accounts receivable from buyers and customers	62,974,408
including those overdue	19,066
Notes receivable	
including those overdue	
Members' (incorporators') arrears of charter capital contributions	
including those overdue	
Other accounts receivable	172,567,216
including those overdue	
Total accounts receivable	235,541,624
including total overdue accounts receivable	19,066

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



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

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

Not subject to presentation in this reporting quarter

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

#### Balance Sheet As of 30.06.2017

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

Taxpayer identification number

Type of activity: **crude oil production**

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

Unit of measure: **thousand RUB**

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

	Codes
Form by OKUD	<b>0710001</b>
Date	<b>30.06.2017</b>
by OKPO	<b>05753490</b>
INN	<b>8602060555</b>
by OKVED2	<b>06.10.1</b>
by OKOPF/OKFS	<b>12247 / 16</b>
by OKEI	<b>384</b>

Notes	ASSETS	Line code	As of 30.06.2017	As of 31.12.2016	As of 31.12.2015
1	2	3	4	5	6
	<b>I. NON-CURRENT ASSETS</b>				
	Intangible assets	1110	618,342	567,427	548,352
	R&D results	1120	211,223	143,419	213,665
	Intangible prospecting assets	1130	50,237,794	44,486,303	36,423,674
	Tangible prospecting assets	1140			
	Fixed assets	1150	822,765,761	817,489,027	752,847,663
	including				
	buildings, machinery, equipment, and other fixed assets, excluding land, objects of environmental management, and capital investments in progress	1151	761,627,739	754,655,089	676,370,601
	Income yielding investments in tangible assets	1160	2,779,918	2,887,646	3,093,832
	Financial investments	1170	1,782,840,097	1,773,553,018	2,007,179,799
	including other financial investments, excluding investments in organizations and loans granted	1171	1,624,929,001	1,619,633,606	1,866,481,918
	Deferred tax assets	1180	16,978,116	23,718,078	26,166
	Other non-current assets	1190	56,213,426	58,032,386	59,369,781
	<b>TOTAL for Section I</b>	<b>1100</b>	<b>2,732,644,677</b>	<b>2,720,877,304</b>	<b>2,859,702,932</b>
	<b>II. CURRENT ASSETS</b>				
	Stocks	1210	83,205,202	84,612,290	81,154,030
	Value Added Tax on acquired valuables	1220	4,052,934	4,319,637	4,479,359
	Accounts receivable	1230	235,541,624	272,521,980	206,168,244

	Financial investments (excluding cash equivalents)	1240	493,438,336	414,155,608	479,972,123
	including other financial investments, excluding investments in organizations and loans granted	1241	493,438,336	414,155,608	479,972,123
	Cash and cash equivalents	1250	39,490,356	42,293,015	72,125,809
	Other current assets	1260	823,450	1,585,023	877,956
	TOTAL for Section II	1200	856,551,902	819,487,553	844,777,521
	BALANCE (assets)	1600	3,589,196,579	3,540,364,857	3,704,480,453

Notes	LIABILITIES	Line code	As of 30.06.2017	As of 31.12.2016	As of 31.12.2015
1	2	3	4	5	6
	<b>III. CAPITAL AND RESERVES</b>				
	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	511,712,697	513,790,825	490,607,359
	Additional capital (no revaluation)	1350	192,511,786	192,511,786	192,511,786
	Reserve capital	1360	6,514,198	6,514,198	6,514,198
	Retained profit (uncovered loss)	1370	2,635,883,910	2,596,504,129	2,770,302,491
	TOTAL for Section III	1300	3,390,050,584	3,352,748,931	3,503,363,827
	<b>IV. LONG-TERM LIABILITIES</b>				
	Borrowed funds	1410			
	Deferred tax liabilities	1420	77,436,432	76,257,353	70,670,532
	Estimated liabilities	1430			
	Other liabilities	1450	572,850	639,292	509,218
	TOTAL for Section IV	1400	78,009,282	76,896,645	71,179,750
	<b>V. SHORT-TERM LIABILITIES</b>				
	Borrowed funds	1510			
	Accounts payable	1520	107,282,037	96,541,953	116,947,293
	Deferred income	1530	642,148	703,022	314,861
	Estimated liabilities	1540	12,927,109	13,077,807	12,203,314
	Other liabilities	1550	285,419	396,499	471,408
	TOTAL for Section V	1500	121,136,713	110,719,281	129,936,876
	BALANCE (liabilities)	1700	3,589,196,579	3,540,364,857	3,704,480,453

**Income Statement  
for January-June 2017**

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

Taxpayer identification number

Type of activity: **crude oil production**

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

Unit of measure: **thousand RUB**

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

	Codes
Form by OKUD	<b>0710002</b>
Date	<b>30.06.2017</b>
by OKPO	<b>05753490</b>
INN	<b>8602060555</b>
by OKVED2	<b>06.10.1</b>
by OKOPF/OKFS	<b>12247 / 16</b>
by OKEI	<b>384</b>

Notes	Indicator	Line code	For 6 months of 2017	For 6 months of 2016
1	2	3	4	5
	Revenue	2110	534,874,208	467,157,627
	Cost of sales	2120	-389,481,965	-301,982,442
	Gross profit (loss)	2100	145,392,243	165,175,185
	Selling expenses	2210	-46,221,742	-44,194,975
	Management expenses	2220		
	Sales profit (loss)	2200	99,170,501	120,980,210
	Income from participation in other organizations	2310	695,944	861,055
	Interest receivable	2320	45,724,487	53,255,464
	Interest payable	2330		-104
	Other income	2340	523,682,453	596,207,350
	Other expenses	2350	-591,927,853	-911,405,345
	Profit (loss) before tax	2300	77,345,532	-140,101,370
	Current profit tax	2410	-13,219,755	
	incl. permanent tax liabilities (assets)	2421	8,409,471	25,262,515
	Change in deferred tax liabilities	2430	-1,179,079	-1,970,009
	Change in deferred tax assets	2450	-6,739,962	2,031
	Other	2460	355,232	-293
	Reallocation of profit tax within the consolidated group of taxpayers	2465	6,796,481	173,509
	Net profit (loss)	2400	63,358,449	-141,896,132
	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	63,358,449	-141,896,132
	Base profit (loss) per share	2900		
	Diluted profit (loss) per share	2910		

### 7.3. Consolidated financial statements of the issuer

2016 – IFRS/GAAP

Reporting period

Year: **2016**

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

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

### 7.4. Accounting policy of the issuer

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

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

Unit of measure: *thousand RUB*

Indicator	2017, 6 months
Total earnings of the issuer from export of products (goods, works, services)	<b>389,646,846</b>
Share of such earnings in sales revenue, %	<b>72.8</b>

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

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

Additional information: *no.*

### 7.7. The 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 capital as of the end of the last reporting quarter, RUB: **43,427,992,940**

Ordinary shares

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

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

Preference

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

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

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

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

Category (type) of shares traded outside the Russian Federation

Type of securities: ***shares***

Category of shares: ***ordinary***

Shares traded outside the Russian Federation in the total number of shares of the same category (type), %: **6.2**

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***

Summary of the issue program (type of the program) for the foreign issuer's depository receipts 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 The Bank of Russia and (or) authorized government body (authorized state authority) of the Russian Federation to offer and (or) trade issuer's securities of the relevant category (type) outside the Russian Federation:

***not applicable.***

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

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

Other information about the issuer's shares traded outside the Russian Federation as the issuer may wish to disclose:

***the date when the program was launched is 30 December 1996.***

Type of securities: ***shares***

Category of shares: ***preference***

Type of shares: **-**

Shares traded outside the Russian Federation in the total number of shares of the same category (type), %: **8.04**

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***

Summary of the issue program (type of the program) for the foreign issuer's depository receipts 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 The Bank of Russia and (or) authorized government body (authorized state authority) of the Russian Federation to offer and (or) trade issuer's securities of the relevant category (type) outside the Russian Federation:

***not applicable.***

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

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

Other information about the issuer's shares traded outside the Russian Federation as the issuer may wish to disclose:

***The date when the program was launched is 19 March 1998.***

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

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

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

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

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

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

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

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

Location: **Russian Federation, Veliky Novgorod**

INN: **5321059365**

OGRN: **1025300788644**

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

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

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

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

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

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

INN: **8617013396**

OGRN: **1028601679688**

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

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

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

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

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

Location: **Russian Federation, Pskov**

INN: **6027042337**

OGRN: **1026000970049**

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

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

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

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

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

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

INN: **6905041501**

OGRN: **1026900510647**

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

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

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

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

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

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

INN: **3900000136**

OGRN: **1023900589240**

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

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

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

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

Abbreviated corporate name: **LLC “Lengiproneftekhim”**  
Location: **Russian Federation, Saint Petersburg, nab.Obvodnogo kanala, 94**  
INN: **7810327462**  
OGRN: **1057803105755**  
The issuer’s share in the charter capital of commercial organization: **100%**  
The person’s share in the charter capital of the issuer: **0%**  
The issuer’s ordinary shares held by the person: **0%**

7. Full corporate name: **Limited Liability Company “Kirishiavtoservis”**  
Abbreviated corporate name: **LLC “Kirishiavtoservis”**  
Location: **196084, Russian Federation, Saint Petersburg, ul.Smolenskaya, 12, lit. A**  
INN: **7840016802**  
OGRN: **1057807804064**  
The issuer’s share in the charter capital of commercial organization: **100%**  
The person’s share in the charter capital of the issuer: **0%**  
The issuer’s ordinary shares held by the person: **0%**

8. Full corporate name: **Limited Liability Company “Media-Invest”.**  
Abbreviated corporate name: **LLC “Media-Invest”**  
Location: **Russian Federation, Moscow**  
INN: **7704667322**  
OGRN: **1077762407580**  
The issuer’s share in the charter capital of commercial organization: **100%**  
The person’s share in the charter capital of the issuer: **0%**  
The issuer’s ordinary shares held by the person: **0%**

9. Full corporate name: **Open Joint Stock Company “Sovkhoz “Chervishevsky”**  
Abbreviated corporate name: **OJSC “Sovkhoz “Chervishevsky”**  
Location: **Russian Federation, Tyumenskaya Oblast, Tyumensky District, s.Chervishevo.**  
INN: **7224019466**  
OGRN: **1027200789142**  
The issuer’s share in the charter capital of commercial organization: **94.9996%**  
The Company’s ordinary shares held by the issuer: **94.9996%**  
The person’s share in the charter capital of the issuer: **0%**  
The issuer’s ordinary shares held by the person: **0%**

10. Full corporate name: **Limited Liability Company “Insurance Company “Surgutneftegas”**  
Abbreviated corporate name: **LLC “Insurance Company “Surgutneftegas”**  
Location: **Russian Federation, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut**  
INN: **8602103061**  
OGRN: **1028600581811**  
The issuer’s share in the charter capital of commercial organization: **100%**  
The person’s share in the charter capital of the issuer: **0%**  
The issuer’s ordinary shares held by the person: **0%**

11. Full corporate name: **Limited Liability Company “Production Association “Kirishinefteorgsintez”**  
Abbreviated corporate name: **LLC “KINEF”**  
Location: **Russian Federation, Leningradskaya Oblast, Kirishi**  
INN: **4708007089**  
OGRN: **1024701478735**  
The issuer’s share in the charter capital of commercial organization: **100%**  
The person’s share in the charter capital of the issuer: **0%**  
The issuer’s ordinary shares held by the person: **0%**

12. Full corporate name: **Joint Stock Company “Surgutneftegasbank”**  
Abbreviated corporate name: **JSC BANK “SNGB”**  
Location: **Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut**  
INN: **8602190258**  
OGRN: **1028600001792**  
The issuer’s share in the charter capital of commercial organization: **97.7591%**  
The Company’s ordinary shares held by the issuer: **98.2389%**  
The person’s share in the charter capital of the issuer: **0.0015%**  
The issuer’s ordinary shares held by the person: **0.0018%**
13. Full corporate name: **Limited Liability Company “Invest-Zaschita”**  
Abbreviated corporate name: **LLC “Invest-Zaschita”**  
Location: **ul.Entuziastov, 52/1, Surgut, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Russian Federation, 628400**  
INN: **8602102332**  
OGRN: **1028600581680**  
The issuer’s share in the charter capital of commercial organization: **15.13%**  
The person’s share in the charter capital of the issuer: **0.1106%**  
The issuer’s ordinary shares held by the person: **0.0236%**
14. Full corporate name: **Joint Stock Company “St. Petersburg International Mercantile Exchange”**  
Abbreviated corporate name: **JSC “SPIMEX”**  
Location: **Russian Federation, Saint Petersburg**  
INN: **7840389730**  
OGRN: **1089847188903**  
The issuer’s share in the charter capital of commercial organization: **8%**  
The Company’s ordinary shares held by the issuer: **8%**  
The person’s share in the charter capital of the issuer: **0%**  
The issuer’s ordinary shares held by the person: **0%**
15. Full corporate name: **Joint Stock Company “Aktionerny Bank “ROSSIYA”**  
Abbreviated corporate name: **JSC “AB “ROSSIYA”**  
Location: **Russian Federation, Saint Petersburg**  
INN: **7831000122**  
OGRN: **1027800000084**  
The issuer’s share in the charter capital of commercial organization: **5.42%**  
The Company’s ordinary shares held by the issuer: **0%**  
The person’s share in the charter capital of the issuer: **0%**  
The issuer’s ordinary shares held by the person: **0%**
16. Full corporate name: **Open Joint Stock Company “Airport Surgut”**  
Abbreviated corporate name: **OJSC “Airport Surgut”**  
Location: **628422 Russia, Tyumenskaya Oblast, Khanty-Mansiysky Autonomous Okrug – Yugra, Surgut, ul.Aeroflotskaya, 49/1.**  
INN: **8602060523**  
OGRN: **1028600603998**  
The issuer’s share in the charter capital of commercial organization: **5%**  
The Company’s ordinary shares held by the issuer: **5%**  
The person’s share in the charter capital of the issuer: **0%**  
The issuer’s ordinary shares held by the person: **0%**
17. Full corporate name: **TELCREST INVESTMENTS LIMITED**  
Abbreviated corporate name: **TELCREST INVESTMENTS LIMITED**



Location: *Cyprus, JULIA HOUSE 1066, Nicosia, Cyprus, Themistokli Dervi, 3*  
The issuer's share in the charter capital of commercial organization: *9.5341%*  
The person's share in the charter capital of the issuer: *0%*  
The issuer's ordinary shares held by the person: *0%*

18. Full corporate name: *Closed Joint-Stock Company "National Media Group"*  
Abbreviated corporate name: *JSC "National Media Group"*  
Location: *119034 Russian Federation, Moscow, Prechistenskaya nab., 13, bld. 1*  
INN: *7704676655*  
OGRN: *1087746152207*  
The issuer's share in the charter capital of commercial organization: *23.9752%*  
The Company's ordinary shares held by the issuer: *23.9752%*  
The person's share in the charter capital of the issuer: *0%*  
The issuer's ordinary shares held by the person: *0%*

#### **8.1.5. Major transactions conducted by the issuer**

*No such transactions in the period under review.*

#### **8.1.6. Credit ratings of the issuer**

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

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

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

#### **8.3. Previous issues of the issuer's equity securities excluding the issuer's shares**

##### **8.3.1. Issues with all securities redeemed**

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

##### **8.3.2. Issues with securities that are not redeemed**

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

#### **8.4. Person(s) who offered security for the issuer's secured bonds and security offered for the issuer's secured bonds**

*The issuer made no registration of the prospectus for secured bonds, no secured bonds were admitted to stock-exchange trade.*

##### **8.4.1. Additional information on the issuer's mortgage bonds**

*The issuer did not place any mortgage bonds with obligations not fulfilled yet.*

##### **8.4.2. Additional information on collateral for collateral bonds that includes money claims**

*The issuer did not place any collateral cash secured bonds with obligations not fulfilled yet.*

#### **8.5. Organizations keeping records of rights for the issuer's equity securities**

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

#### **8.6. Legislative acts regulating import and export of capital, which may influence the payment of dividends, interests, and other payments to non-residents**

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

## 8.7. Declared (accrued) and (or) paid dividends on the issuer's shares and the issuer's bond yield

### 8.7.1. Dividends declared and paid on the issuer's shares

Information for five last completed reporting years or for each completed reporting year if the issuer conducts its business for less than five years, and for the period from the date when the current financial year started till the date when the reporting quarter ended

Indicator	Indicator value for the relevant reporting period – 2012, full year
Category of shares, for preference shares – type	ordinary
The issuer's management body which passed a resolution of dividend declaration, date when such resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such resolution was adopted	The resolution was adopted at a general shareholders' meeting 28.06.2013, Minutes No. 24 dated 01.07.2013
Dividends declared per one share, RUB:	0.5
Total dividends declared on all shares of this category (type), RUB:	17,862,997,352.50
The date as of which the persons entitled to dividends are determined:	14.05.2013
Reporting period (year, quarter) for which (on the results of which) the dividends declared are (were) paid:	2012, full year
The due period (date) for declared dividend payment:	Dividends shall be paid not later than on 27 August 2013.
Form of declared dividend payment:	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	net profit of the reporting year
Declared dividends ratio in the net profit of the reporting year, %	11.1
Total dividends paid on shares of this category (type), RUB:	17,853,086,048.70
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	99.94
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2012 on the Company's ordinary shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Article 44 of Federal Law "On Joint Stock Companies" for the reasons beyond the Company's control: incorrect, incomplete or outdated information on the shareholder's banking details and/or mailing address he/she entered into a registered person's dividends questionnaire.
Other information about declared and (or) paid dividends as the issuer may wish to disclose	Declared unclaimed dividends are reinstated as part of the Company's undistributed profits.

Indicator	Indicator value for the relevant reporting period – 2012, full year
Category of shares, for preference shares – type	preference
The issuer's management body which passed a resolution of dividend declaration, date when such resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such resolution was adopted	The resolution was adopted at a general shareholders' meeting 28.06.2013, Minutes No. 24 dated 01.07.2013
Dividends declared per one share, RUB:	1.48
Total dividends declared on all shares of this category (type), RUB:	11,398,957,387.80
The date as of which the persons entitled to dividends are determined:	14.05.2013
Reporting period (year, quarter) for which (on the results of which)	2012, full year

the dividends declared are (were) paid:	
The due period (date) for declared dividend payment:	Dividends shall be paid not later than on 27 August 2013.
Form of declared dividend payment:	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	net profit of the reporting year
Declared dividends ratio in the net profit of the reporting year, %	7.08
Total dividends paid on shares of this category (type), RUB:	11,278,126,180.26
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	98.94
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2012 on the Company's preference shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Article 44 of Federal Law "On Joint Stock Companies" for the reasons beyond the Company's control when incorrect, incomplete or outdated information on banking details and/or mailing address were entered in a registered person's dividends questionnaire.
Other information about declared and (or) paid dividends as the issuer may wish to disclose	Declared unclaimed dividends are reinstated as part of the Company's undistributed profits.

Indicator	Indicator value for the relevant reporting period – 2013, full year
Category of shares, for preference shares – type	ordinary
The issuer's management body which passed a resolution of dividend declaration, date when such resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such resolution was adopted	The resolution was adopted at a general shareholders' meeting 27.06.2014, Minutes No. 25 dated 30.06.2014
Dividends declared per one share, RUB:	0.6
Total dividends declared on all shares of this category (type), RUB:	21,435,596,823.00
The date as of which the persons entitled to dividends are determined:	16.07.2014
Reporting period (year, quarter) for which (on the results of which) the dividends declared are (were) paid:	2013, full year
The due period (date) for declared dividend payment:	Dividends shall be paid not later than on 20 August 2014.
Form of declared dividend payment:	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	net profit of the reporting year
Declared dividends ratio in the net profit of the reporting year, %	8.36
Total dividends paid on shares of this category (type), RUB:	21,423,660,479.70
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	99.94
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2013 on the Company's ordinary shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Article 44 of Federal Law "On Joint Stock Companies" for the reasons beyond the Company's control: incorrect, incomplete or outdated information on the shareholder's banking details and/or mailing address he/she entered into a registered person's

	dividends questionnaire.
Other information about declared and (or) paid dividends as the issuer may wish to disclose	

Indicator	Indicator value for the relevant reporting period – 2013, full year
Category of shares, for preference shares – type	preference
The issuer's management body which passed a resolution of dividend declaration, date when such resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such resolution was adopted	The resolution was adopted at a general shareholders' meeting 27.06.2014, Minutes No. 25 dated 30.06.2014
Dividends declared per one share, RUB:	2.36
Total dividends declared on all shares of this category (type), RUB:	18,176,715,834.60
The date as of which the persons entitled to dividends are determined:	16.07.2014
Reporting period (year, quarter) for which (on the results of which) the dividends declared are (were) paid:	2013, full year
The due period (date) for declared dividend payment:	Dividends shall be paid not later than on 20 August 2014.
Form of declared dividend payment:	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	net profit of the reporting year
Declared dividends ratio in the net profit of the reporting year, %	7.09
Total dividends paid on shares of this category (type), RUB:	17,991,724,130.81
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	98.98
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2013 on the Company's preference shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Article 44 of Federal Law "On Joint Stock Companies" for the reasons beyond the Company's control when incorrect, incomplete or outdated information on banking details and/or mailing address were entered in a registered person's dividends questionnaire.
Other information about declared and (or) paid dividends as the issuer may wish to disclose	

Indicator	Indicator value for the relevant reporting period – 2014, full year
Category of shares, for preference shares – type	ordinary
The issuer's management body which passed a resolution of dividend declaration, date when such resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such resolution was adopted	The resolution was adopted at a general shareholders' meeting 27.06.2015, Minutes No. 26 dated 30.06.2015
Dividends declared per one share, RUB:	0.65
Total dividends declared on all shares of this category (type), RUB:	23,221,896,558.25
The date as of which the persons entitled to dividends are determined:	16.07.2015
Reporting period (year, quarter) for which (on the results of which) the dividends declared are (were) paid:	2014, full year
The due period (date) for declared dividend payment:	Dividends shall be paid not later than on

	20 August 2015.
Form of declared dividend payment:	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	net profit of the reporting year
Declared dividends ratio in the net profit of the reporting year, %	2.6
Total dividends paid on shares of this category (type), RUB:	23,207,754,378.50
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	99.94
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2014 on the Company's ordinary shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Article 44 of Federal Law "On Joint Stock Companies" for the reasons beyond the Company's control: incorrect, incomplete or outdated information on the shareholder's banking details and/or mailing address he/she entered into a registered person's dividends questionnaire.
Other information about declared and (or) paid dividends as the issuer may wish to disclose	

Indicator	Indicator value for the relevant reporting period – 2014, full year
Category of shares, for preference shares – type	preference
The issuer's management body which passed a resolution of dividend declaration, date when such resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such resolution was adopted	The resolution was adopted at a general shareholders' meeting 27.06.2015, Minutes No. 26 dated 30.06.2015
Dividends declared per one share, RUB:	8.21
Total dividends declared on all shares of this category (type), RUB:	63,233,405,509.35
The date as of which the persons entitled to dividends are determined:	16.07.2015
Reporting period (year, quarter) for which (on the results of which) the dividends declared are (were) paid:	2014, full year
The due period (date) for declared dividend payment:	Dividends shall be paid not later than on 20 August 2015.
Form of declared dividend payment:	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	net profit of the reporting year
Declared dividends ratio in the net profit of the reporting year, %	7.09
Total dividends paid on shares of this category (type), RUB:	62,589,118,584.07
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	98.98
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2014 on the Company's preference shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Article 44 of Federal Law "On Joint Stock Companies" for the reasons beyond the Company's control when incorrect, incomplete or outdated information on banking details and/or mailing address were entered in a registered person's dividends questionnaire.
Other information about declared and (or) paid dividends as the	

issuer may wish to disclose	
-----------------------------	--

Indicator	Indicator value for the relevant reporting period – 2015, full year
Category of shares, for preference shares – type	ordinary
The issuer's management body which passed a resolution of dividend declaration, date when such resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such resolution was adopted	The resolution was adopted at a general shareholders' meeting 29.06.2016, Minutes No. 27 dated 30.06.2016
Dividends declared per one share, RUB:	0.6
Total dividends declared on all shares of this category (type), RUB:	21,435,596,823.00
The date as of which the persons entitled to dividends are determined:	18.07.2016
Reporting period (year, quarter) for which (on the results of which) the dividends declared are (were) paid:	2015, full year
The due period (date) for declared dividend payment:	22.08.2016
Form of declared dividend payment:	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	net profit of the reporting year
Declared dividends ratio in the net profit of the reporting year, %	2.85
Total dividends paid on shares of this category (type), RUB:	21,420,854,610.28
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	99.93
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2015 on the Company's ordinary shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Clause 16 of Article 8.2 of Federal Law "On Securities Market"
Other information about declared and (or) paid dividends as the issuer may wish to disclose	

Indicator	Indicator value for the relevant reporting period – 2015, full year
Category of shares, for preference shares – type	preference
The issuer's management body which passed a resolution of dividend declaration, date when such resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such resolution was adopted	The resolution was adopted at a general shareholders' meeting 29.06.2016, Minutes No. 27 dated 30.06.2016
Dividends declared per one share, RUB:	6.92
Total dividends declared on all shares of this category (type), RUB:	53 297 827 786.20
The date as of which the persons entitled to dividends are determined:	18.07.2016
Reporting period (year, quarter) for which (on the results of which) the dividends declared are (were) paid:	2015, full year
The due period (date) for declared dividend payment:	22.08.2016
Form of declared dividend payment:	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	net profit of the reporting year
Declared dividends ratio in the net profit of the reporting year, %	7.09
Total dividends paid on shares of this category (type), RUB:	52,732,802,751.99
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	98.94

In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	Obligations to pay dividends for 2015 on the Company's preference shares were fulfilled except the situations when the Company does not bear responsibility in accordance with Clause 16 of Article 8.2 of Federal Law "On Securities Market"
Other information about declared and (or) paid dividends as the issuer may wish to disclose	

Indicator	Indicator value for the relevant reporting period – 2016, full year
Category of shares, for preference shares – type	ordinary
The issuer's management body which passed a resolution of dividend declaration, date when such resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such resolution was adopted	The resolution was adopted at a general shareholders' meeting 29.06.2017, Minutes No. 28 dated 29.06.2017
Dividends declared per one share, RUB:	0.6
Total dividends declared on all shares of this category (type), RUB:	21,435,596,823
The date as of which the persons entitled to dividends are determined:	19/07/2017
Reporting period (year, quarter) for which (on the results of which) the dividends declared are (were) paid:	2016, full year
The due period (date) for declared dividend payment:	23.08.2017
Form of declared dividend payment:	cash
Sources of payment of the declared dividends (net profit of the reporting year, retained profit of prior years, special fund)	retained profit of previous years
Declared dividends ratio in the net profit of the reporting year, %	-
Total dividends paid on shares of this category (type), RUB:	0
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	0
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	the Annual General Shareholders' Meeting for 2016 approved the date as of which the list of persons entitled to dividends is determined – 19.07.2017.
Other information about declared and (or) paid dividends as the issuer may wish to disclose	

Indicator	Indicator value for the relevant reporting period – 2016, full year
Category of shares, for preference shares – type	preference
The issuer's management body which passed a resolution of dividend declaration, date when such resolution was adopted, date and number of the minutes of the meeting (session) of the issuer's management body when such resolution was adopted	The resolution was adopted at a general shareholders' meeting 29.06.2017, Minutes No. 28 dated 29.06.2017
Dividends declared per one share, RUB:	0.6
Total dividends declared on all shares of this category (type), RUB:	4,621,198,941
The date as of which the persons entitled to dividends are determined:	19.07.2017
Reporting period (year, quarter) for which (on the results of which) the dividends declared are (were) paid:	2016, full year
The due period (date) for declared dividend payment:	23.08.2017
Form of declared dividend payment:	cash
Sources of payment of the declared dividends (net profit of the	retained profit of previous years

reporting year, retained profit of prior years, special fund)	
Declared dividends ratio in the net profit of the reporting year, %	-
Total dividends paid on shares of this category (type), RUB:	0
Payout ratio in the total amount of the declared dividends on all shares of this category (type), %	0
In case declared dividends are not paid or paid by the issuer not in full – reasons for non-payment of declared dividends	the Annual General Shareholders' Meeting for 2016 approved the date as of which the list of persons entitled to dividends is determined – 19.07.2017.
Other information about declared and (or) paid dividends as the issuer may wish to disclose	

*Obligations to pay dividends for 2013 – 2015 on the Company's shares were fulfilled except the situations when the Company does not bear responsibility in accordance with the legislation of the Russian Federation.*

#### **8.7.2. Accrued and paid yield on the issuer's bonds**

*The issuer did not issue any bonds.*

#### **8.8. Miscellaneous information**

*The form of Section VII "The issuer's accounting (financial) statements and other financial information" of this report prepared does not meet the requirements of Federal Law of the Russian Federation No. 402-FZ "On Accounting" dated 06.12.2011; Order of the Ministry of Finance of the Russian Federation No. 66n "Reporting Standards of Enterprises" dated 02.07.2010.*

#### **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. Annual consolidated accounting (consolidated financial) statements prepared in accordance with International financial reporting standards**