

**Recommendations by Rosneft Board of Directors
to the annual (based on the results of the year 2010) general shareholders meeting of
the Company
on distribution of the Company profits and losses based on the results of the year 2010
including recommendations on the amount of dividends on
Rosneft shares and their payment procedure**

1. To approve the distribution of Rosneft profits based on the results of the year 2010 as follows:

	<i>RUR mln</i>	
Profit before taxation	237,161.1	
Deferred tax assets	(31.5)	
Deferred tax liabilities	(4,212.5)	
Income tax and similar mandatory payments	(41,001.5)	
Net profit	191,915.6	
Distribution of net profit	191,915.6	
<i>including:</i>		
payment of dividends	29,251.0	<i>(15.2% of net profit)</i>
allocation for investments, production, and social development of Rosneft	162,664.6	<i>(84.8% of net profit)</i>

2. To pay out dividends for 2010 in cash in the amount of 2 roubles 76 kopecks (two roubles seventy six kopeks) per one issued share. To pay dividends simultaneously to all shareholders before August 9, 2011.

**Information on occurrence of conditions for payment of dividends
on Rosneft shares for the year 2010.**

Rosneft has the conditions for declaration of dividends on the Company shares for the year 2010 and payment of the said dividends in accordance with Article 43 of the Federal Law On Joint Stock Companies, accounting for the following expectations:

before decision on dividends payment:

- Rosneft charter capital will remain paid for in full;
- Rosneft will not effect the procedure of shares buyout 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;
- value of net assets of Rosneft will not be less than the Company charter 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 31.12.2010 value of net assets of Rosneft exceeded the value of the Company charter capital and reserve fund by RUR 916,442,384 thousand*).