

Market Capitalization

Market capitalization of preferred shares* (RUB billion)	274.8
Ticker (MOEX)	TRNFP

* As of December 30, 2019

Shares outstanding

Ordinary shares (100% owned by the Russian Government)	5,694,468	78.55%
Preferred shares	1,554,875	21.45%
Total number of shares outstanding	7,249,343	

Credit Rating

Moody's	Long-term rating for commitments in foreign currency	Baa2 / Stable
S&P	Long-term rating for commitments in foreign currency	BBB- / Stable
RAEX	Credit rating	ruAAA / Stable

Key Events for shareholders and investors

January 16, 2020	<p>Operational figures disclosure of oil and petroleum products intake and delivery for 2019 and the plan for 2020</p> <p>In 2019 Transneft PJSC accepted 484.8 mln tonnes of crude oil into the oil trunk pipeline system (in 2018, it was about 480 mln tonnes) and 38 mln tonnes of petroleum products into the petroleum products trunk pipeline system (in 2018, it was about 39 mln tonnes).</p> <p>In 2020, the reception and supply is planned at the level of 488.5 mln tonnes for crude oil and 39 mln tonnes for petroleum products.</p>
November 29, 2019	<p>Publication of financial statements for 9 months ending September 30, 2019 in accordance with IFRS</p> <p>The Group's revenue grew by RUB 77 billion or 12% year-over-year, mainly due to the inclusion of NCSP Group's performance indicators and growing revenue from oil transportation services. Profit attributable to shareholders of Transneft made RUB 144 billion, RUB 27 billion or 16% up year-on-year. On December 3, 2019 Transneft held management's teleconference with investors and analysts to discuss 9M 2019 IFRS financial results.</p>
November 1, 2019	<p>The throughput capacity of the ESPO pipeline system was increased to its maximum under the project:</p> <ul style="list-style-type: none"> at the Tayshet IPS – Skovorodino PS section to 80 Mtpa at the Skovorodino PS – Kozmino SSOP section to 50 Mtpa
September 23, 2019	<p>Commissioning of the plant for manufacturing drag reducing agents (DRA) in the Alabuga Special Economic Zone</p> <p>Transneft launched DRA plant, fully localizing DRA production in the territory of the Russian Federation and fully covering its needs in DRA.</p>
June 30, 2019	<p>Dividends for 2018</p> <p>In 2019 Transneft's AGM decided on the allocation of 51.2% of normalized consolidated net profit under IFRS to dividends (total amount of dividends was equal to RUB 77.6 bln).</p>
April 23, 2019	<p>The contract on the sale of 99.9968% of LLC "Novorossiysk Grain Terminal" was signed</p> <p>Transaction size in monetary terms was equal to RUB 35'758 mln.</p>
February 13, 2019	<p>Increase of Transneft's credit rating by Moody's</p> <p>International rating agency Moody's increased the long-term rating of Transneft from "Baa3" (a "positive" outlook) to "Baa2" ("stable" outlook).</p>

Operational and Financial Indicators (IFRS)

		2017	2018	9M19	Change, %	
					2018 / 2017	9M19 / 9M18
Oil transportation volume	million tons	478	480	362.1	0.5	1.3
Petroleum products transportation volume	million tons	33.1	39.2	28.4	18.4	(6.0)
Revenue	RUB billion	884.3	980.0	792.7	10.8	10.7
Revenue from oil transportation services	RUB billion	631.5	651.9	522.9	3.2	8.0
Revenue from petroleum products transportation services	RUB billion	66.0	72.2	51.4	9.3	(8.3)
Revenue from crude oil sales	RUB billion	150.2	206.4	149.5	37.4	(0.6)
Other revenue	RUB billion	36.7	49.5	68.9	35.0	2.7times above
EBITDA*	RUB billion	408.7	433.4	376.7	6.1	19.7
Profit attributable to shareholders of Transneft	RUB billion	192.0	224.3	144.0	16.9	(15.8)

* Less crude oil sale and purchase operations under contracts with Rosneft and the China National United Oil Corporation.

Transneft's Strategy

The goal of the Strategy is to develop and upgrade the trunk pipeline transportation system of the Russian Federation to fully satisfy the demand for crude oil and light petroleum products transportation both on the domestic market and for export.

Transneft's Strategy provides for:

- ensuring the steady development of crude oil and petroleum products pipeline transportation;
- reducing accident rate at trunk pipelines;
- completely precluding discharge of insufficiently treated wastewater;
- maintaining the sulphur content in oil pumped through Transneft's system within the limits prescribed by the rational routing scheme;
- reducing expenses on pipeline construction and operation, maintaining optimal costs of transportation services for clients;
- reducing the share of imported products.

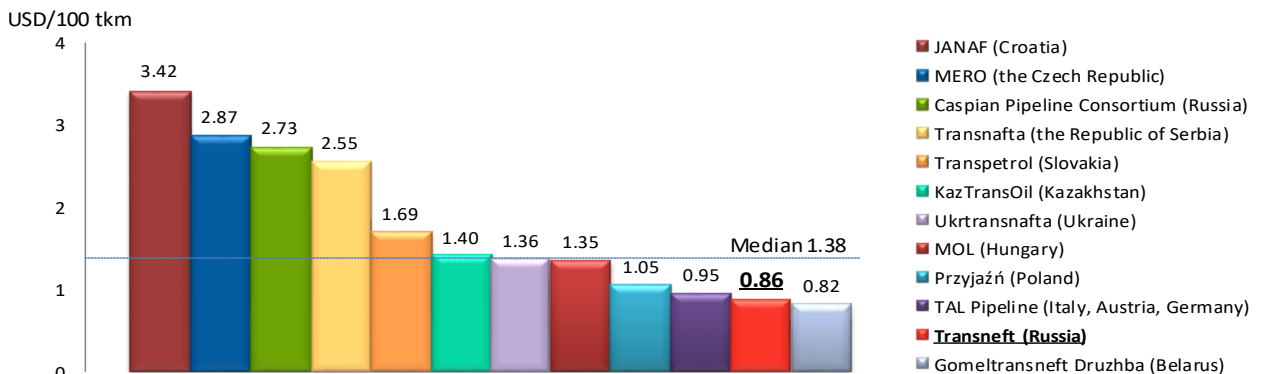
The NCSP's Strategy

On December 31, 2019 NCSP's Board of Directors approved the NCSP's Development Strategy

Capital Expenditures (including VAT)

Period	New projects, RUB billion	Technical re-equipment and revamping, RUB billion
2018	63.8	194.8
2019 (estimate)	38.1	244.5
2020-2024 (planned)	12.4	1 154.3

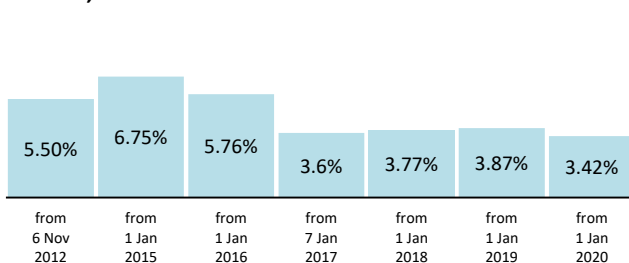
Average per unit tariff of Transneft compared to foreign peers (as of 01 December 2019)



Tariff Dynamics

- The tariffs for Transneft oil transportation are set on the territory of Russia by the state regulatory authority - the Federal Antimonopoly Service (FAS).
- The Company annually submits to the state regulator information about its upcoming expenses and investment program for determining tariffs for the next year
- In accordance with Transneft's Strategy, the growth of tariffs for oil transportation shall not exceed the rate of inflation in Russian Federation

Indexation of Transneft's Tariffs for Oil Transportation Services, % *



* Tariff growth rates denominated in roubles

Source: FAS of Russia

Shares

- Only preferred shares (1,554,875) are traded on the stock market, while ordinary shares (5,694,468) are 100% owned by the Russian Government
- Preferred shares of Transneft are included in the tier 1 list of the Moscow Exchange
- In accordance with Transneft's Articles of Association (paragraph 8.2, as amended on April 6, 2017), owners of preferred shares are paid 10% of RAS net profit annually. However, the amount of dividends paid per 1 preferred share may not be less than the amount of dividends paid per 1 ordinary share

Transneft share price history and trading volume, preferred shares, Moscow Exchange

