

# FINANCIAL RESULTS

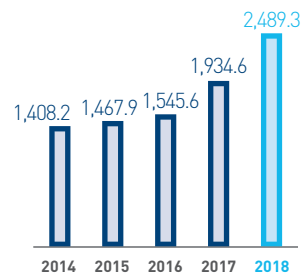
## Key financial indicators (IFRS)

Key financial indicators (P m)

Item	2014	2015	2016	2017	2018	Δ 2018/2017 (%)
<b>REVENUE<sup>1</sup></b>						
Crude oil, gas and petroleum products sales	1,644,558	1,581,777	1,637,553	1,870,790	2,418,717	29.3
Less: export duties and sales related excise	(282,319)	(187,832)	(150,156)	-	-	-
Other revenue	45,999	73,998	58,211	63,799	70,575	10.6
<b>Total revenue</b>	<b>1,408,238</b>	<b>1,467,943</b>	<b>1,545,608</b>	<b>1,934,589</b>	<b>2,489,292</b>	<b>28.7</b>
<b>COSTS AND OTHER DEDUCTIONS</b>						
Purchases of oil, gas and petroleum products	(382,505)	(345,909)	(351,294)	(456,037)	(617,306)	35.4
Production and operating expenses	(171,711)	(214,267)	(201,862)	(216,530)	(228,618)	5.6
Selling, general and administrative expenses	(86,318)	(100,176)	(108,981)	(106,629)	(114,882)	7.7
Transportation expenses	(116,125)	(133,320)	(132,984)	(141,982)	(147,182)	3.7
Depreciation, depletion and amortisation	(85,951)	(114,083)	(129,845)	(140,998)	(175,451)	24.4
Taxes other than income tax	(343,576)	(353,145)	(381,131)	(492,269)	(652,784)	32.6
Export duties	-	-	-	(76,658)	(94,916)	23.8
Exploration expenses	(936)	(922)	(1,195)	(963)	(1,411)	46.5
<b>Total operating expenses</b>	<b>(1,187,122)</b>	<b>(1,261,822)</b>	<b>(1,307,292)</b>	<b>(1,632,066)</b>	<b>(2,032,550)</b>	<b>24.5</b>
Other expenses	(8,471)	-	-	-	-	-
<b>OPERATING PROFIT</b>	<b>212,645</b>	<b>206,121</b>	<b>238,316</b>	<b>302,523</b>	<b>456,742</b>	<b>51.0</b>
Share of profit / (loss) of associates and joint ventures	(6,306)	24,956	34,116	45,504	90,704	99.3
Net foreign exchange (loss) / gain	(52,265)	(67,910)	28,300	(241)	(33,558)	>200
Finance income	7,075	14,732	11,071	10,098	7,506	(25.7)
Finance expense	(15,279)	(33,943)	(34,282)	(25,127)	(21,476)	(14.5)
Other (expenses) / income, net	-	1,494	(17,982)	(7,557)	(19,796)	162.0
<b>Total other (expenses) / income</b>	<b>(66,775)</b>	<b>(60,671)</b>	<b>21,223</b>	<b>22,677</b>	<b>23,380</b>	<b>3.1</b>
<b>PROFIT BEFORE INCOME TAX</b>	<b>145,870</b>	<b>145,450</b>	<b>259,539</b>	<b>325,200</b>	<b>480,122</b>	<b>47.6</b>
Current income tax expense	(17,518)	(38,026)	(21,290)	(43,695)	(59,585)	36.4
Deferred income tax benefit / (expense)	(1,696)	8,774	(28,524)	(11,827)	(19,544)	65.2
<b>Total income tax benefit / (expense)</b>	<b>(19,214)</b>	<b>(29,252)</b>	<b>(49,814)</b>	<b>(55,522)</b>	<b>(79,129)</b>	<b>42.5</b>
<b>Profit for the period</b>	<b>126,656</b>	<b>116,198</b>	<b>209,725</b>	<b>269,678</b>	<b>400,993</b>	<b>48.7</b>
Less: profit attributable to non-controlling interest	(4,563)	(6,537)	(9,546)	(16,404)	(24,326)	48.3
<b>Profit attributable to Gazprom Neft</b>	<b>122,093</b>	<b>109,661</b>	<b>200,179</b>	<b>253,274</b>	<b>376,667</b>	<b>48.7</b>

In 2018, Gazprom Neft showed sustainable growth across key financial indicators. The Company's revenue went up by 28.7% to ₺ 2.49 tn, which was driven by a favourable pricing environment, improved operational efficiency and consistent production growth at the Novoportovskoye, Prirazlomnoye and Vostochno-Messoyakhskoye fields.

**Gazprom Neft's revenue**  
 (₺ bn)



**Gazprom Neft's net profit**  
 (₺ bn)



## Revenue

### Revenue from sales (₺ m)

Item	2014	2015	2016	2017	2018	Δ 2018/2017 (%)
<b>CRUDE OIL</b>						
Net export (excluding CIS)	107,340	115,905	225,137	413,662	552,692	33.6
Export sales (excluding CIS)	229,065	180,240	266,661	413,662	552,692	33.6
Less: export duties	(121,725)	(64,335)	(41,524)			
International markets	4,036	9,146	12,683	22,480	37,938	68.8
Net export to CIS	15,889	27,581	23,528	30,117	38,993	29.5
Export sales and sales in CIS	15,889	28,416	23,657	30,117	38,993	29.5
Less: export duties	-	(835)	(129)			
Domestic market	42,624	81,187	94,809	83,393	88,848	6.5
<b>Total crude oil revenue</b>	<b>169,889</b>	<b>233,819</b>	<b>356,157</b>	<b>549,652</b>	<b>718,471</b>	<b>30.7</b>
<b>GAS</b>						
International markets	1,604	3,411	1,853	1,237	1,010	(18.4)
Domestic market	24,406	28,243	30,116	36,351	35,805	(1.5)
<b>Total gas revenue</b>	<b>26,010</b>	<b>31,654</b>	<b>31,969</b>	<b>37,588</b>	<b>36,815</b>	<b>(2.1)</b>

<sup>1</sup> Starting from 1 January 2018, the Group has been applying IFRS 15 Revenue from Contracts with Customers. In line with its transitional provisions, the Group applies the standard retrospectively, adjusting the comparative data for 2017 financial year:

- expenses associated with export duties in the amount of ₺ 76.7 bn were reclassified;
- revenue from transportation services in the amount of ₺ 2.0 bn, included in the sales price of petroleum products, was reclassified from Crude oil, gas and petroleum product sales to Other revenue.
- crude oil, gas and petroleum product sales were disclosed net of 2017 excise taxes of ₺ 69 bn (vs ₺ 92.8 bn for 2018).