



ROSNEFT

Q2 and 1H 2008 US GAAP Financial Results

August 29, 2008



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Q2 and 1H 2008: Key Highlights

Positives

- § Leading EBITDA and FCF growth:
 - § EBITDA up to USD 7.1 bln in Q2'08 and USD 11.8 bln in 1H'08
 - § Operating cash flow up to USD 4.9 bln in Q2'2008 and USD 9.4 bln in 1H'08
 - § FCF up to USD 2.3 bln in Q2'08 and USD 5.1 bln in 1H'08
- § Adjusted net debt reduced by USD 4.8 bln during 1H'08
- § Daily crude oil production up 15.5% y-o-y (5.8% organic) vs 1H'07
- § Growth in refinery throughput and corresponding increase in petroleum product output (+59% y-o-y vs 1H'07)
- § Growth in retail sales volumes and other support services

Challenges, Priorities

1H'08

- § Real rouble appreciation against USD (24.7% for the year ended June 30)
- § Tax burden (export duty and MET) increased by 98% vs H1'07

2H'08 - 2009

- § Update business plan
 - § Revise based on new Euro 3,4 requirements by 2012
- § Participate in finalization of the Russian Energy strategy to 2030 (Government to review in December)
 - § Incorporate into updated strategy of Rosneft
- § Launch Vankor production
- § Participate in continuing discussion to update tax regime
- § Continue to optimize downstream activities, grow higher margin sales



Macroeconomic Environment

	Q2'08	Q2'07	Δ, %	1H'08	1H'07	Δ, %
Average RUB/USD rate	23.63	25.86	(8.6%)	23.94	26.08	(8.2%)
Inflation for the period, %	3.9%	2.2%		8.7%	5.7%	
Real RUB appreciation against USD for the period, %	4.1%	3.0%		13.5%	7.8%	
Urals price (av. Med and NWE), \$/bbl	117.5	65.2	80.4%	105.4	59.7	76.5%
Gasoil 0.2% (av. Med), \$/tonne	1,146.0	614.3	86.6%	1,014.3	570.0	77.9%
Fuel oil (av. Med), \$/tonne	545.4	319.2	70.9%	495.3	287.7	72.2%
High octane gasoline (av. Russia), \$/tonne	1,042.7	770.3	35.4%	976.2	712.0	37.1%
Diesel fuel (av. Russia), \$/tonne	1,040.7	566.8	83.6%	914.4	534.2	71.2%



Q2'08 and 1H'08 Results Overview

	Q2'08	Q2'07	Δ ,%	1H'08	1H'07	Δ ,%
Production, mln boe	209.37	199.97	4.7%	422.71	377.83	11.9%
Oil, mln bbl	192.60	177.94	8.2%	385.96	332.34	16.1%
Gas, bcm	2.85	3.74	(23.8)%	6.25	7.73	(19.1)%
Petroleum product output, mln t	10.95	7.79	40.6%	22.91	14.39	59.2%
Revenues, USD mln	21,134	10,785	96.0%	37,502	19,005	97.3%
EBITDA, USD mln	7,052	3,581 ¹	96.9%	11,750	5,322 ¹	120.8%
Net Income, USD mln	4,312	1,703 ²	153.2%	6,876	2,393 ²	187.3%
Operating cash flow, USD mln	4,873	2,382 ³	104.6%	9,378	3,276 ³	186.3%
Net debt, USD mln	21,436⁴			21,436⁴		

¹ Adjusted for the effect of non-operating accrual of fines and penalties related to pre-acquisition Yuganskneftegaz tax debt.

² Adjusted for the effect of non-operating accrual of fines and penalties related to pre-acquisition Yuganskneftegaz tax debt, and income from Yukos bankruptcy and related income tax.

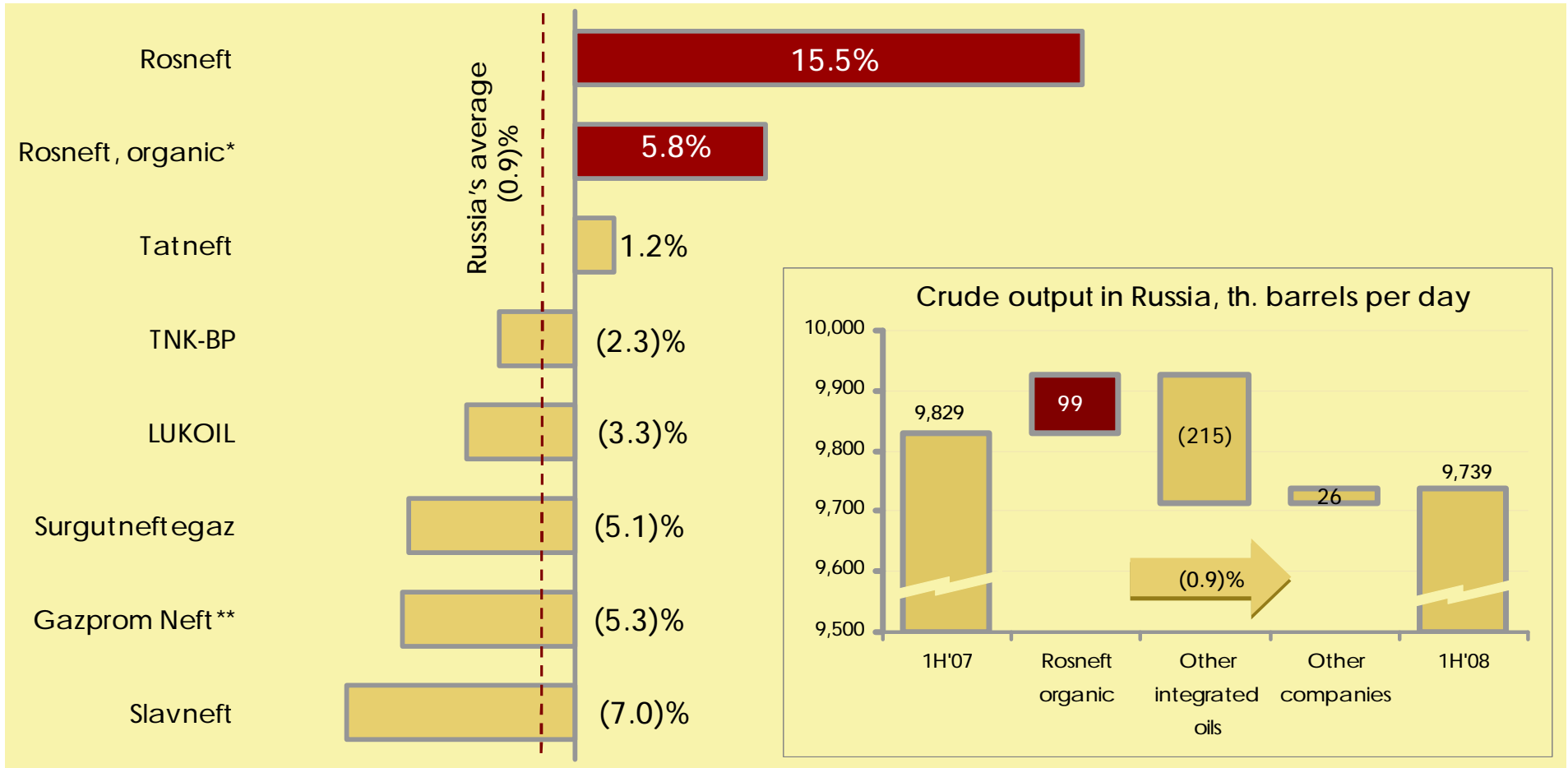
³ Adjusted for the cash received in Yukos bankruptcy process.

⁴ Adjusted for cash deposits (reflected as short-term investments) that will be used for debt settlement and that are placed till debt scheduled maturity.



Daily Crude Oil Production: Strong Organic Growth

Daily Crude Oil Production in Russia, 1H'08 vs 1H'07



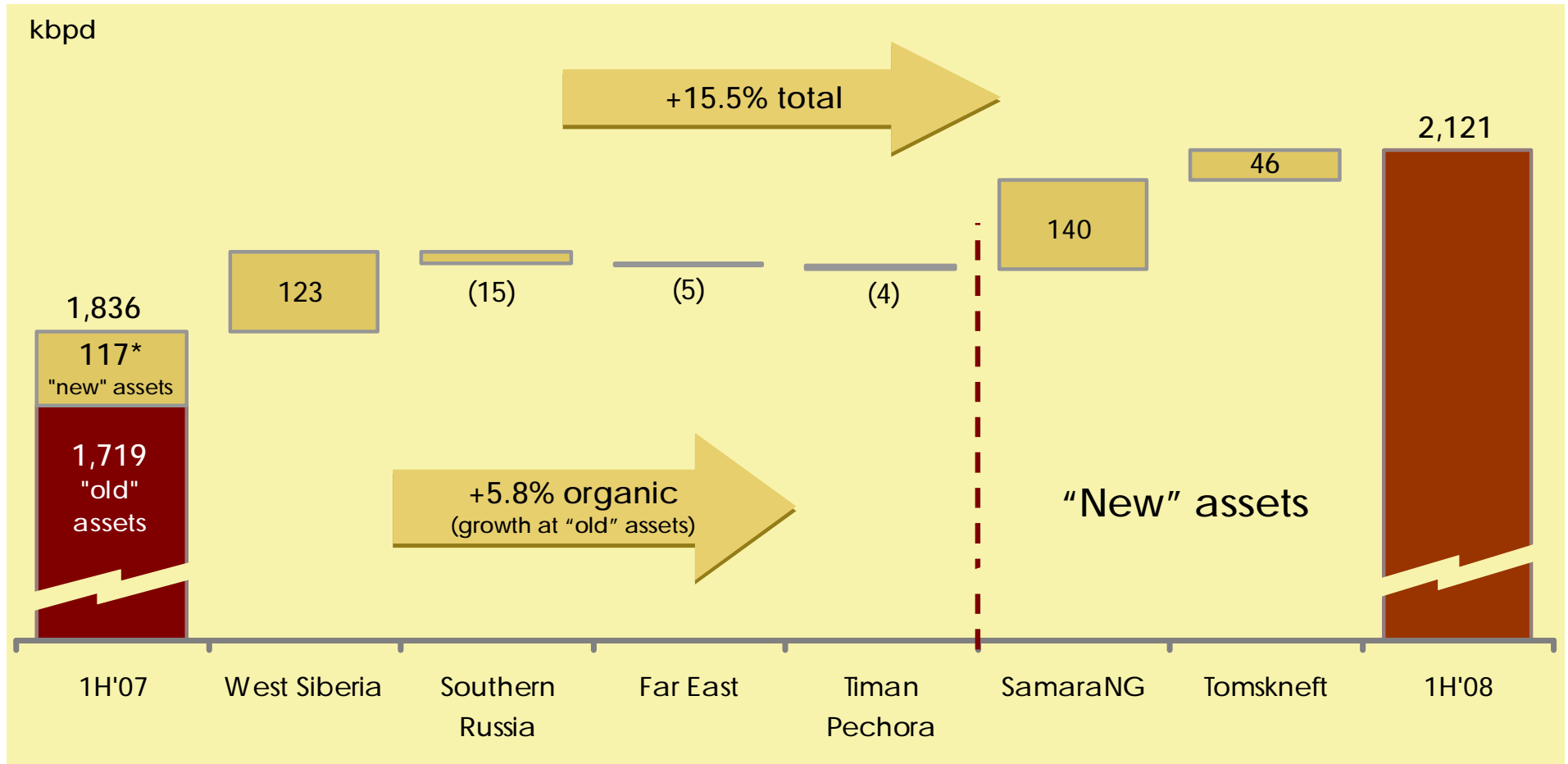
* Excluding acquisition of Tomskneft, Samaraneftegaz and VSNK.

** Excluding share in Tomskneft.



Daily Crude Oil Production: Strong Organic Growth (cont.)

Rosneft Daily Crude Oil Production Reconciliation, 1H'08 vs 1H'07

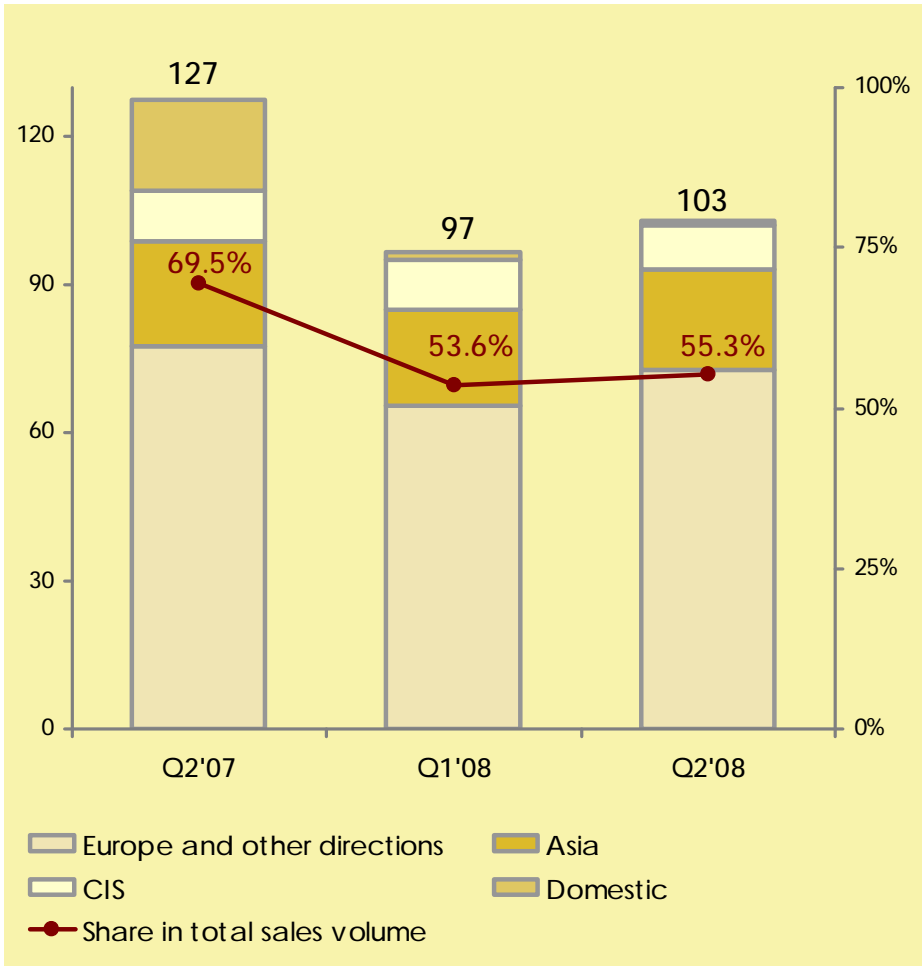


* Production by Samaraneftgaz, Tomskneft and VSNK from the date of acquisition in May 2007 to the end of June 2007, divided by 181.

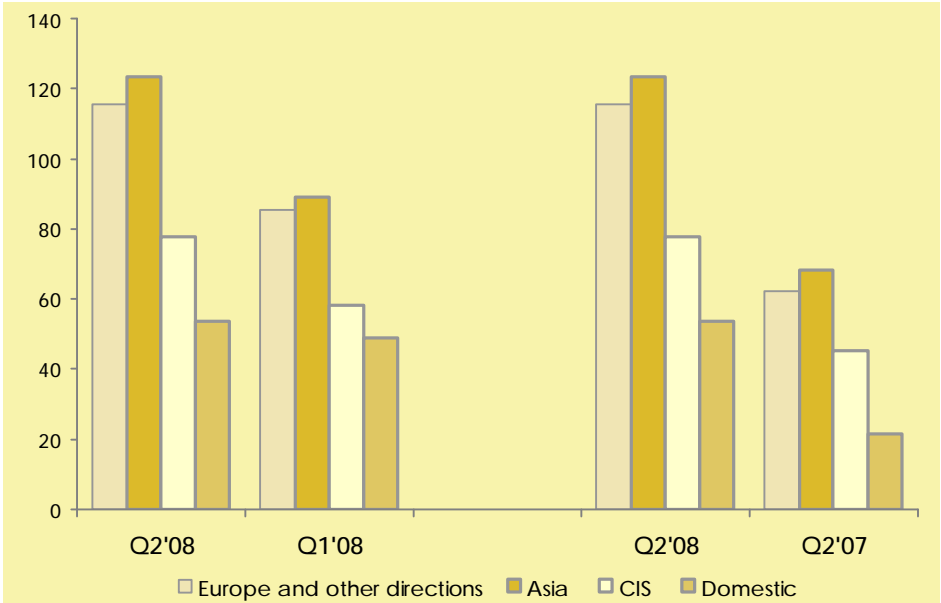


Crude Oil Sales

Crude Oil and Condensate Sales Volumes, mln bbl



Average Prices, USD/bbl

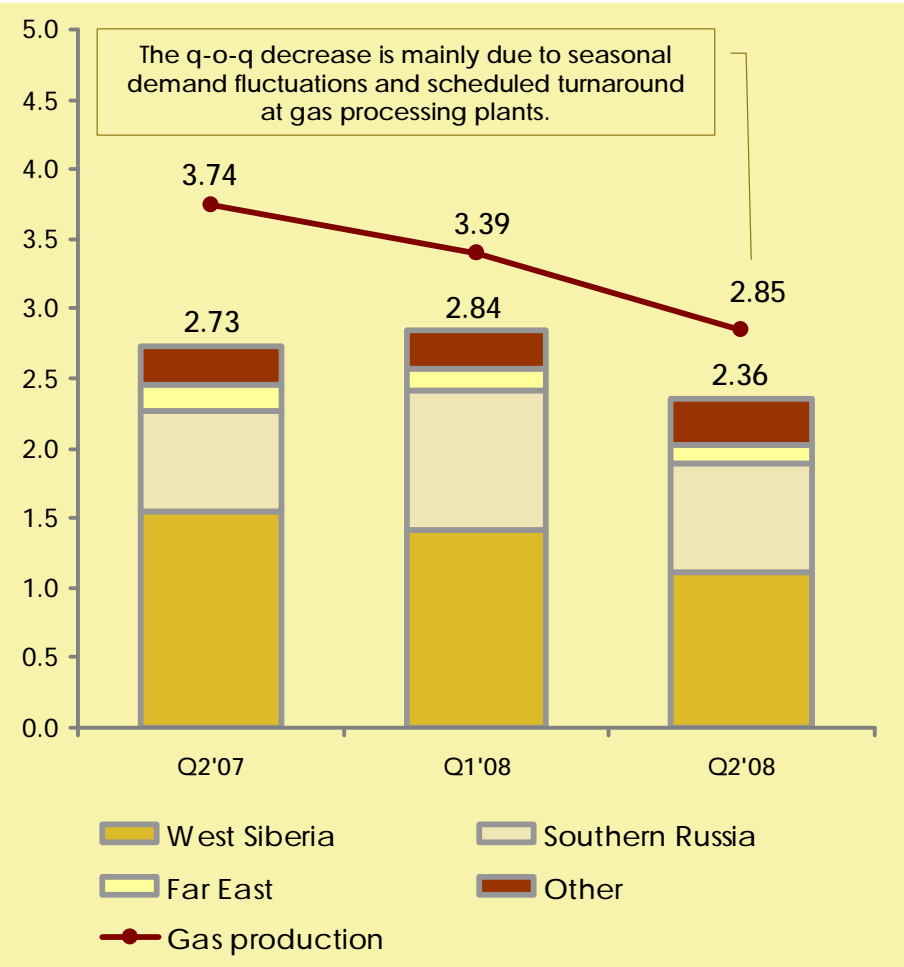


	Q2'08	Q1'08	Q2'08	Q2'07
\$/bbl	(USD per barrel)		(USD per barrel)	
Average Brent (Platts)	121.38	96.90	121.38	68.84
Urals (average Med+NWE) (Platts)	117.54	93.33	117.54	65.16
Rosneft export				
Europe and other direction	115.62	91.59	115.62	62.15
Asia	123.28	97.28	123.28	68.34

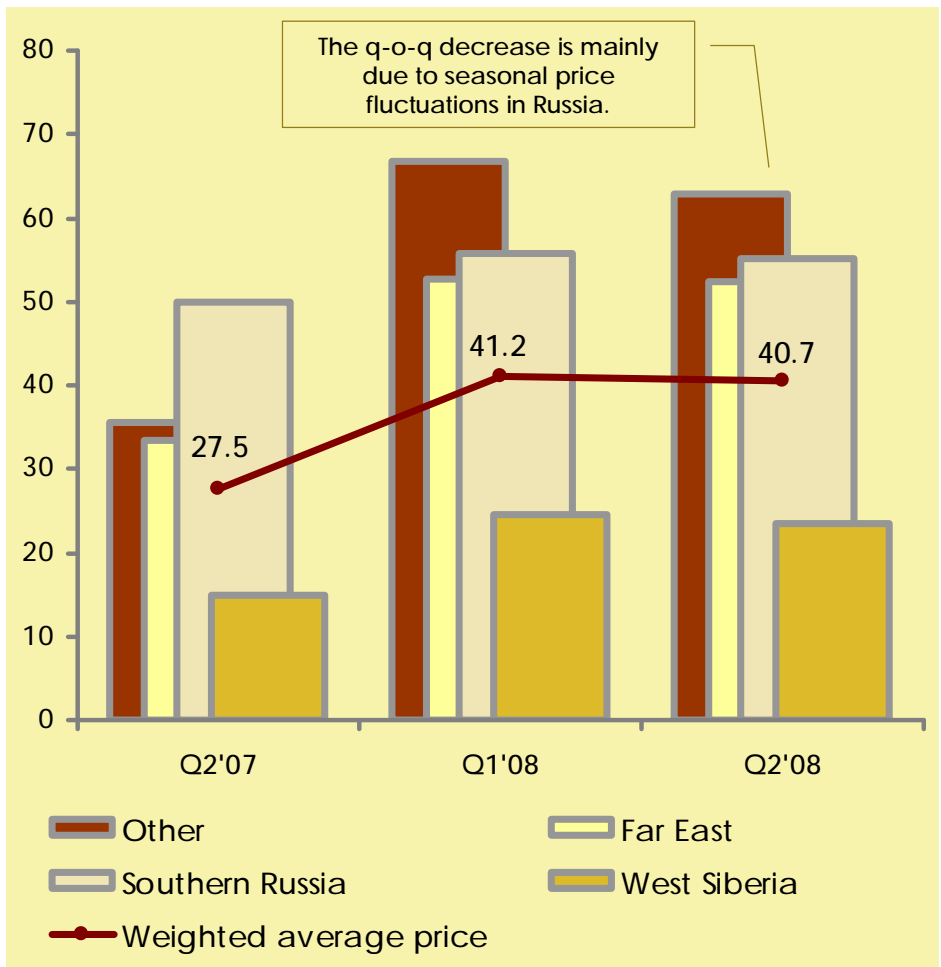


Gas Production and Sales

Gas Sales Volumes vs Production, bcm



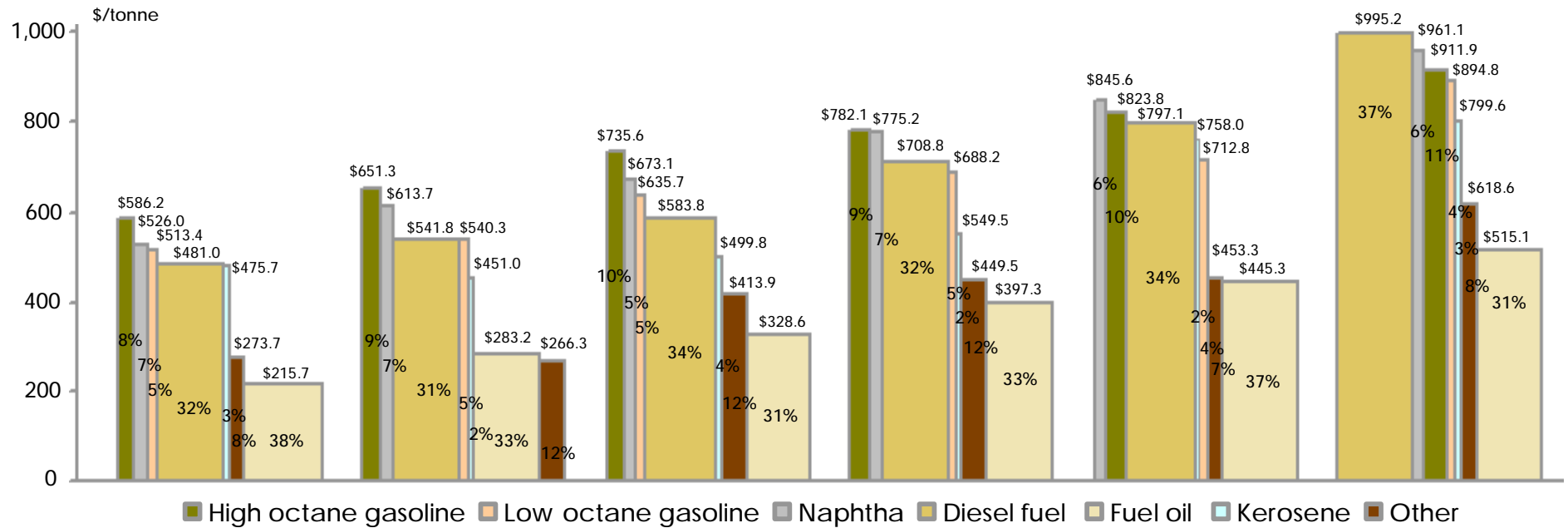
Gas Sales Prices, USD/1,000 cubic meters





Petroleum Product Revenues

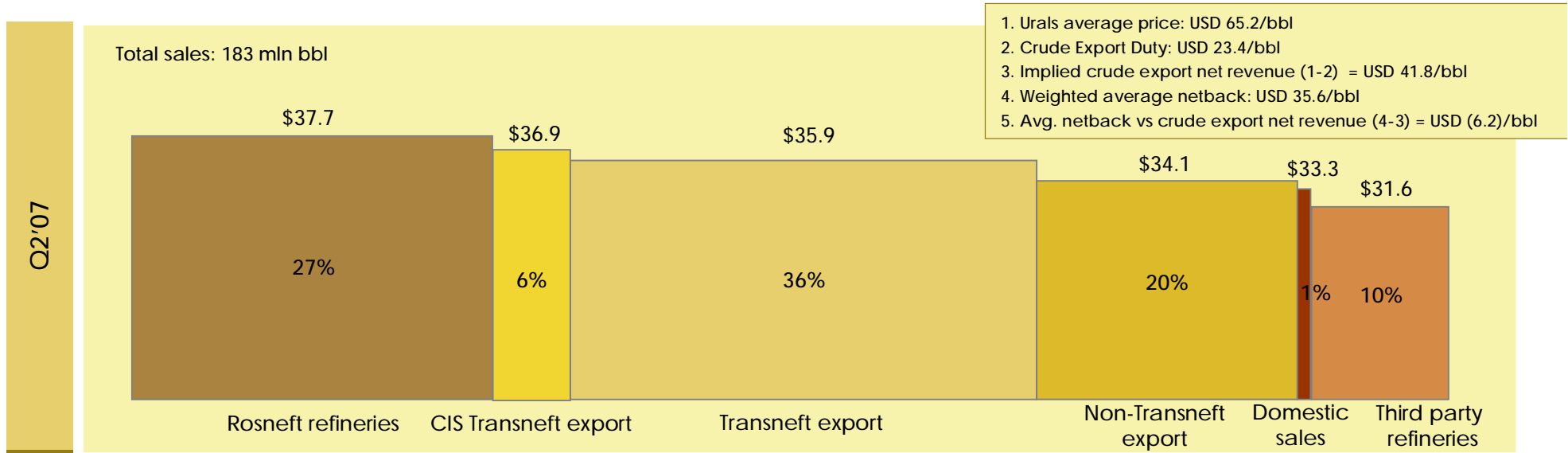
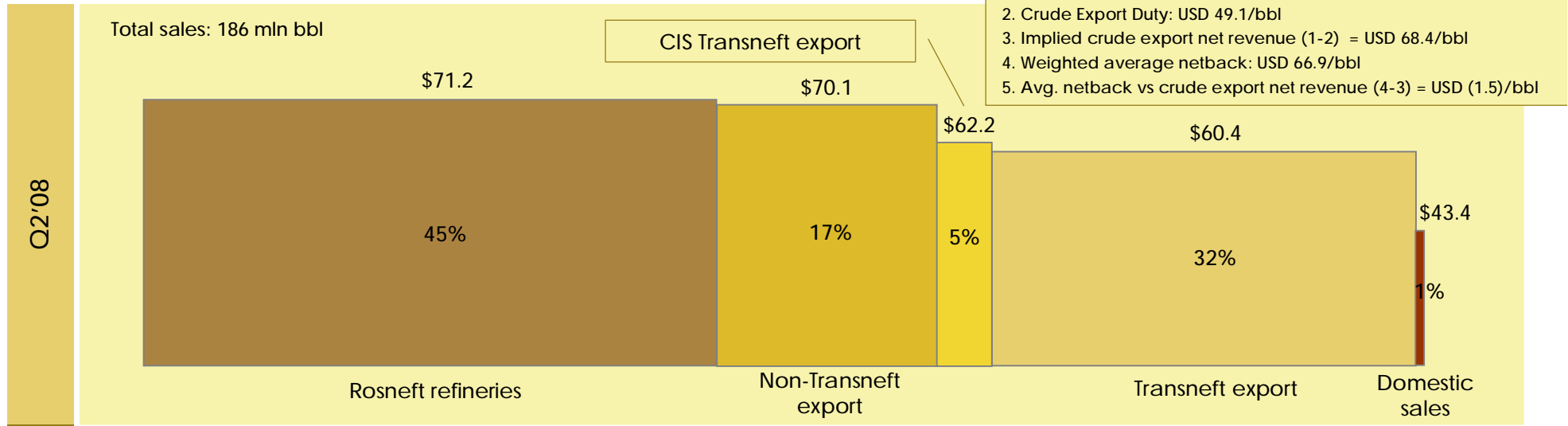
Petroleum products: average prices and volume breakdown



	Q1'07	Q2'07	Q3'07	Q4'07	Q1'08	Q2'08
Revenue, USD mln	2,496	3,299	5,838	6,718	7,233	8,852
Excise and export duty, USD mln	508	520	965	1,145	1,341	1,440
Net revenue, USD mln	1,988	2,779	4,873	5,573	5,892	7,412
Volume sold, mln tonnes	6.62	7.55	11.61	11.58	11.23	11.17
Net revenue per tonne, USD	300	368	420	481	525	664

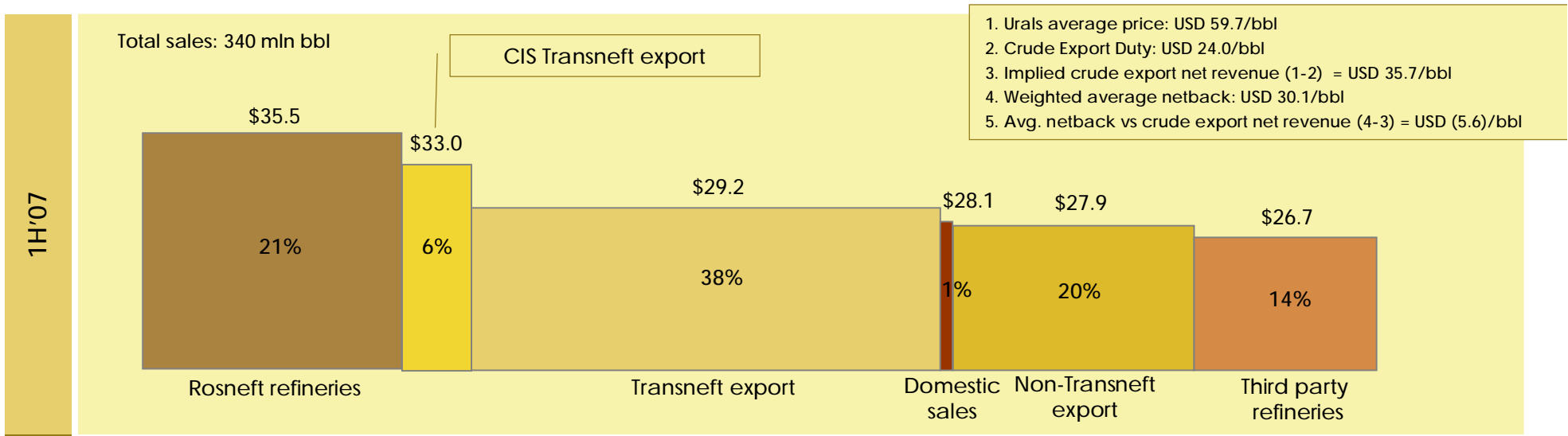
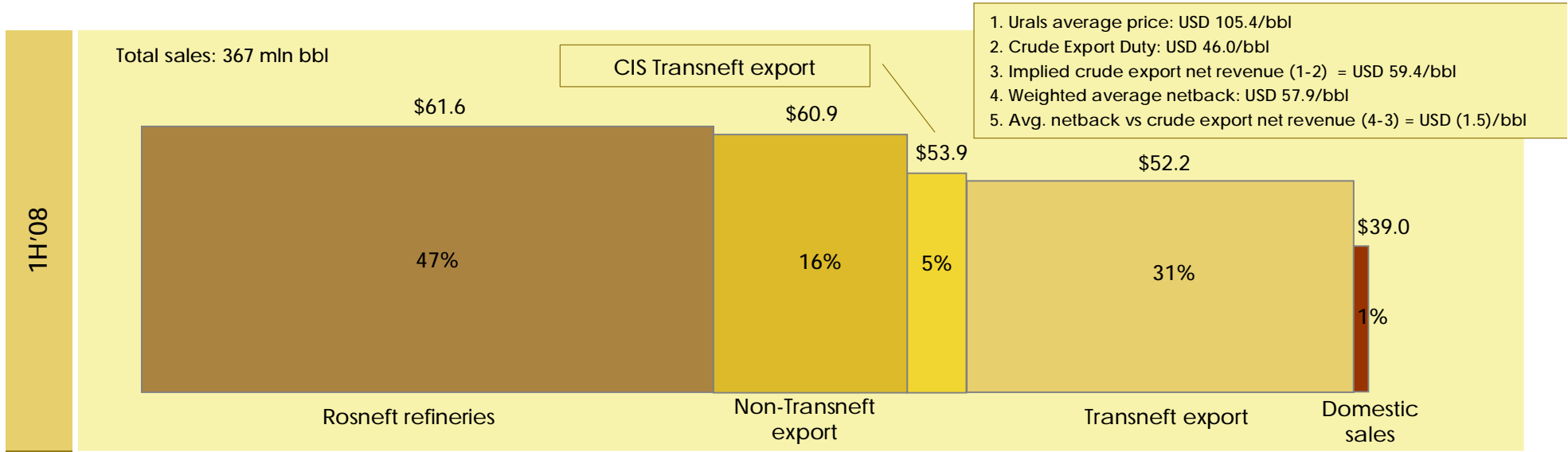


Average Netback Approaching Crude Export Net Revenue



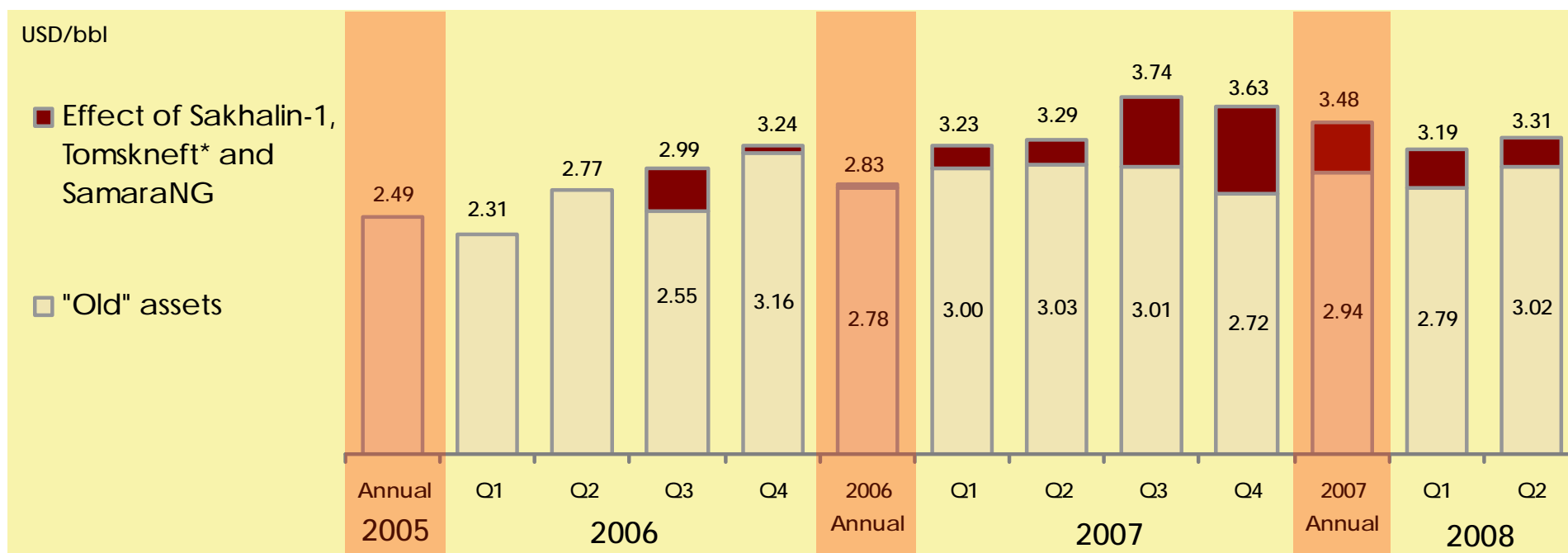


Average Netback Approaching Crude Export Net Revenue





Upstream Operating Expenses



RUB/USD Average	28.29	28.16	27.20	26.81	26.59	27.19	26.31	25.86	25.51	24.65	25.58	24.26	23.63
RUB Inflation**, %	10.9	16.4	17.1	18.9	20.9	20.9	25.0	27.8	29.3	30.4	30.4	36.7	41.8
Real RUB appreciation**, %	6.8	16.1	20.4	22.9	27.1	27.1	33.1	37.2	43.4	46.7	46.7	56.2	62.3

Upstream operating expenses include materials and electricity, workover, wages and salaries and transportation costs to the trunk pipeline.

* Since 27.12.07 Tomskneft is accounted for on an equity basis

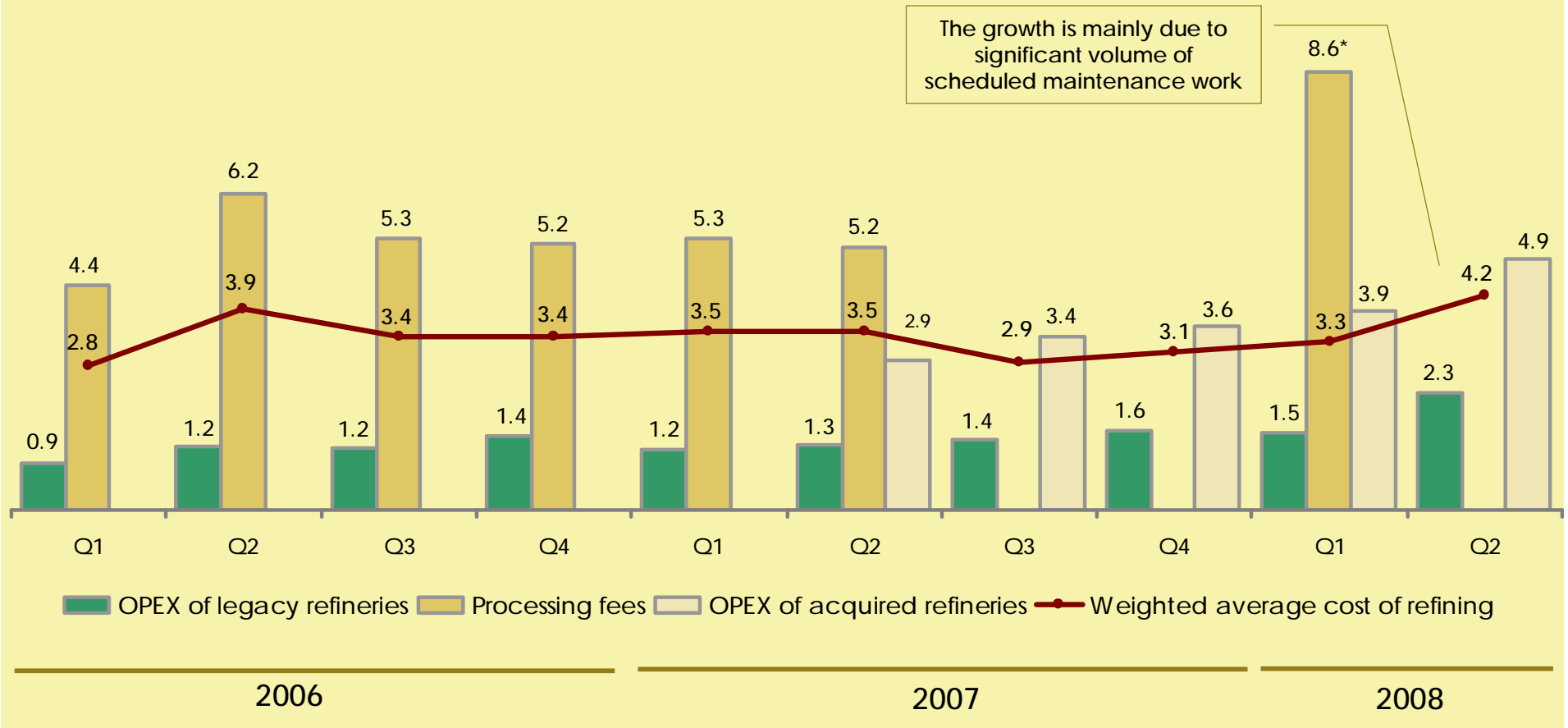
** Cumulative from 01/01/2005

Decrease in OPEX during Q3'07-Q1'08 is the result of Tomskneft deconsolidation and optimization of OPEX structure by consolidation of service companies.



Downstream Operating Expenses

Refining Costs, USD/bbl



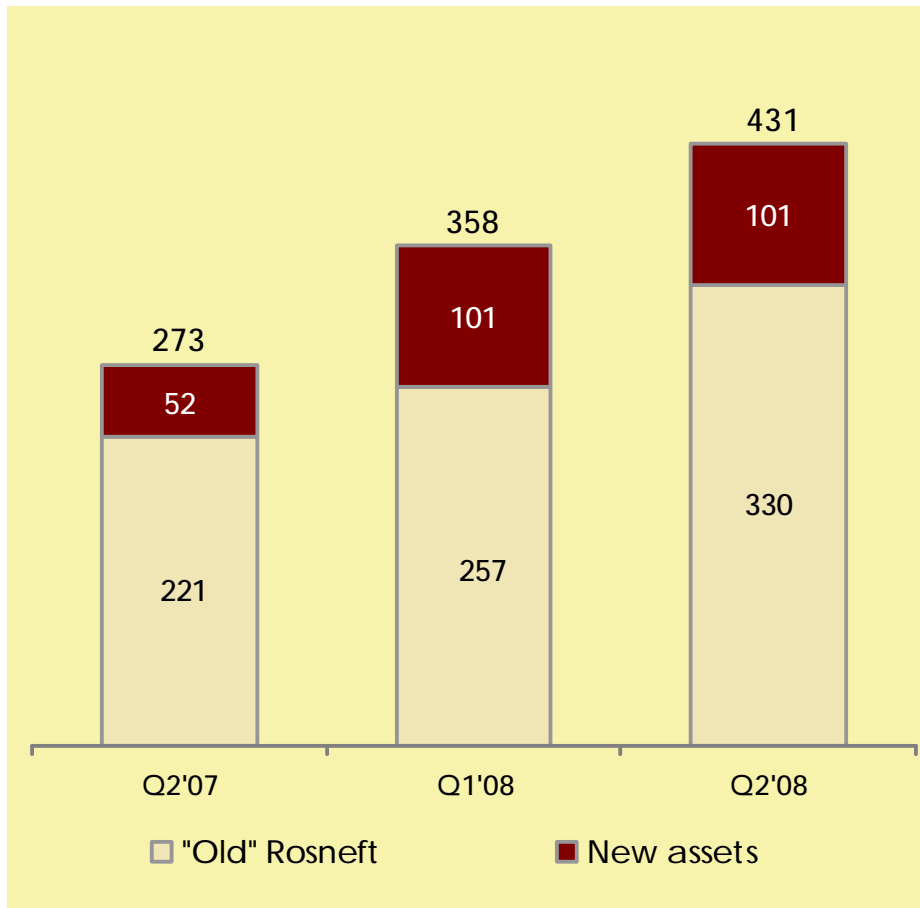
Third-party refineries were purchased in Q2'07. Rosneft fully consolidates these refineries since the date of acquisition. Expenses of own refineries do not include DD&A. OPEX of own refineries includes cost of materials, maintenance, fuel, electricity, wages and salary, rental payments and other items.

* Cost of processing at the Strezhevskoy refinery after December 27, 2007. In February 2008, Rosneft stopped processing crude at the Strezhevskoy refinery as Tomskneft started to directly process its crude at the refinery.

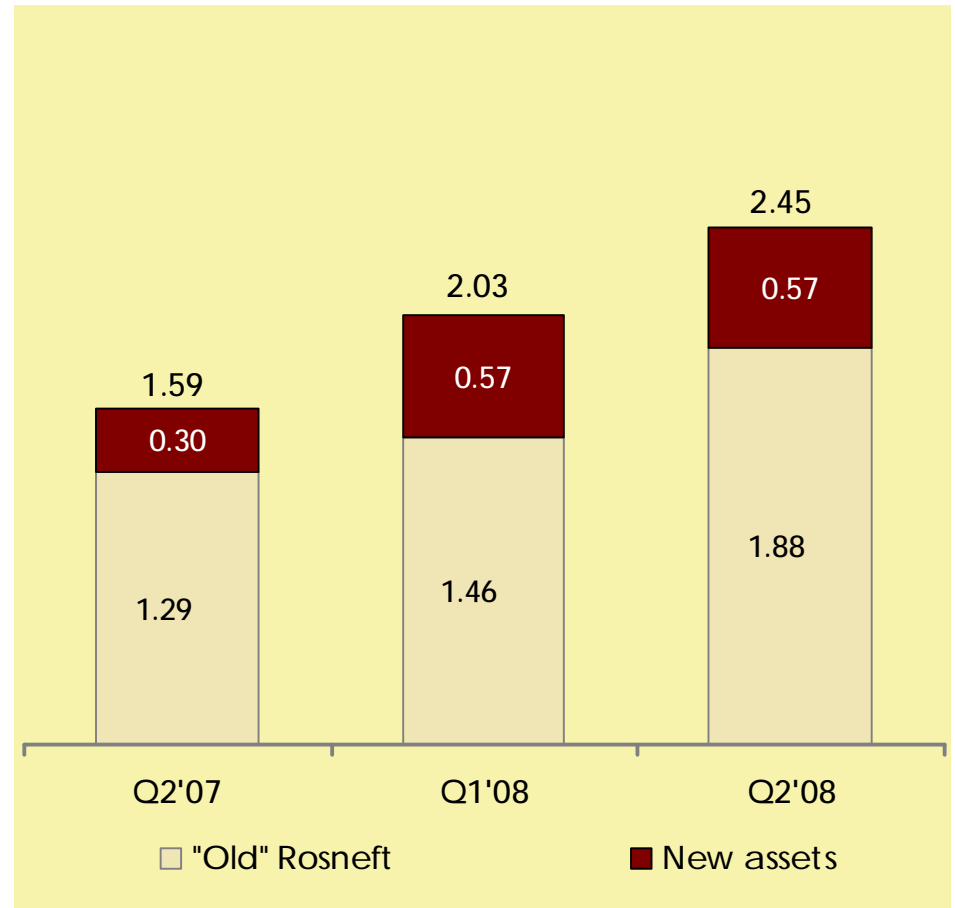


SG&A Expenses

USD mln



USD/bbl produced

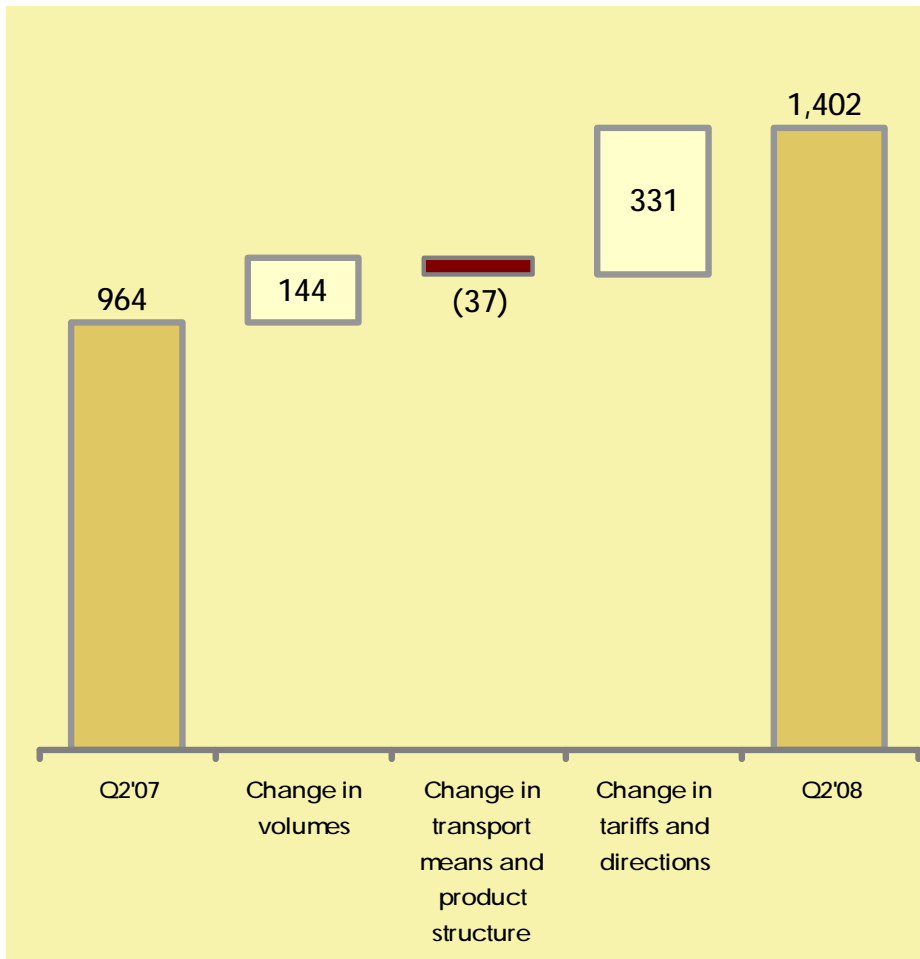


Selling, general and administrative expenses include payroll at headquarters and management-related subsidiaries, payroll of top management of operating subsidiaries, audit & consulting expenses, bad debt allowance and other costs.

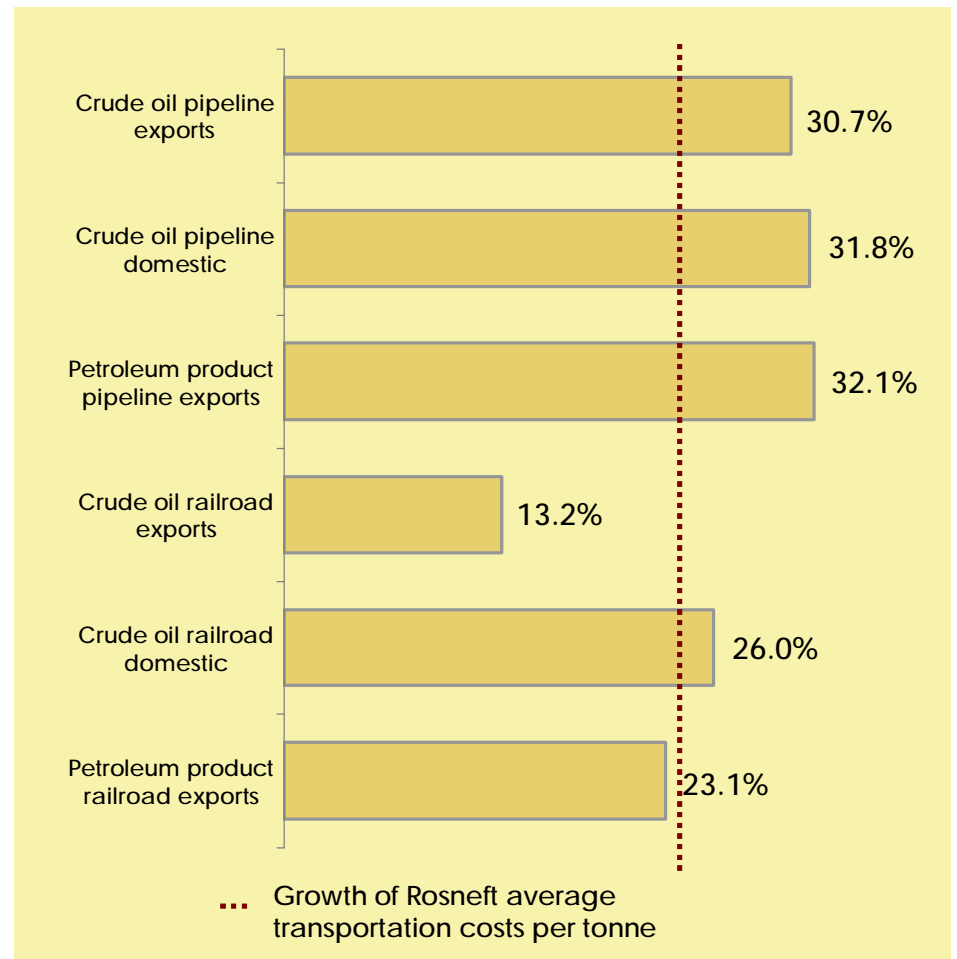


Transportation Costs: Q2'08 vs Q2'07

Transportation Costs (Q2'08 vs Q2'07), USD mln

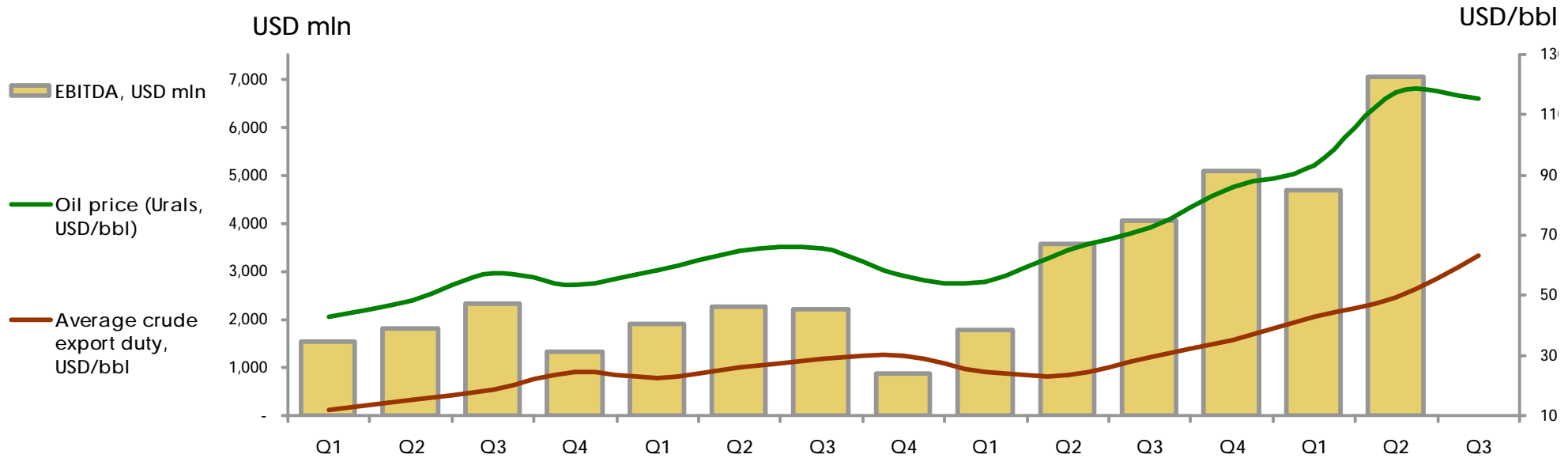


Average Change in Transportation Tariffs of Russian Monopolies, Q2'08 vs Q2'07





EBITDA Growth

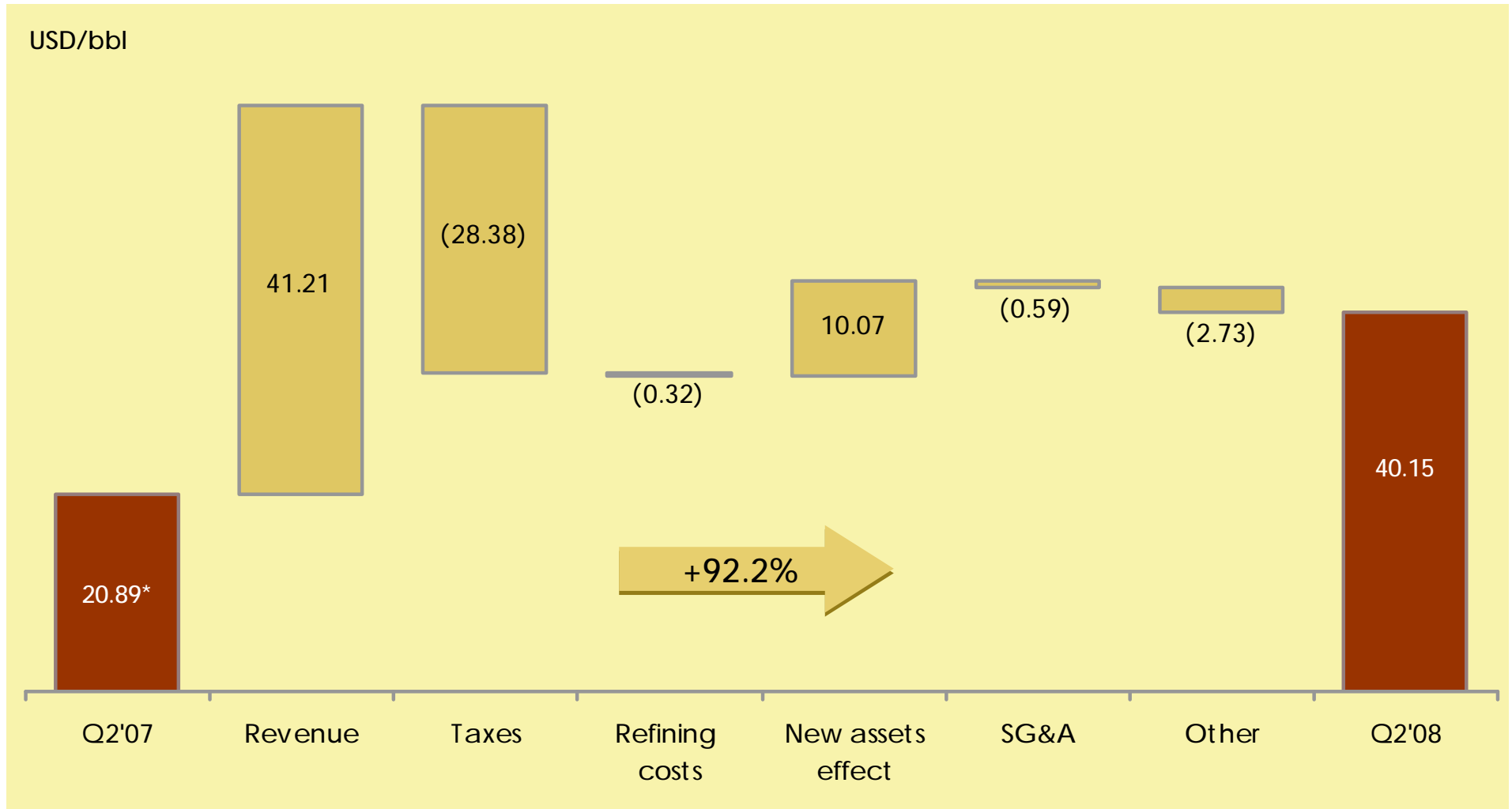


	2005				2006				2007				2008		
USD/bbl	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
1. Av. Urals price	42.8	48.2	57.2	53.7	58.2	64.8	65.8	56.3	54.3	65.2	72.2	85.9	93.3	117.5	115.6*
2. Av. MET	7.4	8.6	10.6	9.8	10.8	12.2	12.5	10.3	9.9	12.4	13.9	16.9	18.6	23.7	23.4*
3. Av. export duty	12.1	15.5	18.8	24.5	22.8	26.0	28.8	29.8	24.6	23.4	29.5	35.3	43.0	49.1	63.3
4. Av. net export revenue after MET (=1-2-3)	23.2	24.1	27.9	19.3	24.6	26.5	24.5	16.2	19.9	29.4	28.8	33.8	31.7	44.7	28.9
5. EBITDA/bbl	12.0	13.9	16.8	9.4	14.0	15.8	14.3	5.8	12.0	20.9	21.1	25.7	26.6	40.2	TBD
6. Implied avg total cash cost to market (= 4-5)	11.2	10.2	11.1	9.9	10.6	10.7	10.3	10.4	7.9	8.5	7.7	8.1	5.1	4.5	TBD

* Based on the Urals price of USD 105 per barrel for the rest of August and September.



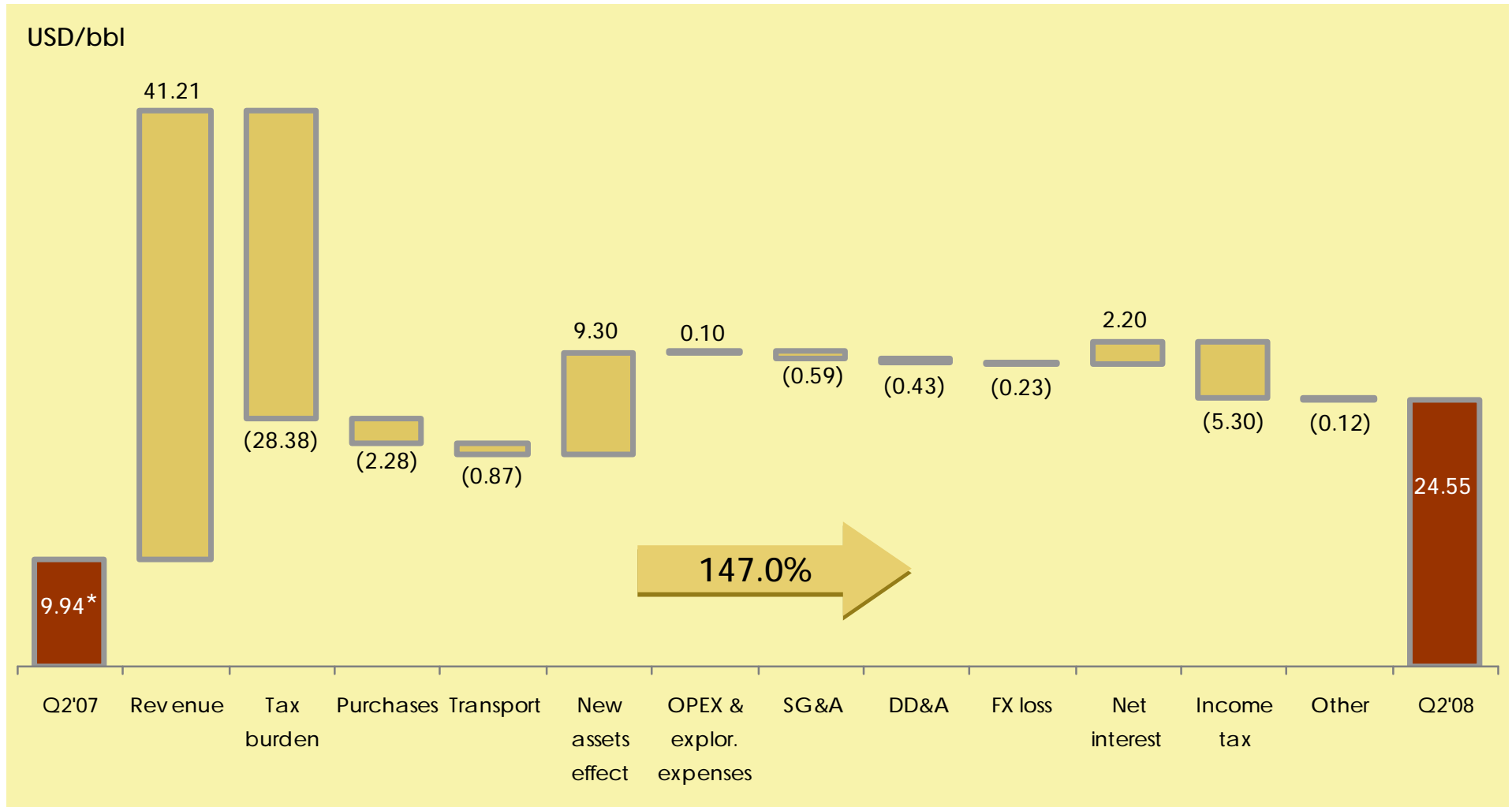
Adjusted EBITDA/bbl Reconciliation: Q2'08 vs Q2'07



*Adjusted for the effect of non-operating accrual of fines and penalties related to pre-acquisition Yuganskneftegaz tax debt.



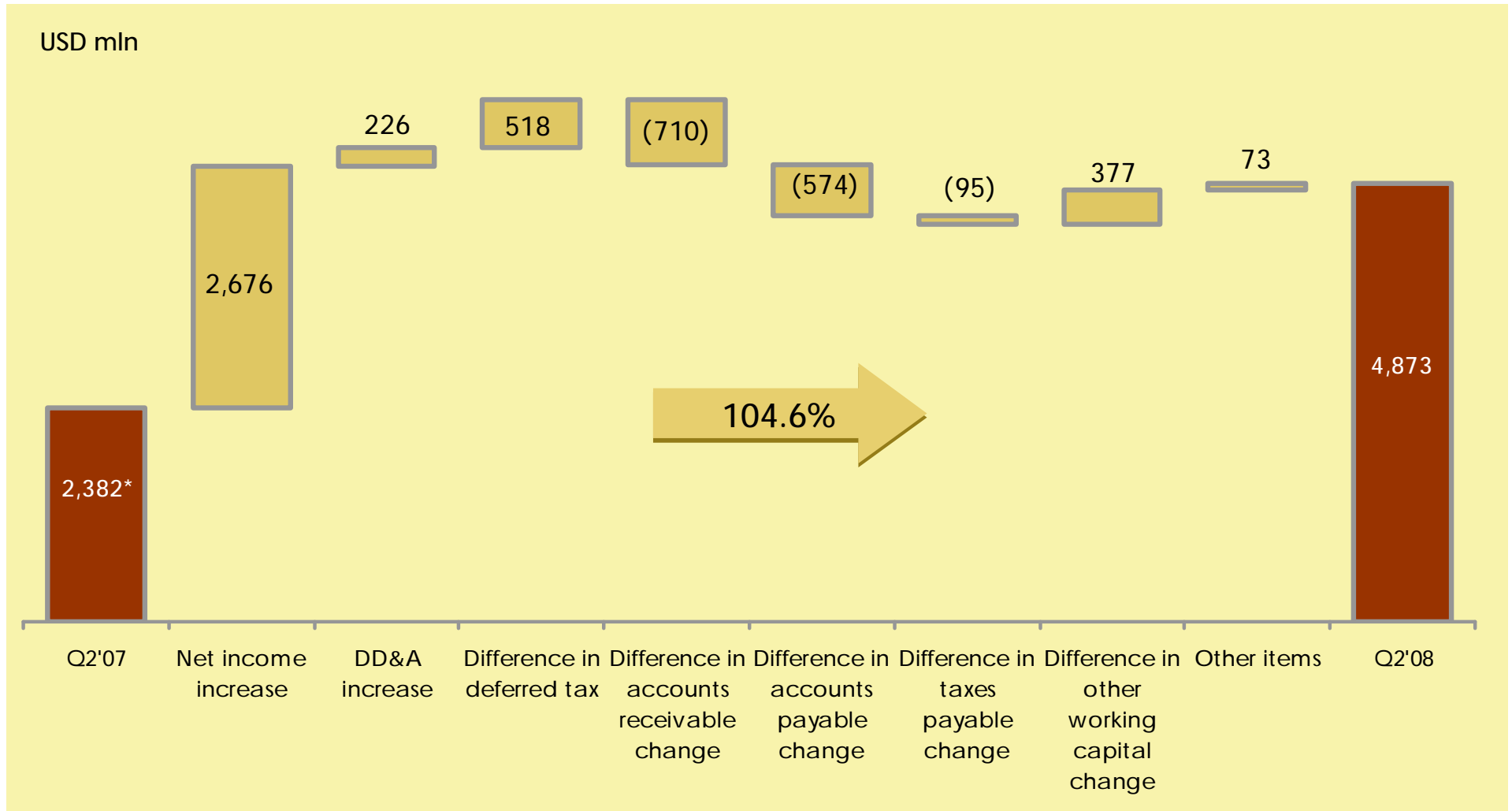
Adjusted Net Income/bbl Reconciliation: Q2'08 vs Q2'07



* Adjusted for the Yukos bankruptcy gain and the effect of non-operating accrual of fines and penalties related to pre-acquisition Yuganskneftegaz tax debt.



Operating Cash Flow Reconciliation: Q2'08 vs Q2'07



*Operating cash flow is adjusted for the net proceeds from Yukos bankruptcy.



Capital Expenditures

USD mln	1H'08	1H'07	Q2'08	Q2'07
Exploration and production	3,040	1,740	1,746	980
Yuganskneftegaz	1,316	986	749	548
Vankor	1,098	392	584	254
Purneftegaz	294	144	215	93
Severnaya Neft	91	85	60	46
Samaraneftegaz	79	-	55	-
Other upstream ¹	162	133	83	39
Refining and marketing	556	204	395	99
OJSC NK Rosneft ²	102	54	85	7
Tuapse Refinery	84	30	55	16
Komsomolsk Refinery	28	32	19	25
Purchased Refineries	145	-	111	-
Marketing Business Units and Other downstream ³	197	88	125	51
Other	204	28	151	19
Sub Total	3,800	1,972	2,292	1,098
Construction materials (Vankorneft, Yuganskneftegaz, etc.)	447	316	206	158
Total Capital Expenditures	4,247	2,288	2,498	1,256
License purchase	47	5	38	5
E&P capital expenditures per barrel produced, USD/bbl	8.64	5.45	9.94	5.72

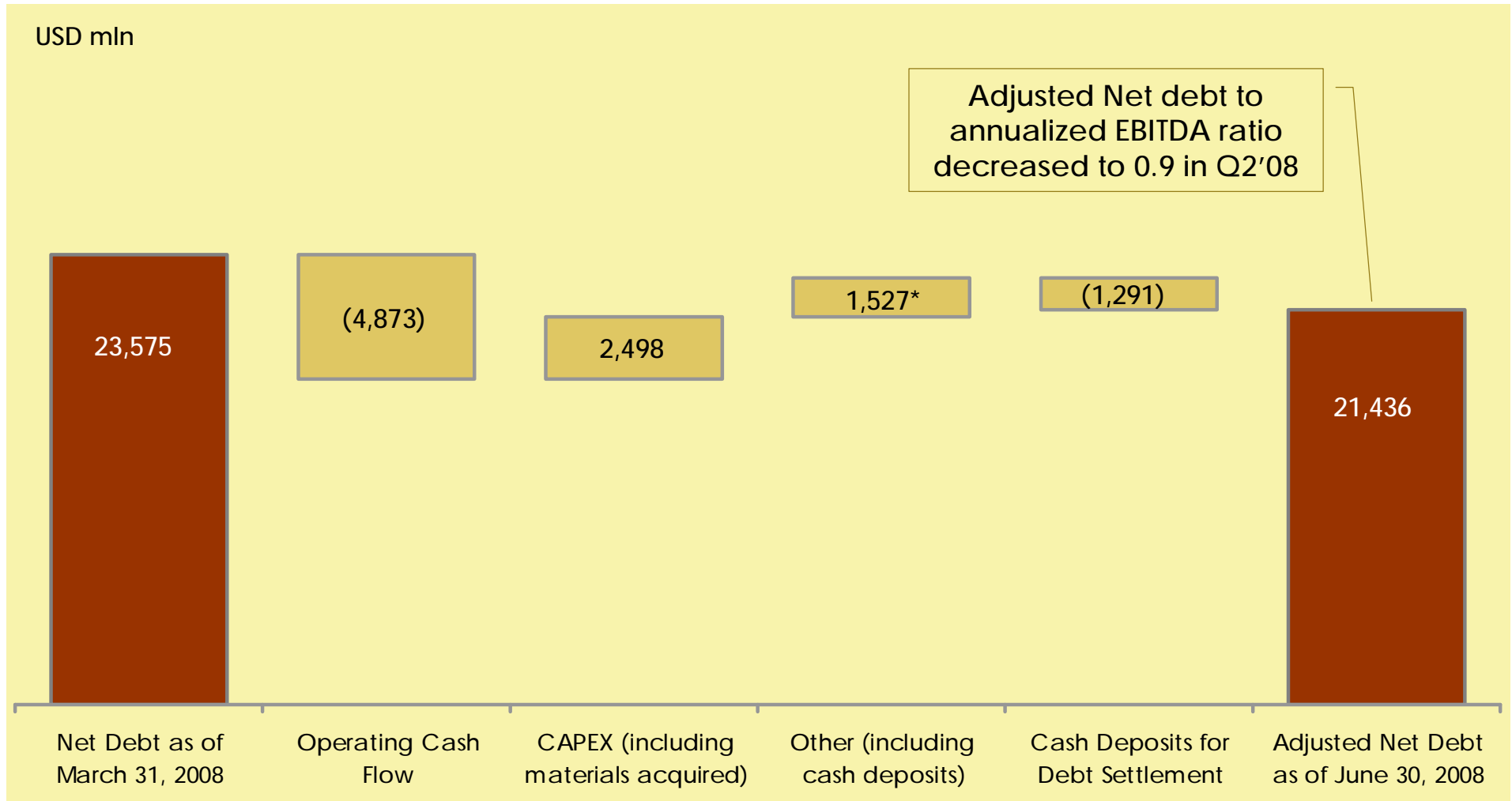
¹ Includes Krasnodarneftegaz, Stavropolneftegaz, Sakhalinmorneftegaz, Grozneftegaz, Sakhalin-1 etc.

² The growth is due to advances for the gas-turbine equipment.

³ Mainly companies providing processing and storage services.



Net Debt Reconciliation



* Including cash deposits of USD 1,291 mln (reflected as short-term investments as they are placed for more than 3 months) that will be used for debt settlement and that are placed till debt maturity.

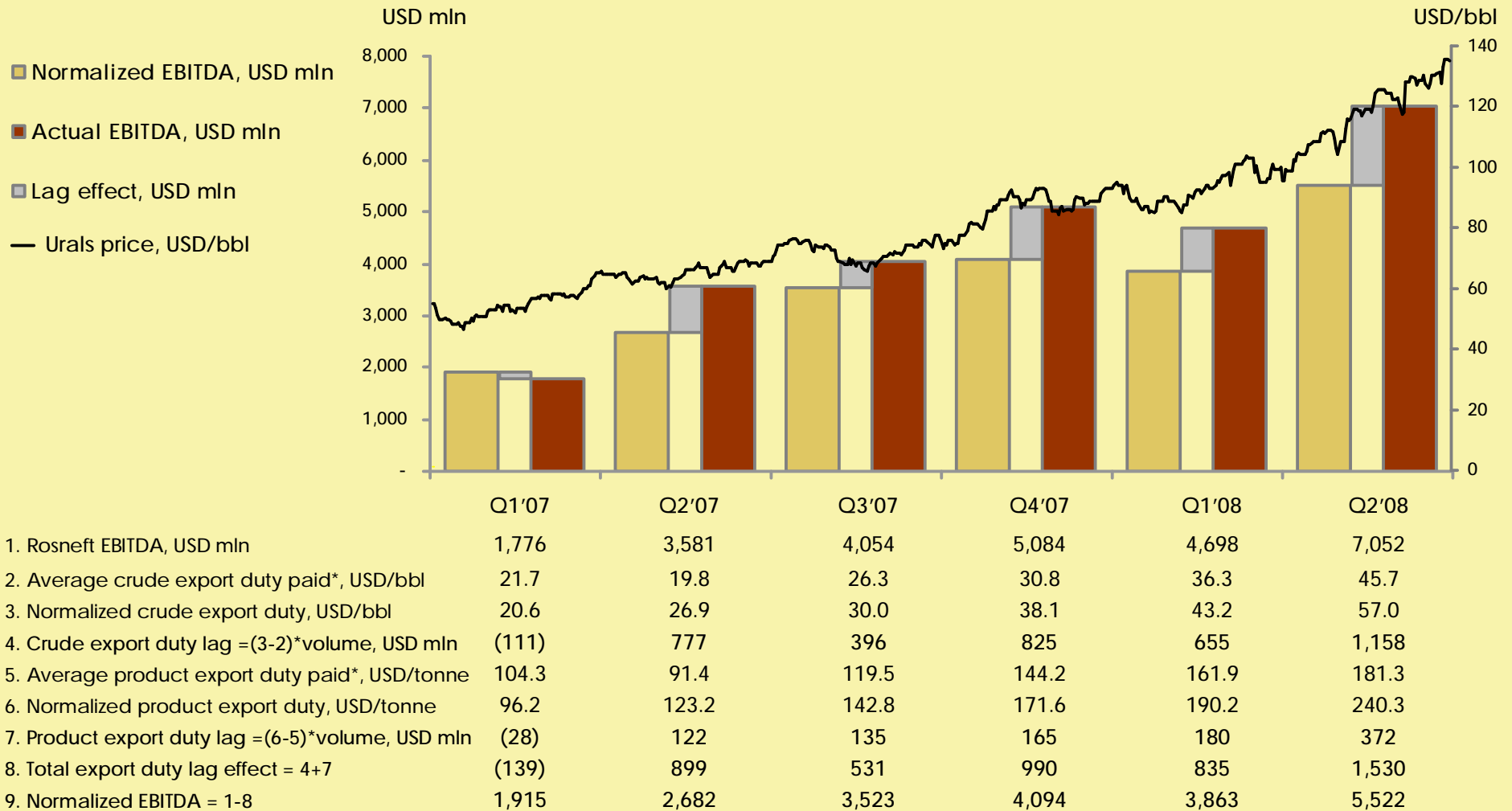


Rosneft Q2 and 1H 2008 US GAAP Financial Results

Appendix



Export Duty Lag Effect



* Average export duty paid is lower than the duty set by the Russian government because exports to some CIS countries and exports of Sakhalin-1 crude are not taxed.



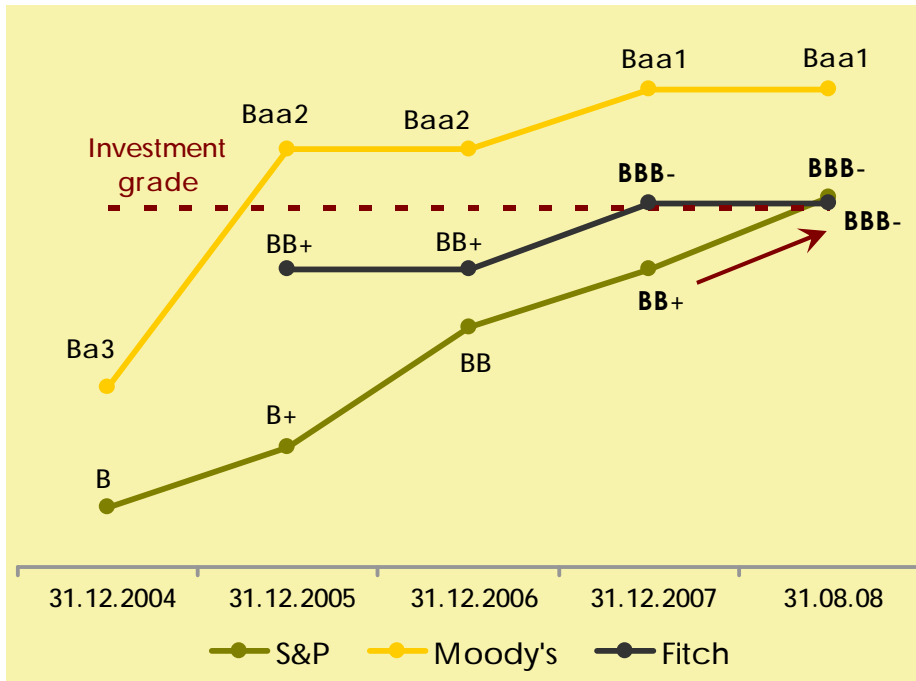
Adjustments to Net Income and EBITDA

USD mln	Q2'08	Q2'07	1H'08	1H'07
Net income	4,312	7,655	6,876	8,013
YNG tax penalties and fines	-	67	-	399
Gain from Yukos debt (net of tax effect)	-	(6,019)	-	(6,019)
Adjusted Net income	4,312	1,703	6,876	2,393
EBITDA	7,052	3,536	11,750	4,980
Accrual of YNG tax penalties and fines	-	45	-	342
Adjusted EBITDA	7,052	3,581	11,750	5,322

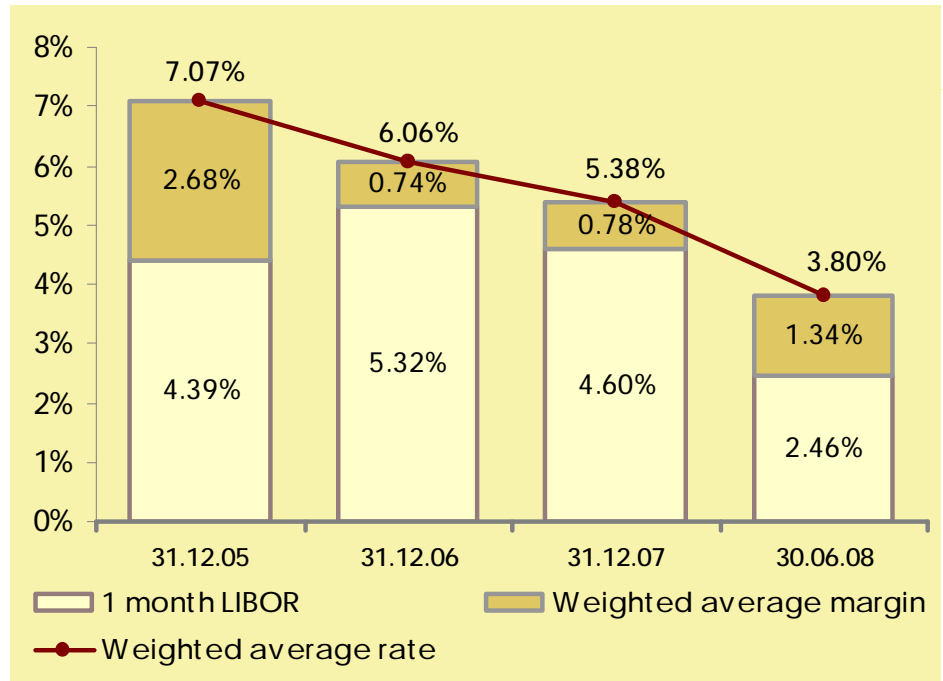


Improvement of Credit Ratings and Reduction of Weighted Average Cost of Borrowing

Improvement of Rosneft Credit Ratings



Weighted Average Cost of Borrowing

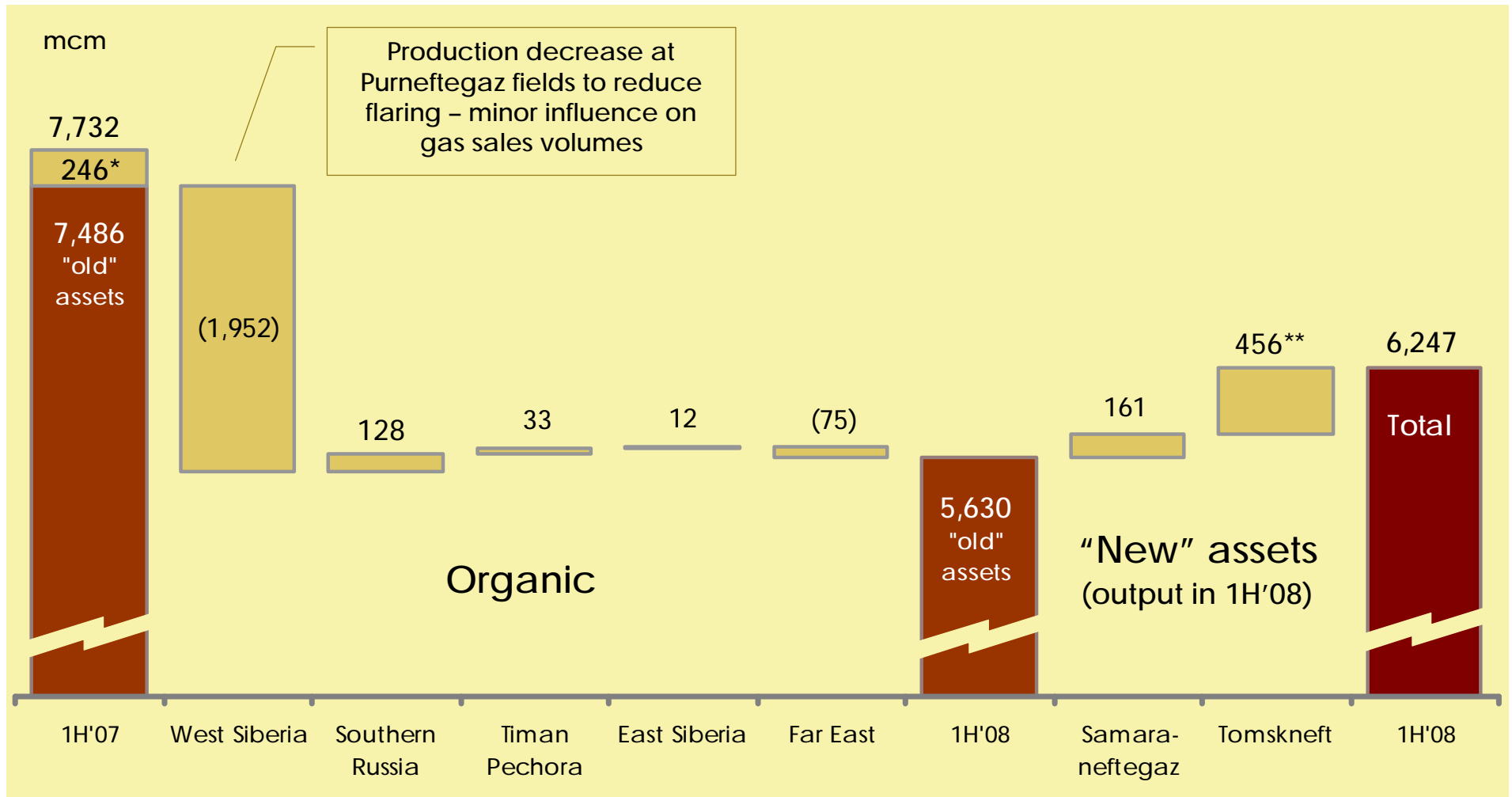


In 2008, Rosneft continues to efficiently manage its capital structure:

- § Credit rating upgrade by S&P
- § Investment grade rating from all the three major agencies
- § Successful debt refinancing and reduction of weighted average cost of debt
- § Strict observance of covenants



Gas Production Reconciliation: 1H'08 vs 1H'07



* Production by Samaraneftegaz, Tomskneft and VSNK from the date of acquisition in May 2007 to the end of June 2007.

** 50% share in Tomskneft production.