



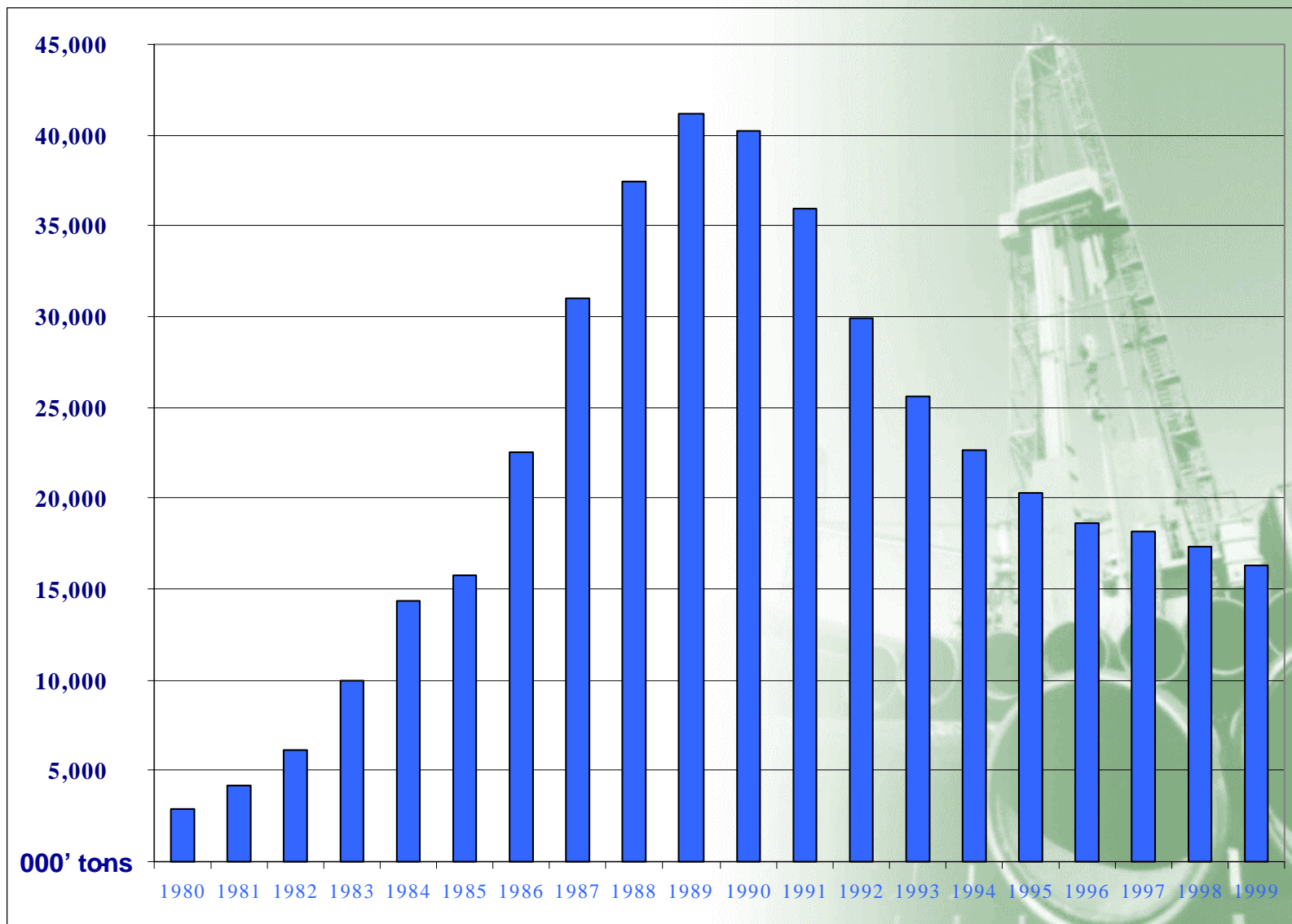
**Russia's best managed oil company**

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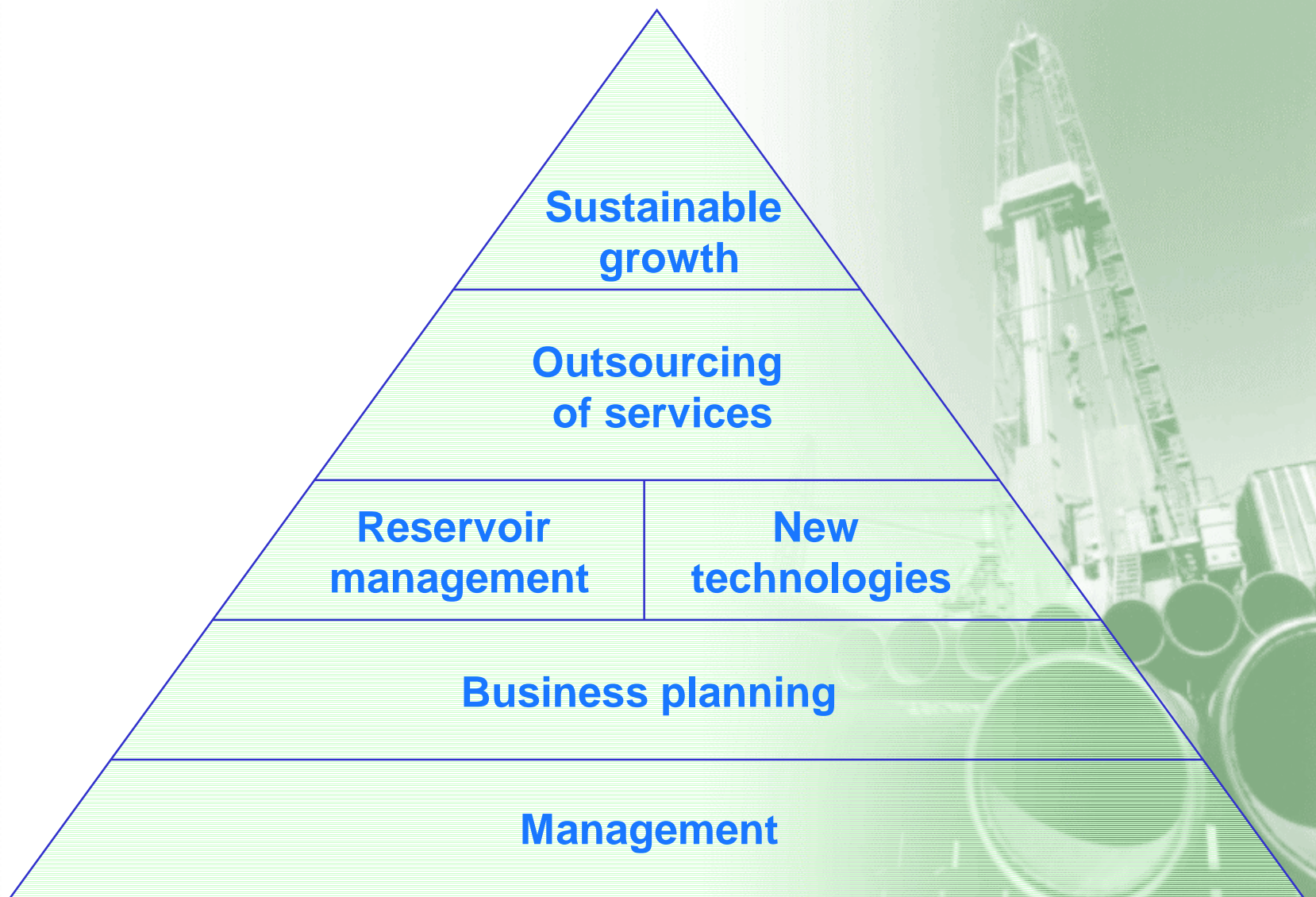
**Alexander Korsik**  
***Chief Operating Officer***  
**Brunswick UBS Warburg Equity Conference 2001**

**[www.sibneft.ru](http://www.sibneft.ru)**

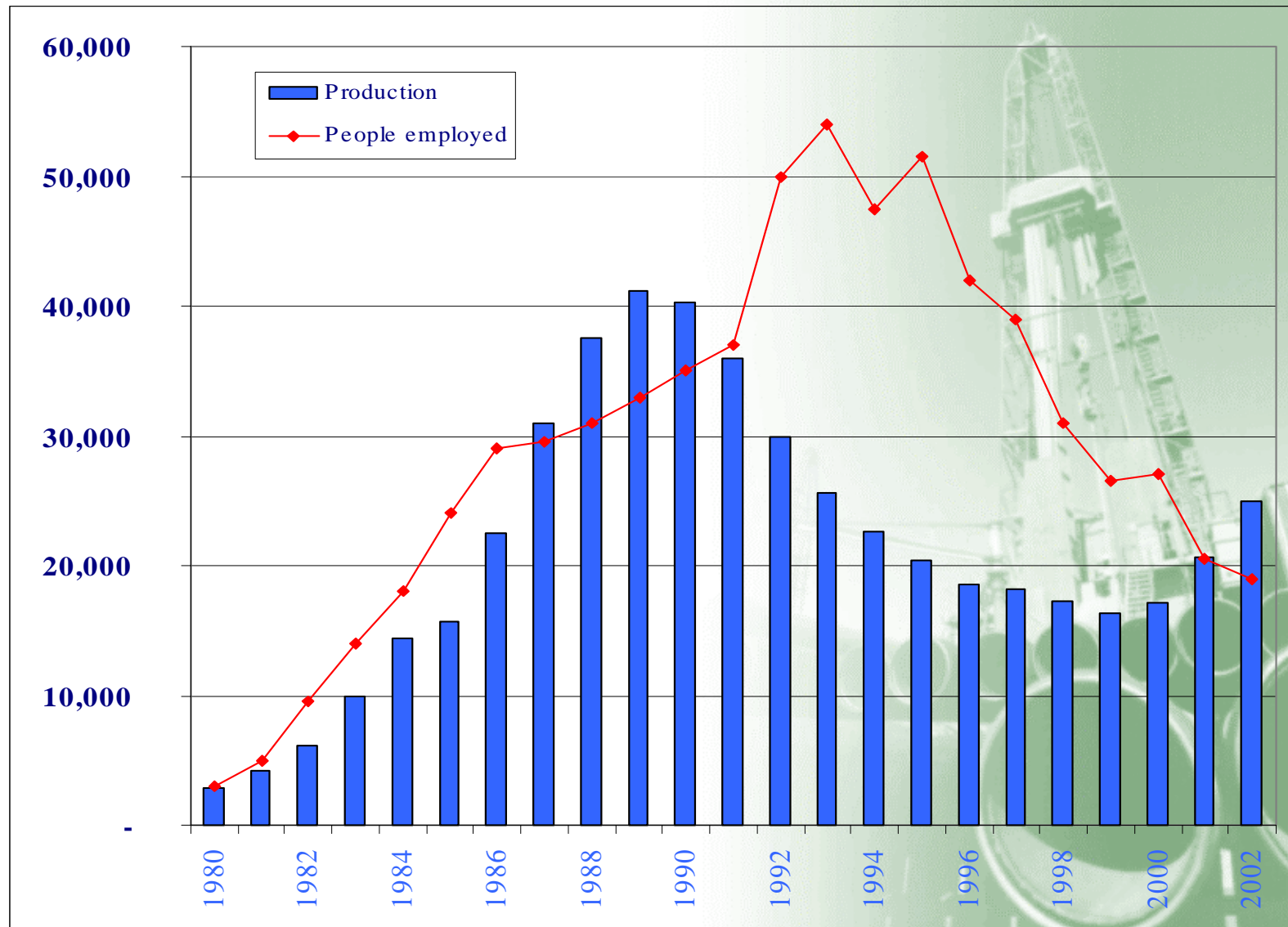
# Production profile



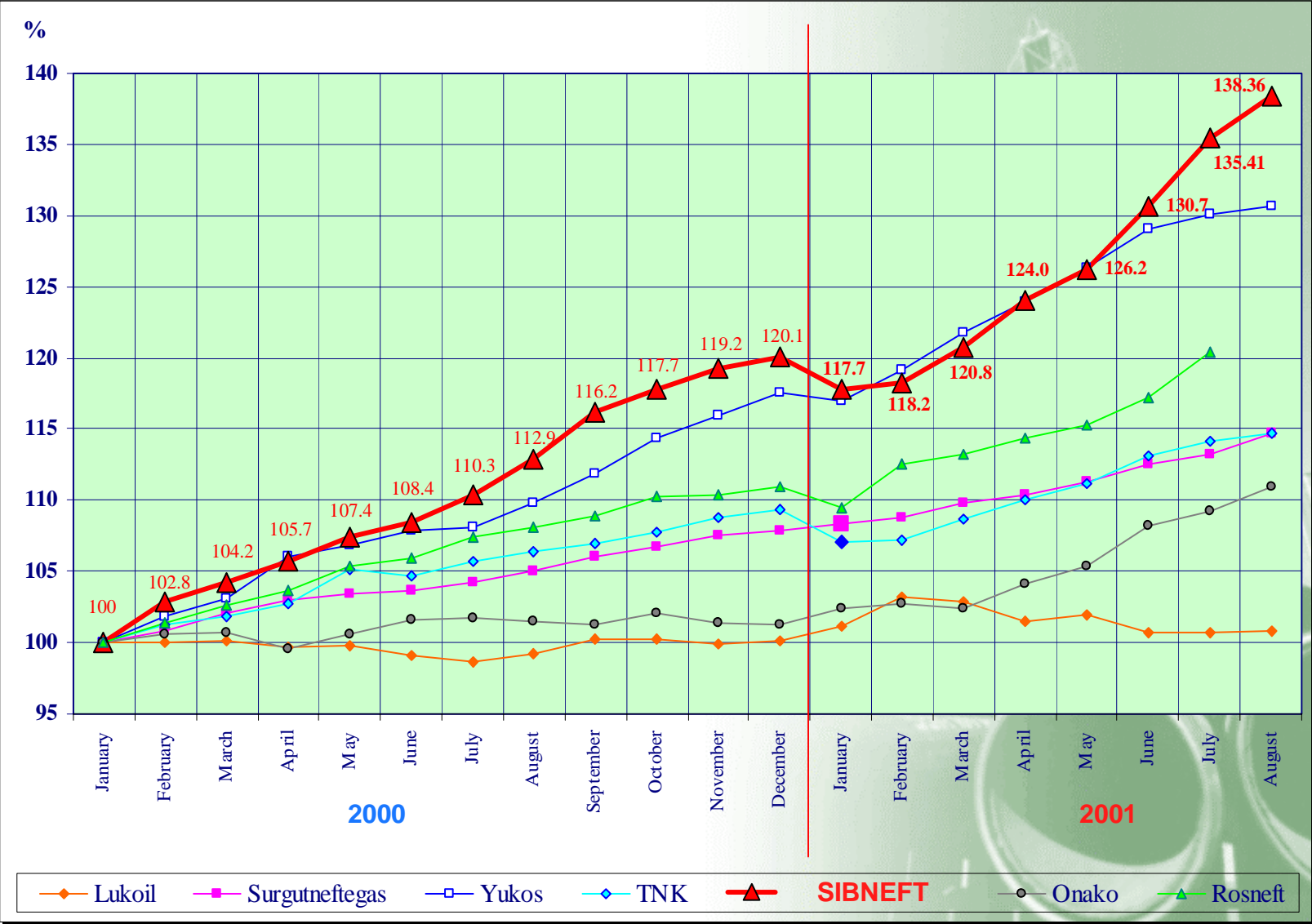
# Restructuring pyramid



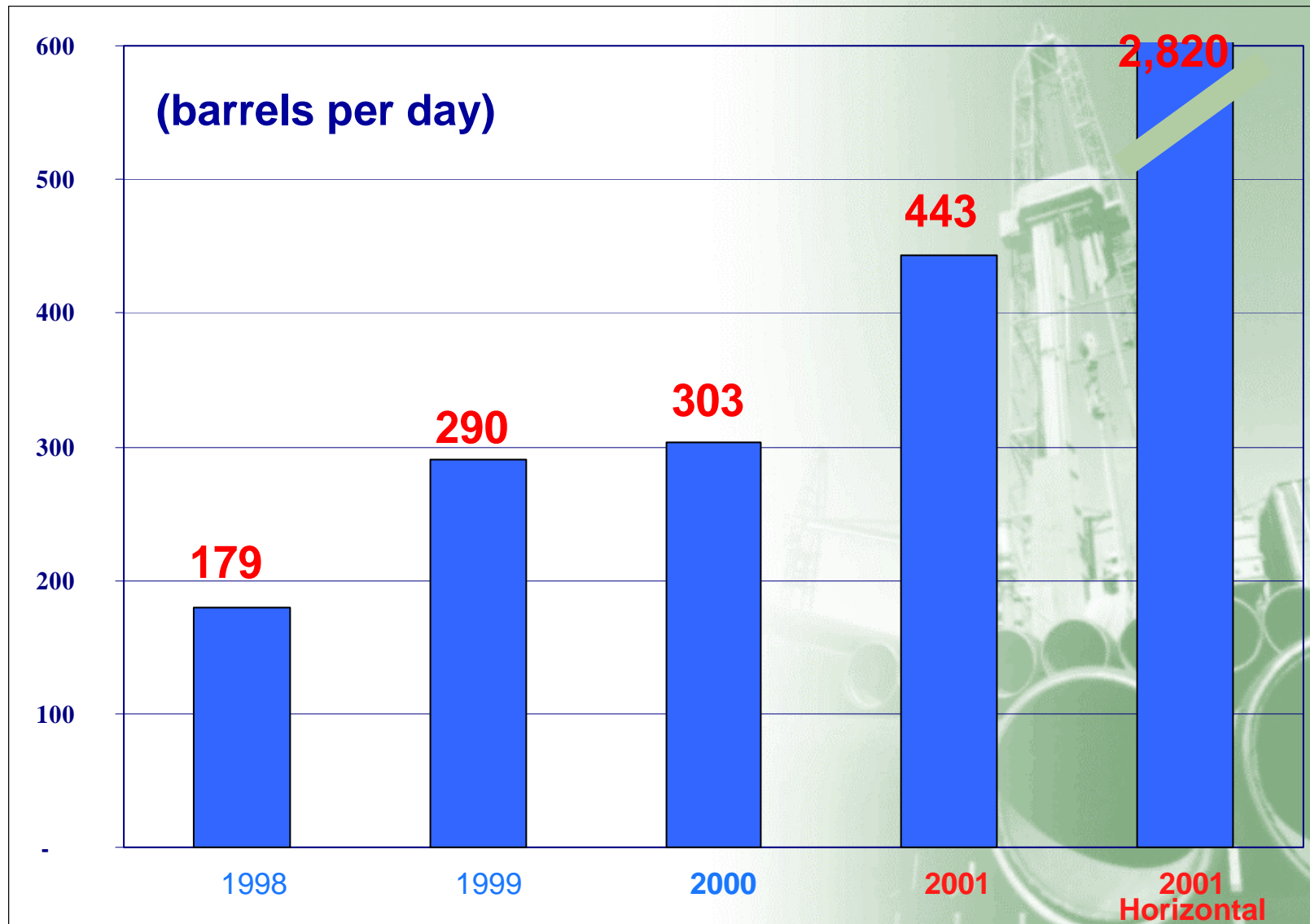
# Production and employees



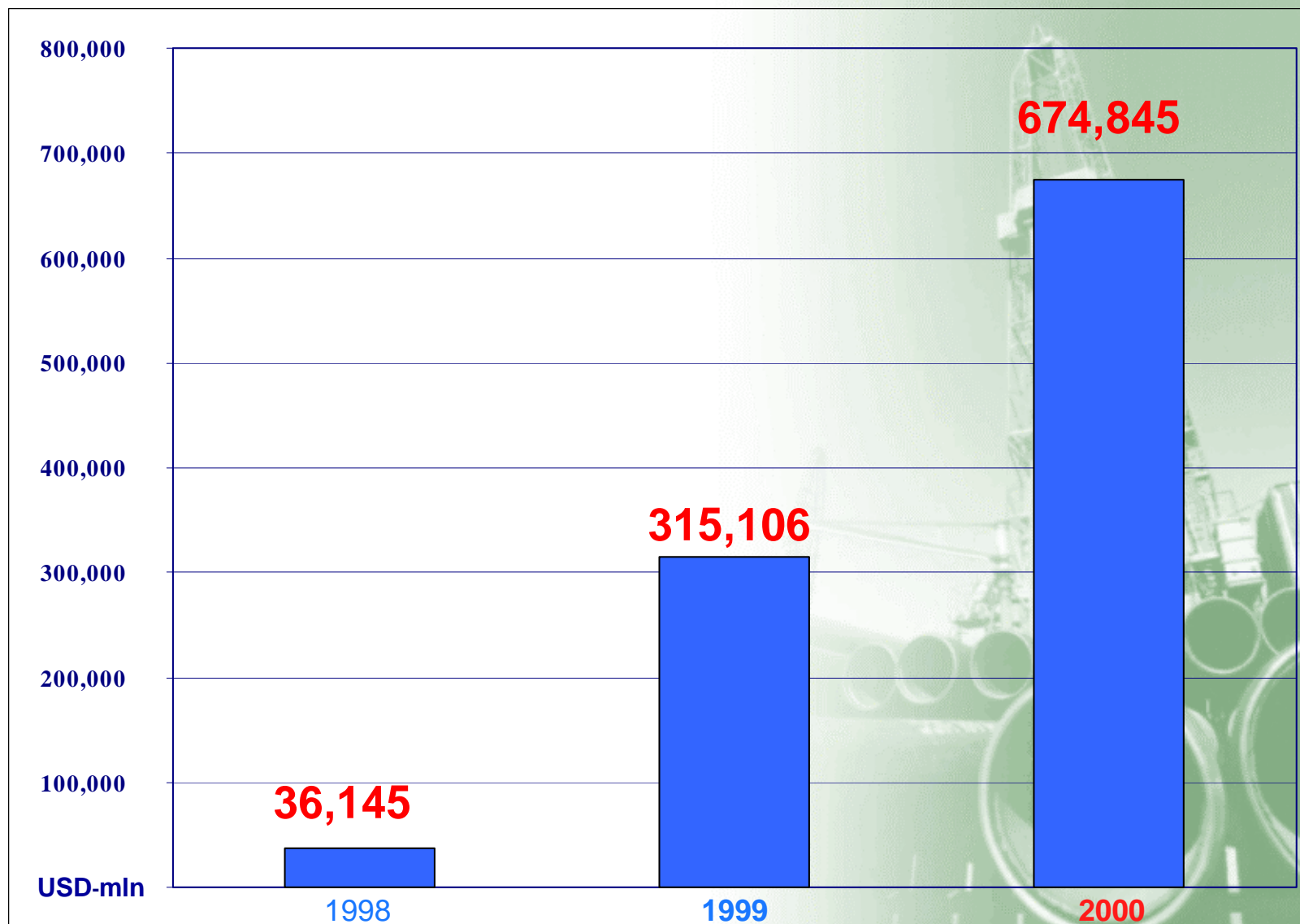
# Russia's fastest growing producer



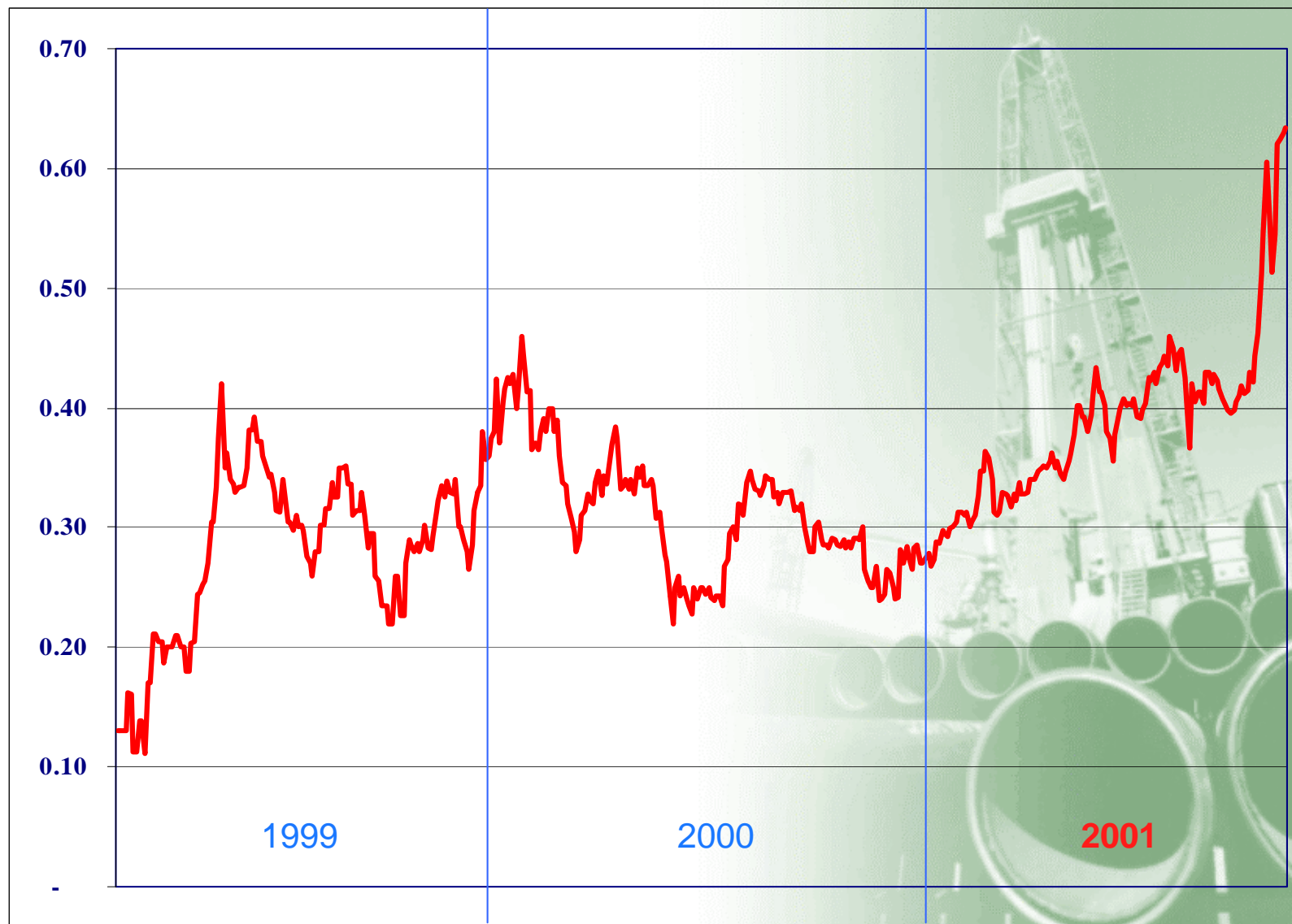
# Industry leader in well productivity



# Net income rising



# Sibneft stock outperforms

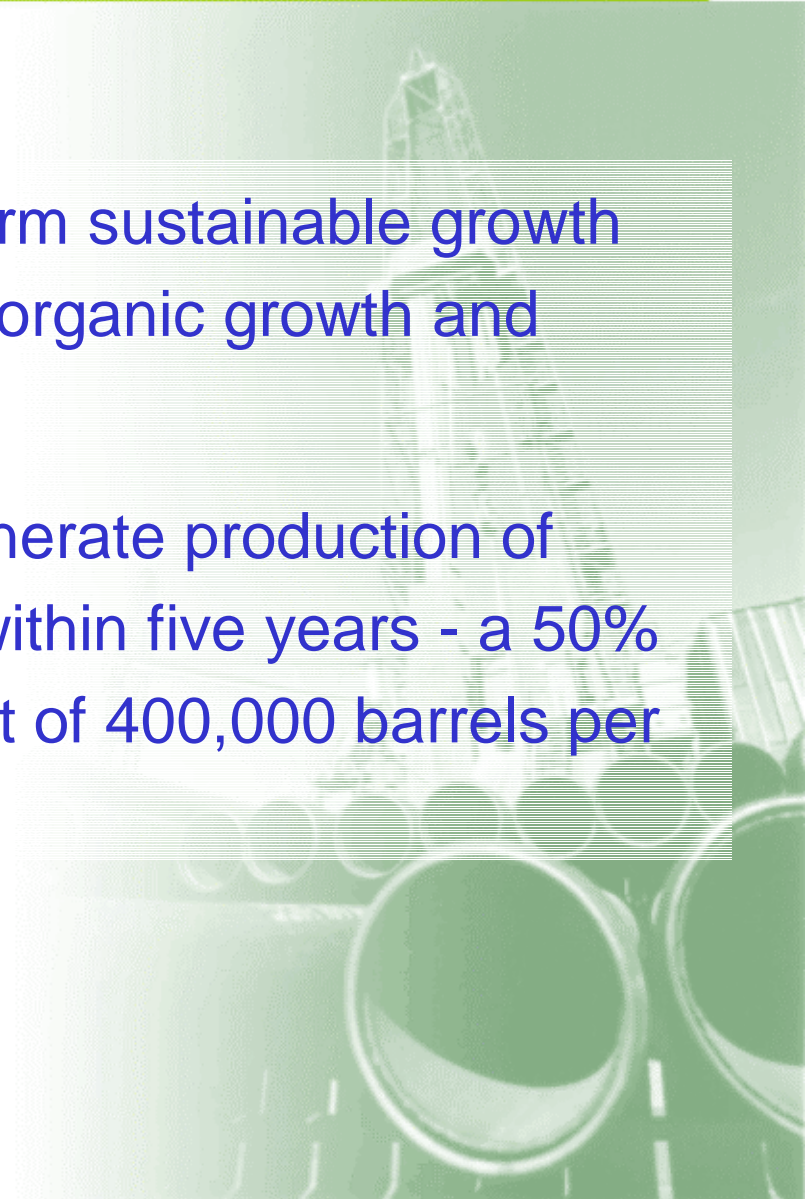




# Upstream gameplan



- Goal is to achieve long-term sustainable growth through a combination of organic growth and acquisitions
- Existing asset base to generate production of 600,000 barrels per day within five years - a 50% increase on current output of 400,000 barrels per day

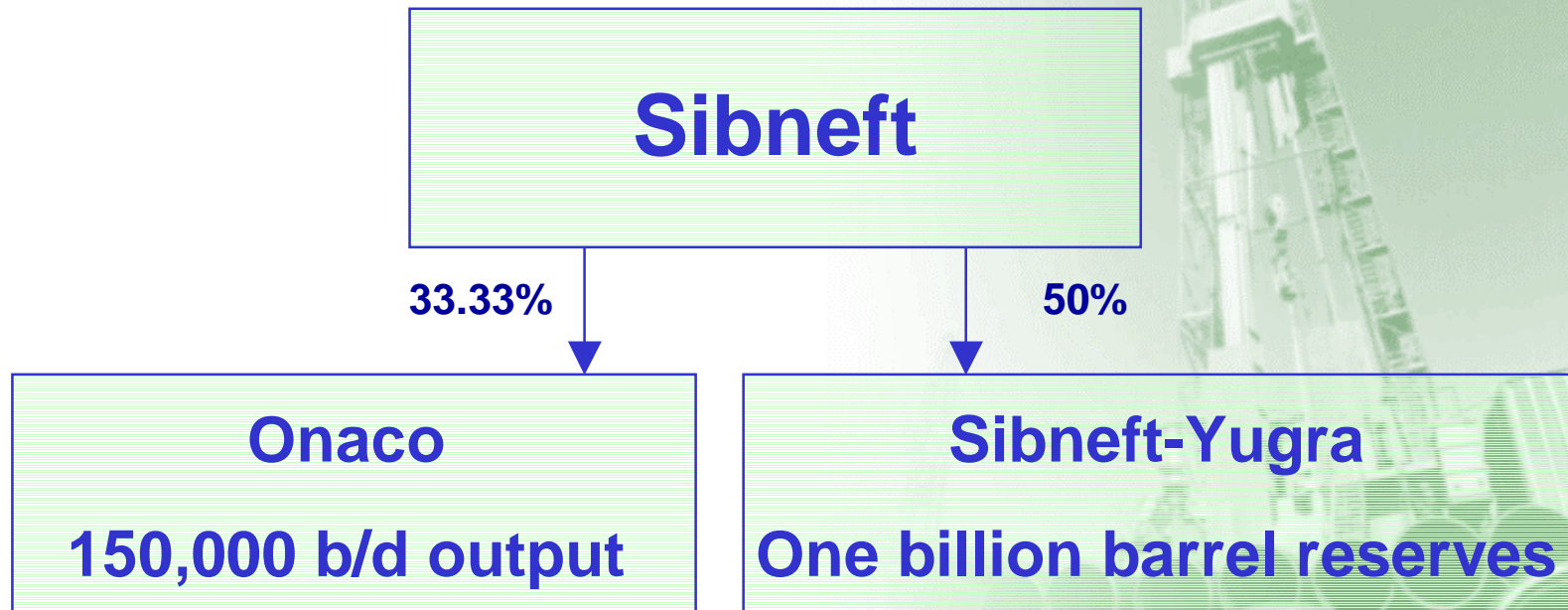


# Upstream gameplan



- Maximize returns from existing asset base through focus on improving reservoir management, application of state-of-the-art technology and outsourcing of services to leading service providers on a competitive basis
- Acquisition of new assets which provide returns comparable with existing asset base
- Potential overseas ventures allowing company to diversify risk and benefit from partnerships with international oil majors

# Upstream acquisitions



# Downstream investment



- To maintain the competitive advantage of the Omsk refinery with ongoing investments
- To adapt product slate in order to remain ahead of changes in consumer demand
- Expansion of retail network from 1,000 outlets to 2,500 in the near future



# Corporate governance leadership

- Russia's first corporate governance charter
- Recommendations from Standard and Poor's corporate governance audit implemented
- Independent board directors
- Five years of US GAAP accounts
- Completion of subsidiary consolidation
- Export flows consolidated into wholly-owned subsidiary
- Record dividend payment

# Three essentials



⇒ **Management**

⇒ **Technology**

⇒ **Capital**

