



OIL TRANSPORTING
JOINT STOCK COMPANY
"TRANSNEFT"

**CONSOLIDATED INTERIM CONDENSED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2013**



**WE TRANSPORT OIL,
SO IT SETS THE WORLD IN MOTION**

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Auditors' Report on Review of Consolidated Interim Condensed Financial Information

To Board of Directors

ОАО АК Транснефт

Introduction

We have reviewed the accompanying consolidated interim condensed statement of financial position of ОАО «АК «Транснефт» (the "Company") and its subsidiaries (the "Group") as at 30 June 2013, and the related consolidated interim condensed statements of profit or loss and other comprehensive income for the three- and six-month periods then ended, changes in equity and cash flows for the six-month period then ended, and notes to the consolidated interim condensed financial information (the "consolidated interim condensed financial information"). Management is responsible for the preparation and presentation of this consolidated interim condensed financial information in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this consolidated interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of consolidated interim condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Audited entity: ОАО АК Транснефт

Registered by Moscow Registration Chamber on 26 August 1993,
Registration No. 026.800

Registered in the Unified State Register of Legal Entities/Entered in
the Unified State Register of Legal Entities on 24 July 2002 by
Department of Ministry of Taxes and Duties, Registration No.
1027700049486, Certificate series 77 No. 007893052.

119180, Moscow, ul. Bol'shaya Polyanka, 57

Independent auditor: ZAO KPMG, a company incorporated under the
Laws of the Russian Federation, a part of the KPMG Europe LLP group,
and a member firm of the KPMG network of independent member
firms affiliated with KPMG International Cooperative ("KPMG
International"), a Swiss entity.

Registered by the Moscow Registration Chamber on 25 May 1992,
Registration No. 011.585.

Entered in the Unified State Register of Legal Entities on 13 August
2002 by the Moscow Inter-Regional Tax Inspectorate No.39 of the
Ministry for Taxes and Duties of the Russian Federation, Registration
No. 1027700125628, Certificate series 77 No. 005721432.

Member of the Non-commercial Partnership "Chamber of Auditors of
Russia". The Principal Registration Number of the Entry in the State
Register of Auditors and Audit Organisations: No.10301000804.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim condensed financial information as at 30 June 2013 and for the three and six-month period then ended is not prepared, in all material respects, in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

Shvetsov V.
General Director
ZAO KPMG

29 August 2013

Moscow, Russian Federation





OAO AK TRANSNEFT
CONSOLIDATED INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 30 JUNE 2013

(in millions of Russian roubles, if not stated otherwise)

ASSETS

Non-current assets	Notes	30 June 2013	31 December 2012
Intangible assets		2,559	2,101
Property, plant and equipment	5	1,487,575	1,454,147
Available-for-sale financial assets		202	241
Investments in associates and jointly controlled entities	6	39,264	38,622
VAT assets	9	34	35
Receivables and prepayments	9	666	877
Other financial assets	7	48,366	39,307
Total non-current assets		1,578,666	1,535,330
Current assets			
Inventories	8	29,040	25,623
Receivables and prepayments	9	43,095	39,808
VAT assets	9	49,301	84,059
Current income tax prepayments		4,323	14,181
Other financial assets	7	295,336	213,481
Cash and cash equivalents	10	113,032	84,517
Total current assets		534,127	461,669
Total assets		2,112,793	1,996,999

EQUITY AND LIABILITIES

Equity

Share capital		308	308
Share premium reserve		52,553	52,553
Merger reserve		(13,080)	(13,080)
Retained earnings		1,178,637	1,096,088
Attributable to the shareholders of OAO AK Transneft		1,218,418	1,135,869
Non-controlling interests		39,668	37,186
Total equity		1,258,086	1,173,055

Non-current liabilities

Loans and borrowings	13	529,274	544,103
Deferred income tax liabilities	14	43,492	39,300
Provisions for liabilities and charges	15	85,335	92,598
Total non-current liabilities		658,101	676,001

Current liabilities

Trade and other liabilities, including derivatives	16	121,194	122,261
Current income tax payable		592	151
Loans and borrowings	13	74,820	25,531
Total current liabilities		196,606	147,943
Total liabilities		854,707	823,944
Total equity and liabilities		2,112,793	1,996,999

Approved on 29 August 2013 by:

N.P. Tokarev

President

M.V. Russkikh

General director of OOO Transneft Finance,
a specialized organization, which performs
the accounting function for OAO AK Transneft



The accompanying notes set out on pages 9 to 23 are an integral part of these consolidated interim condensed financial statements



OAO AK TRANSNEFT
CONSOLIDATED INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME (UNAUDITED) FOR THE SIX MONTHS ENDED 30 JUNE 2013
(in millions of Russian roubles, if not stated otherwise)

	Notes	Three months ended 30 June 2013	Six months ended 30 June 2013	Three months ended 30 June 2012	Six months ended 30 June 2012
Revenue	17	185,498	369,369	179,943	361,293
Operating expenses	18	(121,773)	(239,892)	(113,226)	(230,821)
Operating profit		63,725	129,477	66,717	130,472
Financial items:					
Exchange gain		17,620	31,980	31,514	81,638
Exchange loss		(21,360)	(37,990)	(46,647)	(79,466)
Interest income	19	4,398	7,324	3,487	5,117
Interest expense	19	(9,370)	(18,792)	(7,876)	(14,483)
Net change in fair value of derivatives	16	(443)	(240)	(958)	(374)
Total financial items		(9,155)	(17,718)	(20,480)	(7,568)
Share of profit/ (loss) from associates and jointly controlled entities	6	(101)	437	(594)	1,356
Profit before income tax		54,469	112,196	45,643	124,260
Income tax expense	14	(11,609)	(22,812)	(10,125)	(28,900)
Profit for the period		42,860	89,384	35,518	95,360
Other comprehensive income after tax					
<i>Items that may be reclassified to profit and loss</i>					
Currency translation differences, net of tax		(10)	(10)	76	7
Fair value losses on available-for-sale financial assets, net of tax		-	-	(2)	(22)
<i>Total items that may be reclassified to profit and loss</i>		<i>(10)</i>	<i>(10)</i>	<i>74</i>	<i>(15)</i>
<i>Items that will not be reclassified to profit and loss</i>					
Remeasurement of defined benefit plan obligation		237	522	-	-
<i>Total items that will not be reclassified to profit and loss</i>		<i>237</i>	<i>522</i>	<i>-</i>	<i>-</i>
Total comprehensive income after tax		43,087	89,896	35,592	95,345
Profit attributable to:					
Shareholders of OAO AK Transneft		41,704	86,902	34,532	93,244
Non-controlling interests		1,156	2,482	986	2,116
Total comprehensive income attributable to:					
Shareholders of OAO AK Transneft		41,931	87,414	34,606	93,229
Non-controlling interests		1,156	2,482	986	2,116

Approved on August 2013 by:

N.P. Tokarev

President

M.V. Russkikh

General director of OOO Transneft Finance, a specialized organization, which performs the accounting function for OAO AK Transneft

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OAO AK TRANSNEFT
 CONSOLIDATED INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED) FOR
 THE SIX MONTHS ENDED 30 JUNE 2013
 (in millions of Russian roubles, if not stated otherwise)

Notes	Six months ended 30 June 2013	Six months ended 30 June 2012
Cash flows from operating activities		
Cash receipts from customers	385,165	376,426
Cash paid to suppliers and employees, and taxes other than profit tax	(255,613)	(276,451)
Interest paid	(13,815)	(14,735)
Income tax paid	(15,385)	(48,517)
Income tax refunds	6,752	12,437
VAT and other taxes refunds	71,534	33,034
Other cash used in operating activities	(2,429)	(595)
Net cash from operating activities	176,209	81,599
Cash flows used in investing activities		
Purchase of property, plant and equipment	(87,600)	(85,293)
Proceeds from sales of property, plant and equipment	154	129
Interest and dividends received	3,441	5,418
Repayment of loans issued	-	(200)
Purchase of notes	(148,615)	(117,423)
Sale of notes	83,300	97,729
Other cash used in investing activities	(1,414)	(3,139)
Net cash used in investing activities	(150,734)	(102,779)
Cash flows used in financing activities		
Proceeds from/ (repayment of) long and short-term loans and borrowings	632	(46,192)
Purchase of non-controlling interest	(1,255)	(3,600)
Other cash proceeded in financing activities	-	89
Net cash used in financing activities	(623)	(49,703)
Change in cash due to deviation of currency exchange rate	3,663	(223)
Net increase / (decrease) in cash and cash equivalents	28,515	(71,106)
Cash and cash equivalents at the beginning of the period	10	84,517
Cash and cash equivalents at the end of the period	10	145,546
		74,440

Approved on 29 August 2013 by:

N.P. Tokarev

President

M.V. Russ

General director of OOO Transneft Finance,
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 the accounting function for OAO AK Transneft



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OAO AK TRANSNEFT
CONSOLIDATED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2013
(in millions of Russian roubles, if not stated otherwise)

	Attributable to the shareholders of OAO AK Transneft					Non-controlling interests	Total equity
	Share capital	Share premium reserve	Merger reserve	Retained earnings	Total		
Balance at 1 January 2012	308	52,553	(13,080)	919,690	959,471	37,056	996,527
Profit for the period	-	-	-	93,244	93,244	2,116	95,360
Fair value loss on available-for sale financial assets, net of tax	-	-	-	(22)	(22)	-	(22)
Currency translation differences, net of tax	-	-	-	7	7	-	7
Total comprehensive income for the period	-	-	-	93,229	93,229	2,116	95,345
Acquisition of non-controlling interest	-	-	-	490	490	(4,090)	(3,600)
Dividends paid on							
- ordinary shares	-	-	-	(1,671)	(1,671)	(122)	(1,793)
- preference shares	-	-	-	(1,114)	(1,114)	-	(1,114)
Balance at 30 June 2012	308	52,553	(13,080)	1,010,624	1,050,405	34,960	1,085,365
Balance at 1 January 2013	308	52,553	(13,080)	1,096,088	1,135,869	37,186	1,173,055
Profit for the period	-	-	-	86,902	86,902	2,482	89,384
Defined benefit plan actuarial gains	-	-	-	522	522	-	522
Currency translation differences, net of tax	-	-	-	(10)	(10)	-	(10)
Total comprehensive income for the period	-	-	-	87,414	87,414	2,482	89,896
Dividends paid on							
- ordinary shares	-	-	-	(3,800)	(3,800)	-	(3,800)
- preference shares	-	-	-	(1,065)	(1,065)	-	(1,065)
Balance at 30 June 2013	308	52,553	(13,080)	1,178,637	1,218,418	39,668	1,258,086

Approved on 29 August 2013 by:

N.P. Tokarev

President

M.V. Russki

General director of OOO Transneft Finance, a specialized organization, which performs the accounting function for OAO AK Transneft



The accompanying notes set out on pages 9 to 23 are an integral part of these consolidated interim condensed financial statements



1 NATURE OF OPERATIONS

OAO AK Transneft (the "Company") was established as an open joint stock company and incorporated on 14 August 1993 by the Russian Government Resolution No. 810 under Presidential Decree No. 1403 dated 17 November 1992. The Company's registered office is at 119180 Moscow, Ul. Bolshaya Polyanka 57, Russian Federation.

The Company and its subsidiaries (the "Group") operate the oil pipeline system in the Russian Federation totalling 53,577 km at 30 June 2013 and the oil products pipeline system in the Russian Federation and in the Republics of Belarus and Ukraine totalling 19,064 km as at 30 June 2013. Its associate OOO LatRosTrans operates an interconnected system in the Latvian Republic.

During the six months ended 30 June 2013, the Group transported 237.8 million tons of crude oil to domestic and export markets (six months ended 30 June 2012 – 238.1 million tons), which represents a substantial majority of the crude oil produced in the territory of the Russian Federation during that period, and 16.0 million tons of oil products (12.9 million tons for the six months ended 30 June 2012).

2 ECONOMIC ENVIRONMENT IN THE RUSSIAN FEDERATION

The Russian Federation displays certain characteristics of an emerging market, including relatively high inflation and high interest rates. There can be different developments in the economic environment which can have a varying impact on the Group's operations and management is unable to predict their potential effect on the financial position of the Group. The impact of recent economic crisis on the Group's operations is limited due to the fact that prices for its services are regulated by the Government. Furthermore, the Group's monopoly position on the Russian oil and oil product pipeline transportation market ensures sustainable demand for the Group's services. Group management believes that cash flows from ongoing operations are sufficient to finance the Group's current operations and to service its debt obligations.

Furthermore, the tax, currency and customs legislation within the Russian Federation is subject to varying interpretations and frequent changes, and other legal and fiscal impediments contribute to the challenges faced by entities currently operating in the Russian Federation. The future economic direction of the Russian Federation is largely dependent upon the effectiveness of economic, financial and monetary measures undertaken by the Government, together with tax, legal, regulatory, and political developments.

3 BASIS OF PRESENTATION

The consolidated interim condensed financial statements are prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") and should be read together with the consolidated financial statements for the year ended 31 December 2012 prepared in accordance with International Financial Reporting Standards ("IFRS").

Certain comparative amounts have been corrected to conform with the current period presentation.

The official US dollar ("USD") to Russian Rouble ("RUB") exchange rate as determined by the Central Bank of the Russian Federation was 32.7090 and 30.3727 as at 30 June 2013 and 31 December 2012, respectively. The official Euro ("EURO") to Russian Rouble ("RUB") exchange rate as determined by the Central Bank of the Russian Federation was 42.7180 and 40.2286 as at 30 June 2013 and 31 December 2012, respectively.



4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATIONS MADE

The principal accounting policies followed by the Group and the critical accounting estimates in applying accounting policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2012 except for amendments relating to implementation of new standards and interpretations which have become effective after 1 January 2013.

Changes in accounting policies

The Group has adopted certain standards and amendments requiring remeasurement of financial statements for prior periods. These standards and amendments include IFRS 13 Fair Value Measurement, as well as amendments to IAS 1 Presentation of financial statements. In accordance with IAS 34 the description of the nature and effect of these changes is presented below.

Amendment to IAS 1 Presentation of Items of Other Comprehensive Income

The amendment requires that an entity presents separately items of other comprehensive income that may be reclassified to profit or loss in the future from those that will never be reclassified to profit or loss. Additionally, the amendment changes the title of the statement of comprehensive income to statement of profit or loss and other comprehensive income.

The amendment only concerns presentation and does not affect the Group's consolidated financial performance or its results.

IFRS 13 Fair Value Measurement presents the fair value measurement guidance contained in individual IFRSs with a single source of fair value measurement guidance. Comparative disclosure information is not required for periods before the date of initial application.

The adoption of IFRS 13 has not significantly influenced the fair value measurement calculated by the Group.

IFRS 13 requires specific disclosures to be made relating to the fair value, some of them have replaced current requirements contained in other IFRSs including IFRS 7 Financial instruments: Disclosure. IAS 34.16 A (j) requires specific disclosures in relation to the consolidated interim condensed financial statements. The Group has disclosed these disclosures in Note 13.

The Group has not earlier adopted new standards and interpretations which have been published but have not yet become effective.

A number of new standards and amendments including IFRS 10 Consolidated financial statements, IFRS 11 Joint Arrangements have been applied in 2013 for the first time. Besides, the adoption of IFRS 12 *Disclosure of Interests in Other Entities* will require additional disclosures in the annual consolidated financial statements. The adoption of these standards did not significantly impact the consolidated financial position as well as results of the Group.



5 PROPERTY, PLANT AND EQUIPMENT

	Buildings and facilities	Pipelines and tanks	Other plant and equipment	Line fill	Assets under construction including prepayments	Total
At 1 January 2013						
Cost	157,566	1,037,518	654,543	100,647	124,206	2,074,480
Accumulated depreciation and impairment	(40,355)	(313,166)	(266,812)	-	-	(620,333)
Net book value at 1 January 2013	117,211	724,352	387,731	100,647	124,206	1,454,147
Depreciation	(2,742)	(20,389)	(28,672)	-	-	(51,803)
Additions (including prepayments)	-	-	-	1,424	96,180	97,604
Transfers from assets under construction	1,215	4,451	7,126	-	(12,792)	-
Net change in dismantlement provision	-	(11,710)	-	-	22	(11,688)
Disposals/retirements at cost	(374)	(903)	(1,104)	(290)	-	(2,671)
Accumulated depreciation and impairment on disposals/retirements	208	816	962	-	-	1,986
Net book value at 30 June 2013	115,518	696,617	366,043	101,781	207,616	1,487,575
At 30 June 2013						
Cost	158,407	1,029,356	660,565	101,781	207,616	2,157,725
Accumulated depreciation and impairment	(42,889)	(332,739)	(294,522)	-	-	(670,150)
Net book value at 30 June 2013	115,518	696,617	366,043	101,781	207,616	1,487,575



5 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Buildings and facilities	Pipelines and tanks	Other plant and equipment	Line fill	Assets under construction including prepayments	Total
At 1 January 2012						
Cost	130,793	807,460	499,225	84,502	358,831	1,880,811
Accumulated depreciation and impairment	(36,019)	(278,766)	(222,525)	-	-	(537,310)
Net book value at 1 January 2012	94,774	528,694	276,700	84,502	358,831	1,343,501
Depreciation	(2,113)	(18,718)	(22,572)	-	-	(43,403)
Additions (including prepayments)	-	-	-	7,600	100,495	108,095
Transfers from assets under construction	5,127	37,187	39,344	-	(81,658)	-
Net change in dismantlement provision	-	(989)	-	-	291	(698)
Disposals/retirements at cost	(235)	(802)	(810)	(103)	-	(1,950)
Accumulated depreciation and impairment on disposals/retirements	176	205	549	-	-	930
Net book value at 30 June 2012	97,729	545,577	293,211	91,999	377,959	1,406,475
At 30 June 2012						
Cost	135,685	842,856	537,759	91,999	377,959	1,986,258
Accumulated depreciation and impairment	(37,956)	(297,279)	(244,548)	-	-	(579,783)
Net book value at 30 June 2012	97,729	545,577	293,211	91,999	377,959	1,406,475

In value terms line fill represents RUB 94,394 of crude oil and RUB 7,387 of oil products as at 30 June 2013 (as at 31 December 2012 – RUB 93,431 of crude oil and RUB 7,216 of oil products).

During the six months ended 30 June 2013, borrowing costs in the amount of RUB 1,022 were capitalised as part of cost of assets under construction (for the six months ended 30 June 2012 – RUB 8,819) including interests to be capitalised in the amount of RUB 1,872 less interest income on the temporary investment of borrowings in the amount of RUB 1,642 as disclosed in Note 19.

6 INVESTMENTS IN ASSOCIATES AND JOINTLY CONTROLLED ENTITIES

Summarised financial information of associates and jointly controlled entities was as follows:

	30 June 2013	31 December 2012
Assets	254,031	242,944
Liabilities	(98,648)	(97,495)
	Six months ended 30 June 2013	Six months ended 30 June 2012
Revenue	36,657	37,962
Profit for the period	2,442	7,213

**7 OTHER FINANCIAL ASSETS**

During the six months ended 30 June 2013 following long-term financial assets were purchased by the Group:

- zero-coupon notes which are subject to repayment on demand but not earlier than July 2014. The notes were purchased for a consideration of USD 230 million (RUB 7,228 at the CBR exchange rate effective at the purchase date), with nominal value of USD 235 million, which have a carrying value of RUB 7,533 (at the CBR exchange rate effective as at 30 June 2013).

During the six months ended 30 June 2013 following short-term financial assets were purchased by the Group:

- zero-coupon notes which are subject to repayment on demand but not earlier than January 2014 – June 2014. The notes were purchased for a consideration of USD 3,669 million (RUB 114,045 at the CBR exchange rate effective at the purchase date), with nominal value of USD 3,772 million, which have a carrying value of RUB 120,464 (at the CBR exchange rate effective as at 30 June 2013);
- interest notes which are subject to repayment in August 2013 – June 2014. The notes were purchased for a consideration of USD 794 million (RUB 24,842 at the CBR exchange rate effective at the purchase date), have a carrying value of RUB 25,958 (at the CBR exchange rate effective as at 30 June 2013);
- interest notes which are subject to repayment in May 2014. The notes were purchased for a consideration of RUB 2,500.

These notes were purchased from entities, which are under common control or significant influence of the state.

According to IAS 39 *Financial Instruments: Recognition and Measurement* these notes were classified as loans and receivables and the Group does not intend to dispose these notes prior to the maturity date.

8 INVENTORIES

	30 June 2013	31 December 2012
Materials and supplies	21,204	19,104
Sundry goods for resale	7,818	6,503
Other items	18	16
	29,040	25,623

Materials and supplies are presented net of provisions for obsolescence of RUB 190 as at 30 June 2013 (as at 31 December 2012 – RUB 138).

9 RECEIVABLES AND PREPAYMENTS AND VAT ASSETS**Receivables and prepayments**

	30 June 2013	31 December 2012
Financial assets		
Other long-term receivables	666	877
Total long-term receivables	666	877

	30 June 2013	31 December 2012
Short-term receivables		
Financial assets		
Trade receivables	18,778	22,084
Other receivables	15,293	9,366
less: provision for doubtful debts	(2,976)	(3,130)
Total financial assets	31,095	28,320
Non-financial assets		
Prepayments and advances and other non-financial assets	12,000	11,488
Total receivables	43,095	39,808



9 RECEIVABLES AND PREPAYMENTS AND VAT ASSETS (CONTINUED)

VAT assets

	30 June 2013	31 December 2012
Recoverable VAT related to construction projects	1,729	40,747
Recoverable VAT related to ordinary activity	47,606	43,347
Total VAT assets	49,335	84,094
Less: short-term VAT	(49,301)	(84,059)
Long-term VAT	34	35

10 CASH AND CASH EQUIVALENTS

	30 June 2013	31 December 2012
Balances denominated in Russian roubles	62,242	38,461
Balances denominated in US dollars	49,540	44,405
Balances denominated in Euro	1,163	1,596
Balances denominated in other currency	87	55
	113,032	84,517

11 DIVIDENDS

In June 2013 the shareholders of the Company approved the payment of dividends for the year ended 31 December 2012 in the amount of RUB 4,865 (preference shares – RUB 1,065, ordinary shares – RUB 3,800). Dividends are to be paid out not later than 60 days after approval by the shareholders.

In June 2012 the shareholders of the Company approved the payment of dividends for the year ended 31 December 2011 in the amount of RUB 2,785 (preference shares – RUB 1,114, ordinary shares – RUB 1,671). Dividends were paid out in August 2012.

According to the decision of the General meeting held by subsidiary of the Group the dividends in the amount of RUB 122 for the year ended 31 December 2011 were paid out to the non-controlling shareholders.

12 ACQUISITION OF NON-CONTROLLING INTEREST

In May 2012 the Group acquired the additional share of 49% of OAO VOSTOKNEFTETRANS for the consideration of RUB 3,600 which was paid out in cash. The acquisition resulted in increase of a total share in OAO VOSTOKNEFTETRANS from 51% to 100%. As at the date of acquisition the book value of net assets in the Group's consolidated financial statements amounted to RUB 8,348. The Group recognized a decrease in non-controlling interests in the amount of RUB 4,090 and an increase in retained earnings amounting to RUB 490.

13 LOANS AND BORROWINGS

	30 June 2013	31 December 2012
Loans and borrowings	604,094	569,634
Less: current loans and borrowings, current portion of long-term loans and borrowings	(74,820)	(25,531)
	529,274	544,103
Maturity of non-current loans and borrowings		
Between one and five years	256,881	281,042
After five years	272,393	263,061
	529,274	544,103

The non-convertible interest-bearing documentary bonds amounting to RUB 135,000 which mature in 2019 with a possibility of earlier repayment required by bond-holders or by intention of the issuer in 2015 are included in non-current borrowings and loans with maturity ranging between one and five years.

Type of bonds	Interest rate	Currency	Carrying amounts		Fair value	
			30 June 2013	31 December 2012	30 June 2013	31 December 2012
Non-convertible interest-bearing documentary	Floating	RUB	135,000	135,000	141,497	142,713
Non-convertible interest-bearing documentary	Fixed	RUB	34,000	34,000	34,570	34,136
Eurobonds	Fixed	USD	96,492	89,600	104,058	101,661

**13 LOANS AND BORROWINGS (CONTINUED)**

Fair values of loans and borrowings with floating interest rate except for above-disclosed do not differ materially from their carrying amounts as at 30 June 2013 and 31 December 2012.

14 DEFERRED TAX LIABILITIES AND INCOME TAX EXPENSE

Differences between the recognition criteria in Russian statutory taxation regulations and IFRS give rise to certain temporary differences between the carrying value of certain assets and liabilities for financial reporting purposes and for profit tax purposes. In the interim condensed consolidated financial statements income tax expense is recognised based on the best estimation of the average annual income tax rate expected for the financial year. Income tax expense in the consolidated interim condensed financial statements is accrued based on full-year effective rate applied to the pre-tax income of the interim period.

15 PROVISIONS FOR LIABILITIES AND CHARGES

	30 June 2013	31 December 2012
Dismantlement provision	69,281	78,266
Pension provision	9,732	10,153
Other	6,322	4,179
	85,335	92,598

Dismantlement provision

The provision is established for the expected cost of dismantling parts of the existing pipeline network based on the average current cost per kilometre of removal according to an estimated plan of replacement over the long term. The calculation of oil pipeline provision is based on the assumption that dismantlement activities are expected to cover the same number of kilometres each year over the useful life of the network. The calculation of oil products pipeline provision is based on the assumption of accomplishment of approved long-term programs for capital repair of oil products pipeline and that dismantlement activity which are expected to cover the same number of kilometers each year over the useful life of the network.

The cost of dismantlement is added to the cost of property, plant and equipment and depreciated over the useful economic life of the pipeline network. Additional provisions are made when the total length of the network increases and reductions occur when sections of the pipeline are decommissioned. Other changes are made when the expected pattern or unit cost of dismantlement is changed. The expected costs at the dates of dismantlement have been discounted to net present value using a nominal average rate of 8.30 % per annum (31 December 2012 – 7,34 % per annum).

Should the nominal average rate increase/(decrease) by 1%, dismantlement provision would (decrease)/increase by RUB (7,678)/9,967 as at 30 June 2013 accordingly (RUB (8,908)/12,238 as at 31 December 2012 accordingly).

Pension provision

Under collective agreements with Group's employees, an amount ranging from one to five months final salary is payable upon retirement to those who have worked for the Group for more than three years. Also under collective agreements with the employees the Group provides regular payments to those retired employees who have not entered in an agreement with the Non-state pension fund of the Group, and an amount ranging from one to five months minimal salary is payable to retired employees for anniversary milestones and to cover funeral costs. Management has assessed the net present value of these obligations, following the guidelines set out in IAS 19 *Employee Benefits*. For the calculation of obligations the projected unit method was applied.

Current service cost and past service cost amounting to RUB 181 and RUB 151 for the six months ended 30 June 2013 and 2012, respectively, are included in staff costs in the consolidated interim condensed statement of profit and loss and other comprehensive income, interest expense in the amount of RUB 353 and RUB 309 for the six months ended 31 June 2013 and 2012, respectively, are included in interest expenses.

Actuarial gains amounting to RUB 522 for the six months ended 30 June 2013 are included in other comprehensive income and total actuarial losses amounted to RUB 769 as at 30 June 2013 (RUB 1,291 as at 31 December 2012). Actuarial losses amounting to RUB 88 for the six months ended 30 June 2012 were included in salaries and pension expenses in the consolidated interim condensed statement of profit and loss and other comprehensive income.

**16 TRADE AND OTHER LIABILITIES, INCLUDING DERIVATIVES**

	30 June 2013	31 December 2012
Trade payables	37,251	30,459
Other payables	10,854	9,192
Dividends payable	4,865	-
Total financial payables	52,970	39,651
Advances received for oil and oil product transportation services	31,387	40,161
Accruals	22,442	31,356
VAT payable	11,178	9,334
Other taxes payable	3,217	1,759
Total liabilities	121,194	122,261

Derivatives

In March 2013 in order to reduce the adverse effects associated with decreasing of exchange rate of the US dollar the Group has simultaneously purchased put options and sold written call options for the amount of 1,400 million US dollars with the exercise dates during May 2013 – March 2014 period and the carrying amount of RUB 240 as at 30 June 2013. The Group qualifies these contracts as financial instruments at fair value through profit and loss.

Fair value measurement is based on Black-Scholes model, the inputs for which are observable in the market and the Group classified them to Level 2 in accordance with the hierarchy of fair value.

17 REVENUE

	Three months ended 30 June 2013	Six months ended 30 June 2013	Three months ended 30 June 2012	Six months ended 30 June 2012
Revenues from crude oil transportation services				
Domestic tariff	52,826	104,960	51,067	103,074
Export tariff	73,646	145,486	72,524	142,084
Total revenues from crude oil transportation services	126,472	250,446	123,591	245,158
Revenues from crude oil sales	38,749	79,563	40,233	83,033
Revenues from oil products transportation services	10,946	22,438	6,598	14,800
Other revenues	9,331	16,922	9,521	18,302
	185,498	369,369	179,943	361,293

Revenues from crude oil sales for the six months ended 30 June 2013 include, mostly, revenues from supplying of crude oil according to the agreement signed by the Company in February 2009. According to the agreement the oil will be supplied to China during 20 years since 1 January 2011 amounting to 6 million tons of oil per annum. The Group purchases oil from OAO NK Rosneft under the contract signed in April 2009 (refer to Note 21).



18 OPERATING EXPENSES

	Three months ended 30 June 2013	Six months ended 30 June 2013	Three months ended 30 June 2012	Six months ended 30 June 2012
Depreciation	24,195	50,187	20,098	40,709
Staff costs:				
Salaries and pension expense	22,859	43,670	18,333	38,004
Social Funds contributions	5,387	10,940	4,231	9,485
Social expenses	733	1,248	775	1,364
Cost of oil sold	21,022	42,962	19,717	44,397
Export custom duties	17,451	36,199	19,825	38,740
Energy	7,179	15,542	7,084	15,738
Materials	5,418	9,481	3,548	7,352
Repairs services and maintenance of relevant technical condition of pipeline	3,197	5,298	2,732	4,553
Transportation of oil using railways and related services	1,869	3,444	8,457	16,548
Other	12,463	20,921	8,426	13,931
	121,773	239,893	113,226	230,821

19 INTEREST INCOME AND INTEREST EXPENSE

Interest income	Three months ended 30 June 2013	Six months ended 30 June 2013	Three months ended 30 June 2012	Six months ended 30 June 2012
Interest income on cash and cash equivalents	1,850	3,415	1,851	3,605
Interest income from other financial assets	3,308	5,378	2,417	3,511
Other interest income	173	173	93	177
Total interest income	5,331	8,966	4,361	7,293
Less interest income on the temporary investment of borrowings	(933)	(1,642)	(874)	(2,176)
Total interest income recognised in the statement of profit and loss and other comprehensive income	4,398	7,324	3,487	5,117
Interest expense	Three months ended 30 June 2013	Six months ended 30 June 2013	Three months ended 30 June 2012	Six months ended 30 June 2012
Interest expense on borrowing cost	8,762	17,257	9,489	17,448
Provisions for asset retirement obligations: unwinding of the present value discount	1,455	2,896	1,807	3,614
Other interest expenses	139	511	155	309
Total interest expense	10,356	20,664	11,451	21,371
Less interest expense to be capitalised	(986)	(1,872)	(3,575)	(6,888)
Total interest expense recognised in the statement of profit and loss and other comprehensive income	9,370	18,792	7,876	14,483

**20 CONTINGENT LIABILITIES AND OTHER RISKS****Legal proceedings**

The Group is involved in a number of court proceedings arising in the ordinary course of business. In the opinion of the Group's management, there are no current legal proceedings or claims not presented in these financial statements as at 30 June 2013, which could have a material adverse effect on the results of operations or financial position of the Group.

21 RELATED PARTIES AND KEY MANAGEMENT PERSONNEL COMPENSATION

The Russian Federation, through the Federal Agency for the Management of Federal Property, owns 100% of the ordinary shares of the Company and controls its operations through Board of directors represented by the Federal bodies (professional agents) and independent directors as at 30 June 2013. The Government also appoints the members of the Federal Tariff Agency which sets the tariff rates.

As at 30 June 2013 and 31 December 2012 the Company holds in trust on behalf of the Russian Government 100% of the shares of the CPC Investments Company, 100% of the shares of the CPC Company (owns 7% of the shares of the ZAO CPC-R and 7% of the shares of AO CPC-K), 24% of the shares of the ZAO CPC-R and 24% of the shares of AO CPC-K. These interests are not recognised in these consolidated interim condensed financial statements as the Company is acting as a trustee over the shares of the above entities.

The Group's transactions with other state-controlled entities occur in the normal course of business and include, but are not limited to the following: purchases of electric energy, transportation of oil produced by state-owned entities and transactions with state-controlled banks.

The Group had the following significant transactions with entities, which are under common control or significant influence of the state:

	Three months ended 30 June 2013	Six months ended 30 June 2013	Three months ended 30 June 2012	Six months ended 30 June 2012
Revenue from oil transportation services	57,228	100,397	43,458	85,451
OAO NK Rosneft and its subsidiaries	50,661	87,252	37,011	72,700
OAO Gazprom and its subsidiaries	6,441	12,885	6,301	12,440
Others	126	260	146	311
Revenue from oil products transportation services	4,940	8,847	1,637	4,447
OAO NK Rosneft and its subsidiaries	2,002	3,284	308	997
OAO Gazprom and its subsidiaries	2,938	5,563	1,329	3,450
Purchases of oil (OAO NK Rosneft)	17,539	36,768	17,379	39,934
Transportation of oil using railways and related services (OAO RZD and its subsidiaries)	1,645	3,420	7,089	14,095
Electricity expenses	81	201	101	183
Interest income from other financial assets	2,843	4,737	1,834	2,922
Other expenses	200	404	-	-

Transactions with the state include taxes which are detailed in the consolidated interim condensed statement of financial position, and in the consolidated interim condensed statement of profit and loss and other comprehensive income.

During the six months ended 30 June 2013 and 30 June 2012, Group had following transactions with associates and jointly controlled entities:

	Three months ended 30 June 2013	Six months ended 30 June 2013	Three months ended 30 June 2012	Six months ended 30 June 2012
Revenue	538	1,107	271	793
Purchases of goods and services	7,344	15,232	7,312	15,717

**21 RELATED PARTIES AND KEY MANAGEMENT PERSONNEL COMPENSATION (CONTINUED)**

As at 30 June 2013 and 31 December 2012, the Group had the following balances with related parties and associates:

	30 June 2013	31 December 2012
Trade and other receivables	1,609	1,560
Trade and other payable	552	113
Loan issued	5,675	5,270
Loan received	654	-

Key management personnel compensation

Key management personnel (the members of the Board of directors and Management Committee of the Company and general directors of subsidiaries) receive short-term compensations, including salary, bonuses, other payments and long-term and short-term interest-free loans. Short-term compensations payable to key management personnel of the Company and subsidiaries consists of contractual remuneration for their services in full time executive positions. The remunerations for the members of the Boards of Directors of Company are subject to approval by the General Meeting of Shareholders. According to Russian legislation, the Group makes contributions to the Russian Federation State pension fund for all of its employees including key management personnel. Key management personnel also participate in certain post-retirement compensation programs. The programs include pension benefits provided by the non-governmental pension fund, NPF Transneft, and one-time payments at the retirement date.

22 SEGMENT INFORMATION

Generally, Management of the Group analyses information by separate legal entities. These legal entities are further aggregated into three reportable segments: Oil transportation and Oil product transportation and Sales oil to the People's Republic of China (China). Cost elements presented to management of the Group are determined in accordance with the Russian Accounting Standards (RAS). Tables below present consolidated amounts analysed by management of the Group. These amounts are calculated under RAS.

Adjusting entries to reconcile this information with information in the consolidated interim condensed financial statements primarily include adjustments and reclassifications resulting from differences between RAS and IFRS.

Segment information for the six months ended 30 June 2013 and at 31 December 2012 is as follows:

Three months ended 30 June 2013	Oil transportation services	Oil products transportation services	Oil sales to China	Adjustments	Total IFRS
Sales					
Sales to third parties	137,530	12,730	35,270	(32)	185,498
Inter-segment sales	1,037	16	-	(1,053)	-
Total sales	138,567	12,746	35,270	(1,085)	185,498
Operating expenses including amortisation and depreciation	(86,835)	(7,546)	(35,602)	8,210	(121,773)
	(28,771)	(918)	-	5,495	(24,194)
Interest income	2,497	169	-	1,732	4,398
Interest expenses	(8,685)	(85)	-	(600)	(9,370)
Exchange gains/(loss)	(4,298)	(236)	218	576	(3,740)
Net change in fair value of derivatives	(443)	-	-	-	(443)
Other income/(expenses)	6,176	(106)	-	(6,070)	-
Share of profit/ (loss) from associates and jointly controlled entities	-	111	-	(212)	(101)
Profit before income tax	46,979	5,053	(114)	2,551	54,469
Income tax expense	-	-	-	-	(11,609)
Profit for the period	-	-	-	-	42,860

Other segment disclosures

Additions to non-current
assets (other than financial
instruments and deferred tax
assets)

46,793	1,975	-	3,681	52,449
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22 SEGMENT INFORMATION (CONTINUED)

Six months ended 30 June 2013	Oil transportation services	Oil products transportation services	Oil sales to China	Adjustments	Total IFRS
Sales					
Sales to third parties	270,774	25,326	73,360	(91)	369,369
Inter-segment sales	1,885	33	-	(1,918)	-
Total sales	272,659	25,359	73,360	(2,009)	369,369
Operating expenses	(167,425)	(14,300)	(73,245)	15,078	(239,892)
including amortisation and depreciation	(58,288)	(1,833)	-	9,934	(50,187)
Interest income	5,332	188	-	1,804	7,324
Interest expenses	(16,939)	(174)	-	(1,679)	(18,792)
Exchange gains/(loss)	(6,779)	(379)	281	867	(6,010)
Net change in fair value of derivatives	(240)	-	-	-	(240)
Other income/(expenses)	9,741	(133)	-	(9,608)	-
Share of profit from associates and jointly controlled entities	-	111	-	326	437
Profit/(loss) before income tax	96,349	10,672	396	4,779	112,196
Income tax expense	-	-	-	-	(22,812)
Profit for the period	-	-	-	-	89,384

Other segment disclosures

Additions to non-current
assets (other than financial
instruments and deferred tax
assets)

88,972 5,058 - 3,574 97,604

Three months ended 30 June 2012	Oil transportation services	Oil products transportation services	Oil sales to China	Adjustments	Total IFRS
Sales					
Sales to third parties	134,198	7,733	38,013	(1)	179,943
Inter-segment sales	906	17	-	(923)	-
Total sales	135,104	7,750	38,013	(924)	179,943
Operating expenses	(81,886)	(6,483)	(37,969)	13,112	(113,226)
including amortisation and depreciation	(23,053)	(794)	-	3,749	(20,098)
Interest income	3,446	19	-	22	3,487
Interest expenses	(6,740)	(97)	-	(1,039)	(7,876)
Exchange gains/(loss)	(19,011)	(748)	265	4,361	(15,133)
Net change in fair value of derivatives	-	-	-	(958)	(958)
Other income/(expenses)	3,775	(26)	-	(3,749)	-
Share of profit from associates and jointly controlled entities	-	-	-	(594)	(594)
Profit/(loss) before income tax	34,688	415	309	10,231	45,643
Income tax expense	-	-	-	-	(10,125)
Profit for the period	-	-	-	-	35,518

Other segment disclosures

Additions to non-current
assets (other than financial
instruments and deferred tax
assets)

52,596 1,385 - 16,444 70,425



22 SEGMENT INFORMATION (CONTINUED)

Six months ended 30 June 2012	Oil transportation services	Oil products transportation services	Oil sales to China	Adjustments	Total IFRS
Sales					
Sales to third parties	265,935	16,950	78,390	18	361,293
Inter-segment sales	1,722	31	-	(1,753)	-
Total sales	267,657	16,981	78,390	(1,735)	361,293
Operating expenses	(156,272)	(12,028)	(79,431)	16,910	(230,821)
Including depreciation and amortisation	(46,517)	(1,585)	-	7,393	(40,709)
Interest income	6,326	44	-	(1,253)	5,117
Interest expenses	(12,764)	(196)	-	(1,523)	(14,483)
Exchange gains/(loss)	(2,372)	(126)	448	4,222	2,172
Net change in fair value of derivatives	-	-	-	(374)	(374)
Other income/(expenses)	8,234	(76)	-	(8,158)	-
Share of profit from associates and jointly controlled entities	-	-	-	1,356	1,356
Profit before income tax	110,809	4,599	(593)	9,445	124,260
Income tax expense	-	-	-	-	(28,900)
Profit for the period	-	-	-	-	95,360

Other segment disclosures

Additions to non-current
assets (other than financial
instruments and deferred tax
assets)

85,746 2,833 - 19,516 108,095

Segment information for the six months ended 30 June 2013 and at 31 December 2012 is as follows:

30 June 2013	Oil transportation services	Oil products transportation services	Oil sales to China	Adjustments	Total IFRS
Investments in associates and jointly controlled entities	-	-	-	39,264	39,264
Total segment assets	2,245,833	84,823	11,990	(229,853)	2,112,793
Trade payables and advances received	67,304	6,646	7,324	(12,636)	68,638
Non-current loans and borrowings	530,752	4,625	-	(6,103)	529,274
Current borrowings	81,058	69	-	(6,307)	74,820
Total segment liabilities	803,912	16,248	7,324	27,223	854,707
31 December 2012					
Investments in associates and jointly controlled entities	-	-	-	38,622	38,622
Total segment assets	2,124,889	75,304	12,882	(216,076)	1,996,999
Trade payables and advances received	80,845	3,955	-	(14,180)	70,620
Non-current loans and borrowings	544,421	5,367	-	(5,685)	544,103
Current borrowings	25,531	1,101	-	(1,101)	25,531
Total segment liabilities	754,400	15,287	7,658	46,599	823,944

**22 SEGMENT INFORMATION (CONTINUED)**

Adjustments to income and expenses that form profit before tax are mainly represented by IFRS adjustments to record non-controlling interest, to recognise fixed assets revaluation results required under IAS 29 *Financial reporting in hyper-inflationary economies* and elimination of fixed assets revaluation results performed under RAS, to accrue provision for dismantling and removing of fixed assets and to accrue deferred taxes for IFRS purposes.

Adjusting items for segment's expenses in the amount of RUB -15,078 for the six months ended 30 June 2013 and RUB -16,910 for the six months ended 30 June 2012 include the following adjustments and reclassifications due to RAS and IFRS accounting differences:

	Three months ended 30 June 2013	Six months ended 30 June 2013	Three months ended 30 June 2012	Six months ended 30 June 2012
Dismantlement provision	262	515	686	1,405
Adjustment to Property, plant and equipment to eliminate RAR revaluation effect and to record adjustment required under IAS 29 "Financial reporting in hyper-inflationary economies"	(5,292)	(10,459)	(4,944)	(9,743)
Financial leasing	-	-	(57)	(115)
Pension liabilities	(72)	(252)	(280)	(198)
Other operating expenses, net	(3,418)	(5,940)	(2,094)	(6,079)
Electricity expenses	(42)	95	(3,864)	1,179
Intersegment operations	(1,403)	(1,918)	(1,275)	(1,754)
Others	1,755	2,881	(1,284)	(1,605)
Total adjusting items for segment's expenses	(8,210)	(15,078)	(13,112)	(16,910)

Adjusting items for segment's assets in the amount of RUB -229,853 as at 30 June 2013 and RUB -216,076 as at 31 December 2012 include the following adjustments and reclassifications due to RAS and IFRS accounting differences:

	30 June 2013	31 December 2012
Increase in property plant and equipment for dismantlement provision	12,998	25,395
Adjustment to Property plant and equipment to eliminate RAR revaluation effect and to record adjustment required under IAS 29 "Financial reporting in hyper-inflationary economies"	(201,494)	(211,952)
Revaluation of linefill oil and oil products required under IAS 29 "Financial reporting in hyper-inflationary economies" and other adjustments	50,484	50,573
Business combination with Transneftproduct	(52,553)	(52,553)
Deferred tax assets	(31,591)	(24,855)
Intersegment assets	(24,797)	(20,953)
Exchange loss and interest expenses recognized in fixed assets and assets under construction	13,990	13,958
Others	3,110	4,311
Total adjusting items for segment's assets	(229,853)	(216,076)

Adjusting items for segment's liabilities in the amount of RUB 27,223 as at 30 June 2013 and RUB 46,599 as at 31 December 2012 include the following adjustments and reclassifications due to RAS and IFRS accounting differences:

	30 June 2013	31 December 2012
Dismantlement provision	69,281	78,266
Pension liabilities	9,732	10,153
Deferred tax liabilities	(31,634)	(23,549)
Intersegment borrowings and interest expense	(24,797)	(20,953)
Others	4,641	2,682
Total adjusting items for segment's liabilities	27,223	46,599

**22 SEGMENT INFORMATION (CONTINUED)**

Geographical information. Most of the assets of the Group included in reportable segments, located on the territory of the Russian Federation, resulting in economic activity for each segment are primary operated on the territory of the Russian Federation. Revenue from external customers is presented based on the customers domicile (registered office) although the majority of revenues are generated by assets located in the Russian Federation. The oil product transportation segment has certain assets located on the territory of the Latvian Republic, Ukraine and the Republic of Belarus.

Information on the geographical location of the Group's revenue is set out below:

	Three months ended 30 June 2013	Six months ended 30 June 2013	Three months ended 30 June 2012	Six months ended 30 June 2012
Russian Federation	143,332	281,633	134,737	268,561
China	35,270	73,360	38,013	78,390
Other countries	6,896	14,376	7,193	14,342
	185,498	369,369	179,943	361,293

Revenue from external customers in other countries mainly includes revenue from services provided to customers in the Republic of Kazakhstan, Republic of Belarus, Ukraine.

Major customers. The Group's major customers are oil production companies which produce oil and transport it for export, domestic sale or refining.

Revenues from customers which individually constitute 10 per cent or more of the Group's total revenue were as follows:

	Three months ended 30 June 2013	Six months ended 30 June 2013	Three months ended 30 June 2012	Six months ended 30 June 2012
Companies under control of the Government of the Russian Federation	62,168	109,244	45,095	89,898
China National United Oil Corporation	35,270	73,360	38,013	78,390
OAO Surgutneftegaz	22,112	43,949	20,726	40,775
OAO Lukoil	18,228	36,006	18,709	37,050
OAO TNK-BP Holding*	-	13,347	14,449	30,127
	137,778	275,906	136,992	276,240

* Revenue from OAO TNK-BP Holding is considered as revenue from the companies under control of the Government of the Russian Federation starting from the date when OAO TNK-BP Holding was acquired by OAO NK Rosneft.

Sales to the major customers are included in the results of the crude oil transportation, oil product transportation and oil sales to China segments.

23 EVENTS SUBSEQUENT TO THE REPORTING DATE

In August 2013 the Group acquired additional 24.5% and 13.8% shares of OAO Uralsibnefteprovod and OAO Uraltransnefteproduct for RUB 10,433 and RUB 2,112 accordingly, which were paid in cash. As at 30 June 2013, the Group had an advance payment amounting to RUB 1,255, which was paid as a guarantee for performance obligation for the purchase of shares that was classified within accounts receivable. This amount will be offset with the final payment for shares. As a result the Group's interest in OAO Uralsibnefteprovod and OAO Uraltransnefteproduct increased from 75.5% and 86.2% accordingly to 100%. As at the date of acquisition the book value of net assets of these subsidiaries in the Group's consolidated financial statements amounted to RUB 70,977. The Group will recognize a decrease in non-controlling interests in the amount of RUB 16,396 and an increase in retained earnings amounting to RUB 3,851.

In August 2013 OAO AK Transneft has announced an open tender for sale of the shares of ZAO SK Transneft owned by subsidiaries of the Group. The net assets of ZAO SK Transneft presented in Transportation of oil segments as at 30 June 2013 amounted to RUB 5,808.

In August 2013 the Group has repaid in full and in time Eurobonds in the amount of USD 600 million which were issued in August 2007 with a maturity of 5 years.



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