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**2003 U.S. GAAP
Financial Results**



Sibneft 2003 Overview

Alexander Korsik
Chief Operating Officer

2003 Operating Highlights

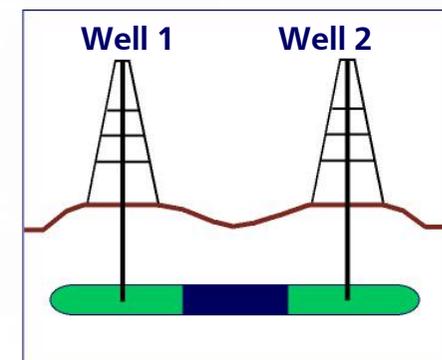
- Sibneft crude production was 31.45 mln. tons (641,000 b.p.d.).
 - ⤴ 19.4% YoY
- Total refining throughput was 17.96 mln. tons (366,000 b.p.d.).
 - ⤴ 13.5% YoY
- Crude exports were 12.48 mln. tons.
 - ⤴ 16.1% YoY
- Oil product exports were 5.40 mln. tons.
 - ⤴ 50.4% YoY
 - ✓ Includes exports from Moscow Refinery
- Retail network grew to over 1500 stations by year-end 2003.
 - ⤴ Up from 1250 in January
 - ✓ Includes proprietary, jobbers and dealers

Proved oil & gas reserves (mln. b.o.e.)

<i>SEC</i>	<i>SEC</i>	<i>SPE</i>	<i>SPE</i>	<i>SPE</i>
<i>2003</i>	<i>2002</i>	<i>2003</i>	<i>2002</i>	<i>2001</i>
2 453	2 197	4 779	4 718	4 887

➤ **SPE vs. SEC**

- ✓ The methodology for SEC classification reserves takes into account the timeframe and terms of the production license.
- ✓ According to SPE, if there is a proven hydrodynamic connection between wells 1 and 2, the “blue” reserves (see diagram) are considered Proved. According to SEC classification only the reserves around each well drainage area are considered Proved, i.e. only the “green” reserves.



- Reserve additions through acquisitions, exploration and the application of 3D seismic, logging and FDP modeling.
- During 2003, we extended the licenses for several oil fields, thereby allowing for additional reserves to be booked under SEC criteria (see below).
- This work will continue in 2004 and thereafter.

Field	2003 SEC Proved Oil Reserves	Previous license expiry	New license expiry
Sugmutskoye	572 mln. bbl.	2014	2050
Zapadno Noyabrskoye	58 mln. bbl.	2013	2050
Sredne Iturskoye	120 mln. bbl.	2014	2050

➤ Positive factors:

- ✓ High oil prices
- ✓ Low interest rates on debt
- ✓ Increased re-sales through Siboil

➤ Negative factors:

- ✓ Crude oil production 1.5 million tons less than planned
- ✓ Disproportionate growth in transport expenses and export tariffs
- ✓ Merger with Yukos distracted management resources away from daily operations

- 40% increase in revenue
- Net profit doubled
- Operating cash flow doubled
- Successful acquisitions
 - ✓ Slavneft, Archinskoe, Shinginskoe
- Significant investments in field development
- Consistent return on investments



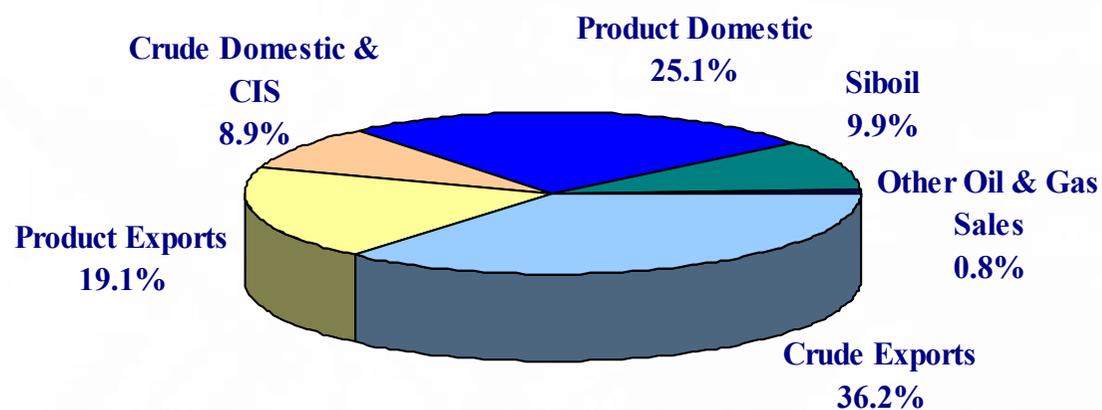
Sibneft Financials

Olga Pokrovskaya
Head of Corporate Finance

<i>(million USD)</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>
Oil, Gas & Product Sales	3 449.1	4 710.7	6 590.4
Total Revenues	3 575.7	4 776.7	6 716.5
EBITDA	1 719.2	1 803.1	2 337.1
Net Income	1 305.3	1 160.5	2 278.4
CapEx	618.7	959.4	984.7
Cash Flow from Operations	1 311.3	1 286.0	2 523.5
Net Cash at Year-End	51.6	620.9	104.6

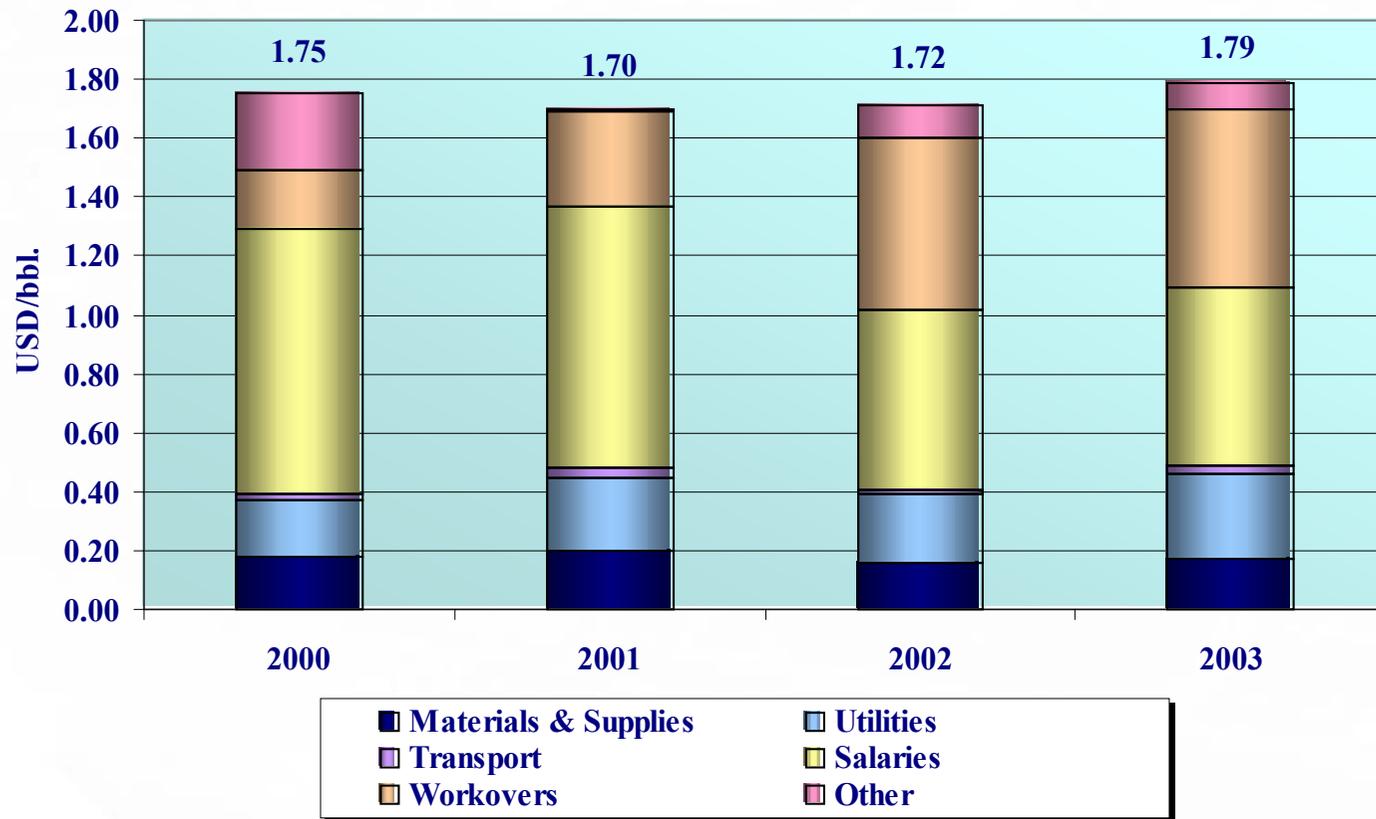
Segmental Revenue Breakdown

<i>(million USD)</i>	2001	2002	2003
Crude exports	1 188	1 840	2 386
Oil product exports	546	722	1 259
Crude sales (domestic and CIS)	-	207	585
Oil product sales (domestic)	1 487	1 566	1 655*
Siboil re-sale and commission	217	347	653
Other oil & gas sales	11	29	52
Total revenues from oil & gas sales	3 449	4 711	6 590



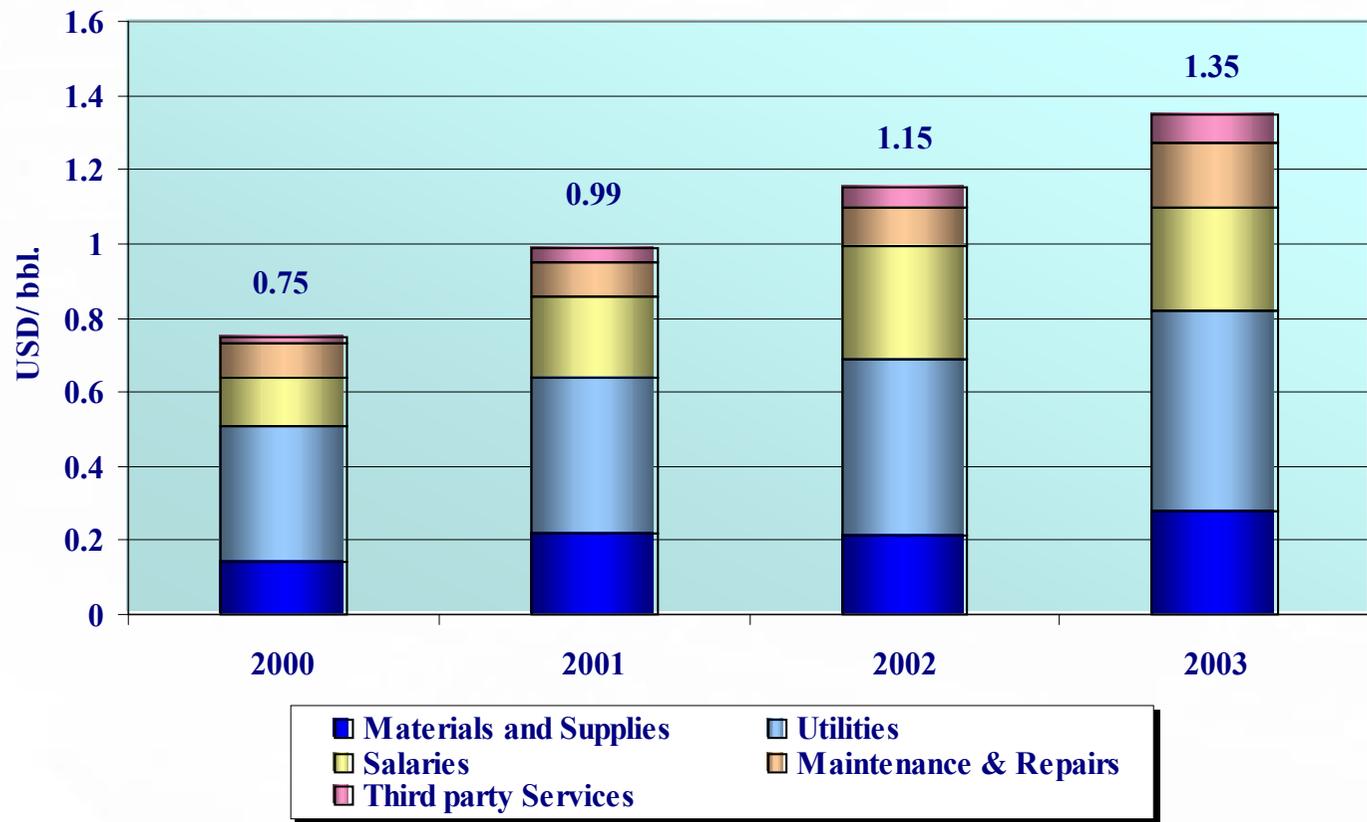
* Domestic oil product sales in 2003 are reported excluding excise tax.

Lifting Costs



- Key lifting cost drivers:
 - ⬆ Ruble appreciation
 - ⬇ Headcount reduction
- Figures calculated for Sibneft-Noyabrskneftegas

Direct Refining Costs



➤ Figures calculated for Omsk Refinery

Cost Structure

<i>(million USD)</i>	<i>2002</i>	<i>2003</i>
Total Revenue	4 776.7	6 716.5
Operating Expenses	1 205.4	1 786.2
Taxes other than Income Taxes	897.0	1 423.4
SG&A	819.7	1 024.6
DDA	410.0	492.5
Exploratory Expenses	14.8	53.9
Cost of Other Sales	36.7	91.3
Operating Expenses	3 383.6	4 872.1
Operating Income	1 393.1	1 844.7

- **Operating costs**
 - ✓ Higher prices and volumes of third-party crude purchases
 - ✓ Processing at Moscow and Yaroslavl refineries
 - ✓ Transportation to domestic refineries
- **SG&A**
 - ✓ Transportation and other expenses for distribution and export
 - ✓ Social expenses
- **Taxes**
 - ✓ Export duties
 - ✓ Mineral extraction tax

- Slavneft
 - ✓ Equity pick-up of \$468 million for 2003

- Archinskoe, Shinginskoe fields
 - ✓ Production of 2.9 mln. tons/year within four years

- Increased stakes in Moscow Refinery and MNP
 - ✓ Up to 38.5% and 25.5%, respectively (voting shares)

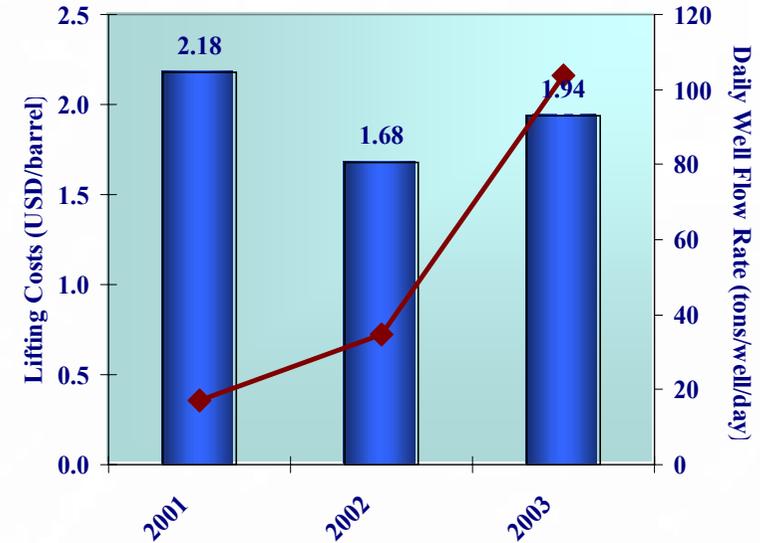
- ONACO Sale
 - ✓ Profit of \$385 million

Successful Investments: Slavneft

Average Daily Production (th. tons per day)



Lifting Costs and Flow Rates



- Slavneft production growth is the highest in Russia.
- Costs are under control.
- Sibneft and TNK-BP have agreed on a methodology for the split.
 - ✓ Legal and technical division will take up to two years.
- Slavneft pick-up in 2003 was \$468 million.
 - ✓ Differs from TNK-BP reporting due to differences in approach on depreciation.

Balance Sheet Highlights

<i>(thousand USD)</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>
Cash and equivalents	51 649	620 875	104 594
Accounts receivable	765 794	1 356 787	1 321 407
Net oil and gas properties / PP&E	3 241 170	3 853 412	4 269 871
Total assets	5 712 796	7 548 456	8 150 020
Short-term debt & current portion of LT debt	314 864	578 715	368 298
Long-term debt	608 333	1 658 079	1 221 014
Accounts payable and accrued liabilities	294 562	706 197	846 904
Income and other taxes	140 661	134 173	188 977
Minority interest	1 682	-	-
Shareholder capital	4 036 735	4 291 552	5 137 520
Total liabilities / share capital	5 712 796	7 548 456	8 150 020

Total Gross Debt Position (Dec. 31, 2003)

1 589.3 mln. USD

Net Debt Position

1 484.7 mln. USD

of that ...

	<i>Amount</i>	<i>Rate 2002 - 2003</i>	<i>Rate 2003 - 2004</i>	<i>Maturity</i>
Eurobond 1	400 mln. USD	11%	11%	2007
Eurobond 2	500 mln. USD	10.75%	10.75%	2009
Trade Finance:				
WestLB	233 mln. USD	Libor + 3.50%	Libor + 2.15%	12-2005
ABN AMRO	66 mln. USD	Libor + 3.75%	Libor + 3.75%	07-2004
BNP Paribas	136 mln. USD	Libor + 4.10%	Libor + 3.00%	06-2007
RZB	129 mln. USD	Libor + 3.25%	Libor + 3.25%	12-2005
Other	125 mln. USD	-	-	-