

**Recommendations of the Board of Directors of the Company on distribution of profits
(including the amount, timing and form of payment of dividends on shares of the Company) and losses
of the Company based on 2011 results**

1. To approve the following distribution of Rosneft profits based on 2011 financial year results:

	<i>mln.</i>	
	<i>roubles</i>	
Profit before taxation	285,159.4	
Change in deferred tax assets	1,624.7	
Change in deferred tax liabilities	(2,034.7)	
Profit tax and similar compulsory payments	(47,929.9)	
Net profit	236,819.5	
Expenses deducted from net profit	236,819.5	
<i>including:</i>		
payment of dividends	36,563.7	<i>(15.4 % of net profit)</i>
investment, production and social development of Rosneft	200,255.8	<i>(84.6 % of net profit)</i>

2. To pay dividends based on results of 2011 financial year in cash in the amount of 3 rubles 45 kopeks (three rubles forty five kopeks) per one share. To pay dividends simultaneously to all shareholders not later than on August 19, 2012.

**Information on availability of conditions for payment of dividends
on Rosneft shares for the year 2011**

Rosneft has the conditions for declaration of dividends on the Company's shares for 2011 financial year and for payment of the said dividends in accordance with Article 43 of the Federal Law "On Joint Stock Companies" taking into account the following expectations:

before decision on dividends payment:

- Rosneft authorized capital will remain paid for in full;
- Rosneft will complete the procedure of share buyback in accordance with Article 76 of the Federal Law «On Joint Stock Companies»;

as of the dividends payment decision date and the dividends payment date:

• Rosneft will not be qualified for insolvency (bankruptcy) in accordance with the Russian Federation insolvency (bankruptcy) legislation and will not be thus qualified as a result of dividends payment;

• the value of net assets of Rosneft will not be less than the Company's authorized capital and reserve fund and will not turn less than the latter amount as a result of dividends payment decision or dividends payment (*as of December 31, 2011 the value of net assets of Rosneft exceeded the value of the Company's authorized capital and reserve fund by RUR 1,119,289,371 thousand*).