

Information on the candidate for the position of the Auditor of Rosneft

For the purposes of mandatory annual audit of the 2011 financial (accounting) statements of Rosneft and its subsidiaries prepared in accordance with the Russian Accounting Standards (RAS), the Company held a closed tender for selection of the Sole Auditor for Rosneft and its subsidiaries for review of 2011 accounting statements. Invitations to participants were sent by the Procurement Department on February 3, 2011.

The tender subcommittee for selection of non-production-related service providers considered the bids in accordance with the requirements of Rosneft Standard on 'Organization of tender activities for procurement of goods, works and services No. П2-08 ЦЛ-001 ЮЛ-001', evaluated and compared the bids (financial offers) against the main criterion of the tender (minimum cost of audit services), and suggested that the Closed Joint Stock Company 'Audit & Consulting Group - Business Systems Development' (hereinafter referred to as CJSC ACG RBS) shall be approved as the Auditor of Rosneft.

CJSC ACG RBS performed the audit of RAS accounting statements of Rosneft and its subsidiaries for 2007, 2008 and 2010.

CJSC ACG RBS has been operating at the audit and consulting services market since July 2001. It is a corporate member of the self-regulated organization of auditors – the Guild of Auditors of the Regional Institutes of Professional Accountants – Certificate GA № 010151 dated December 01, 2009. The company holds license for operations related to the use of state secret information GT 0016603, reg. No. 13556 (valid through 18.12.2013).

Professional auditor's liability of CJSC ACG RBS are insured with OJSC ROSNO Insurance Company with the coverage of RUR 150 mln.

CJSC ACG RBS structure includes 8 departments: audit services, management consulting, departments for credit institutions and financial organizations, tax consulting, management and information technology, legal consulting, state consulting, evaluation.

CJSC ACG RBS has official representative offices in the North-West Federal District with the headquarters in Saint Petersburg, in the Siberian Federal District with the headquarters in Novosibirsk and Omsk, in the Volga Federal District with the headquarters in Nizhny Novgorod and Izhevsk and in the Southern Federal District with the headquarters in Volgograd and Rostov-on-Don.

In addition to that, the corporate structure of CJSC ACG RBS includes:

Subsidiary companies:

- LLC RBS-IT (100% stake).
- LLC RBS-Finance (100% stake).
- LLC RBS-Human Resources (100% stake).

Affiliated entities:

- Non-Commercial Partnership - International Center for Management and Improvement of Professional Skills of Personnel;
- CJSC HATCH-RBS (50% stake).

CJSC ACG RBS employs ~400 experts, more than 100 employees have qualification certificates of the Ministry of Finance and the Central Bank of Russia for the right to perform audit, more than 26 – international certificates of IFRS experts, 61 – academic degrees, 23 – MBA, 18 experts – certificates of tax consultants, appraisers have certificates of the American Society of Appraisers, qualification of IT consultants is verified by certificates of the Russian and the world's largest business software developers: ORACLE, Microsoft, IBM, BAAN, Galactica etc.

The company has an efficiently functioning system of the professional assessment of its experts. Quality management system of CJSC ACG RBS has been certified under ISO 9001:2000 international standard.

CJSC ACG RBS is a member of one of the leading international audit and consulting networks - Crowe Horwath International (rated 9th in the world) with the annual turnover of around USD 3 bln. The network comprises 558 companies in 120 countries, 3324 partners worldwide and more than 26,000 employees.

CJSC ACG RBS cooperates with the industry leaders, financial and industrial groups, state authorities, international companies, international financial institutions, the largest among them being:

- Oil and gas industry: Rosneft, Gazprom, Mostransgaz etc.
- Electricity industry: Federal Grid Company, Rosenergoatom, DVEUK, Tyumenenergo etc.
- Metals industry: Russian Aluminum, Severstal Group, Outokumpu Russia Oy, NOSTA etc.
- Machinery manufacturing industry: United Aircraft Building Corporation, United Machine-building Plants (OMZ) etc.
- Chemical and wood industry: URSA Eurasia, Uralkaly, Azot Agrochemical Corporation, Sylvinit etc.
- Transportation companies and sea ports: Russian Railways, Aeroflot etc.
- Telecommunication industry: Svyazinvest, Sibirtelecom, Yugtelecom, Russian Post, Comstar, Megafon etc.
- Food and agricultural companies: GK Rusagro, GK Prodo, Moscow Crystal Plant etc.
- Construction companies: Gosstroy of Russia, Glavmosstroy etc.
- Trade and export companies Techsnabexport, SKS Metris etc.
- Multi-industry holdings: AFK Systema, NITEK, GK Rinco etc.
- International companies: AG Electrolux, Weatherford, ABB Russia etc.
- Credit organizations and financial companies: Bank of Moscow, IBG Nikoil, National Standard, KMB-Bank, Investment Trade Bank etc.
- International financial institutions: World Bank, European Bank for Reconstruction and Development, TACIS etc.
- Government institutions: Office of the President, Ministry of Finance, Ministry of the Interior, Ministry of Economic Development, Ministry of Defense, Ministry of Transportation etc.

Starting from 2004 CJSC ACG RBS has been among the Top 10 largest international and national audit and consulting groups in Russia according to the annual rating by Expert RA rating agency. In 2006 CJSC ACG RBS was rated the fastest growing company at the audit and consulting market according to the research 'The Russian Audit and Consulting - 10 Years 1996-2006' prepared by Expert RA. In 2007 CJSC ACG RBS received the Supreme Public Award of Russia - Diploma For Outstanding Merits in Development of Audit and Consulting in Russia, following the decision of the Organizational Committee of the 'Pillar' International Competition. In 2008 CJSC ACG RBS was awarded with the diploma 'The Best Consulting Company Using Innovative Technologies' and was included in the list of 1000 best enterprises of Russia. By decision of the Expert Council of the award 'For Contribution to Economic Development of Russia' CJSC ACG RBS was recognized as a laureate in the 'Leader of Russian Business' category following 2009 results.

CJSC ACG RBS provides the complete range of audit services:

- General audit of the Federal Unified State Companies and companies with government stake exceeding 25%;
- General audit of industrial, energy, transportation, communications and wholesale companies;
- Audit of credit organizations, investment institutions and funds;
- Audit under international standards;
- Organization of accounting and preparation of statements under US GAAP and IFRS;
- Accounting and tax consulting;
- Improvement of the companies' accounting systems, including introduction of automated accounting;
- Seminars, appraisal and testing of the employees.

In accordance with Subclause 10 of Clause 1 of Article 48 of the Federal Law On Joint Stock Companies and Subclause 9.2.2 (5) of Clause 9.2 of Article 9 of Rosneft Charter, approval of the Company Auditor is under the authority of the general shareholders meeting.

The Audit Committee of Rosneft Board of Directors evaluated the candidate for the Company's Auditor position in accordance with the recommendations set forth in the Corporate Governance Code, approved of by Instruction No. 421/p of the Russian Federation Federal Commission for the Securities Market.