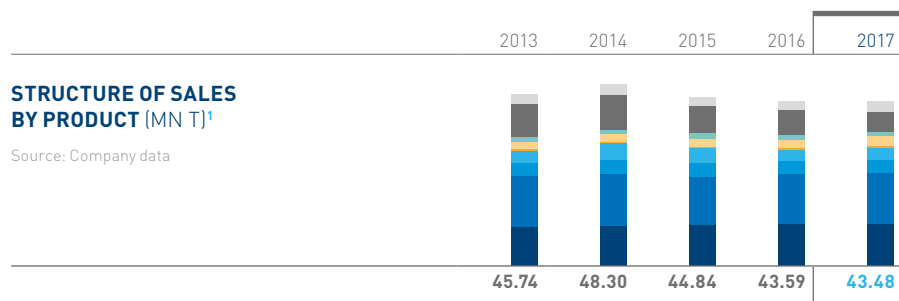
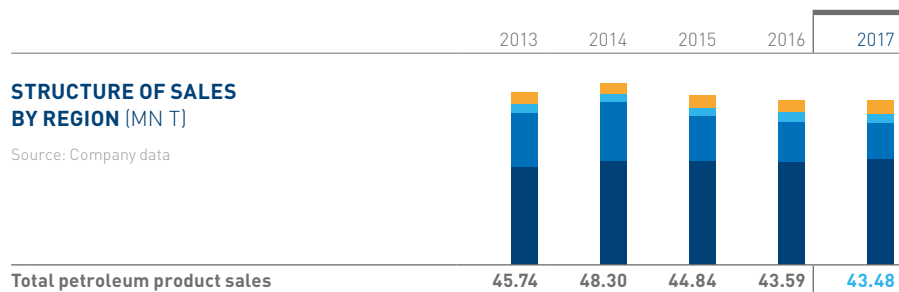




# PETROLEUM PRODUCT SALES



	2013	2014	2015	2016	2017
Petrol	10.17	10.43	10.83	11.08	11.09
Diesel fuel	13.71	13.87	12.81	13.27	13.37
Aviation fuel	3.42	3.82	3.62	3.36	3.51
Marine fuel	3.22	4.42	3.98	2.87	3.29
Oils and lubricants	0.44	0.39	0.43	0.45	0.41
Bitumen	2.00	2.02	2.05	2.17	2.65
Petrochemicals	1.17	1.26	1.45	1.35	1.25
Fuel oil	9.02	9.31	7.42	6.62	5.23
Other petroleum products	2.59	2.78	2.25	2.42	2.68



	2013	2014	2015	2016	2017
Sales in Russia	25.84	27.54	27.50	27.11	27.96
Exports to non-CIS countries	14.61	15.64	11.81	10.77	9.54
Exports to CIS countries	2.21	2.09	2.28	2.41	2.50
International sales	3.08	3.03	3.25	3.30	3.48

1 — Data changed taking into account adjustments to international sales (sales by NIS) that were previously included in the 'Other petroleum products' line.

2 — Premium sales:

- sales of petroleum products via premium distribution channels for retail and small-scale wholesale. This group includes all petroleum product sales via filling stations and petroleum storage depots as well as wet wing aircraft fuelling, ship fuelling and small-scale wholesale from refuelling complexes at airports and port terminals;
- sales of packaged petroleum products. This group covers all sales of oils in barrels and cans as well as bitumen sales in clovertainers, among other sales;
- sales of premium petroleum products, i.e. petroleum products that generate added value due to the presence of certain qualitative features compared with other products of their kind. This group includes the sale of premium bulk lubricants (Gazpromneft, G-Family, Texaco), premium bitumen materials (polymer-bitumen binders, PMB, bituminous emulsions, etc.) and the possible wholesale of premium motor fuels – G-Drive, etc.

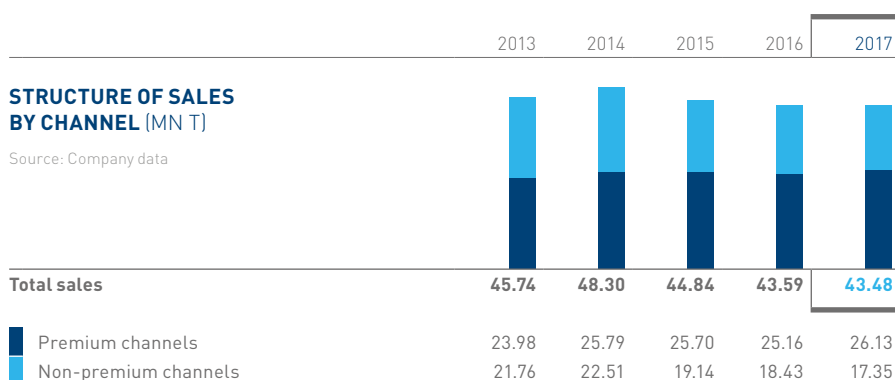
The Company sold 43.48 million tonnes of petroleum products in 2017, a 0.3% decrease from the previous year. This is primarily due to the decreased production of dark petroleum products at the Group's Russian oil refineries, as evidenced by the 21.0% reduction in fuel oil sales in 2017 compared with 2016 from 6.6 million tonnes to 5.2 million tonnes. At the same time, growth was seen in sales of light petroleum products during the reporting period, specifically motor fuels (+0.5%), aviation fuel (+4.5%), marine fuel (+14.6%), and bituminous materials (+22.1%).

The decrease in overall sales in 2017 was the result of a decline in the volume of petroleum product exports to non-CIS countries.

Sales of petroleum products on the domestic market increased by 3.1%. Growth was seen in the entire range of the Company's petroleum products except petrochemical products (-16.7% YoY) and marine fuel (-12.9%). Meanwhile, the Company recorded a significant increase in sales of bitumen (+24.8%) and diesel fuel (+7.9%).

Exports to non-CIS countries fell by 11.4% to 9.5 million tonnes. The biggest decline was seen in fuel oil (-28.9%) and diesel fuel (-23.3%). At the same time, exports of marine fuel to non-CIS countries increased by twofold, while exports of aviation fuel rose by 62.5% due to increased demand for international transportation and the expanded geography of the Company's operations.

## STRUCTURE OF SALES BY CHANNEL



Sales of aviation fuel by the Company via premium channels in 2017 increased by

**8%**

Premium sales<sup>2</sup> increased by 3.9% in the reporting period to 26.1 million tonnes. The Company's success in developing premium sales channels and expanding the geography of supplies and the range of its premium products made it possible to increase its share at the end of the year on the retail markets of most petroleum products, including the markets for motor fuels, aviation kerosene, lubricants, and premium bitumen materials.

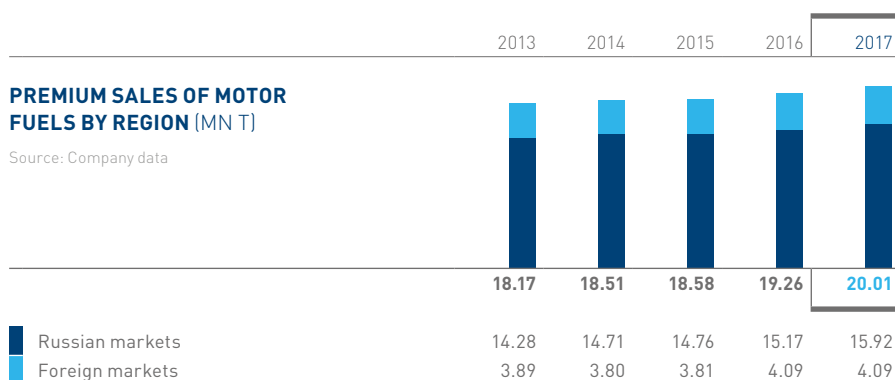
The aviation fuel supply market as well as in the bitumen market accounted for the highest growth rates in the Company's premium sales in 2017.

Sales of the Company's aviation fuel through premium channels increased by 8%, while sales of bitumen rose by 22.0%. Premium sales of oils and motor fuels increased by 6.7% and 3.9%, respectively. Information about the sale of individual petroleum products is provided in the corresponding sections of the Report.



## MOTOR FUELS AND FILLING STATIONS

### SALES OF MOTOR FUELS



One of the key areas of the Company's activities is the development of the small-scale wholesale and retail segment of petroleum product sales.

One of the key areas of the Company's activities is the development of the small-scale wholesale and retail segment of petroleum product sales. Having its own national brand as well as a high level of awareness and trust in the quality of its product helps Gazprom Neft achieve one of its strategic goals of joining the leaders in Russia and the CIS in terms of the volume of retail sales and efficiency of the filling station network by 2025.

The growth in sales via premium channels in Russia primarily resulted from more sales to corporate customers due to increased sales to existing customers as well as the recruiting of new customers.