

SIBUR Reports H1 2013 IFRS Results

Moscow, 12 September 2013. OAO SIBUR Holding, a unique integrated gas processing and petrochemicals company, today published its operational and financial results for the three and six months ended 30 June 2013 in accordance with International Financial Reporting Standards (IFRS).

Operational Results

In the first half of 2013, SIBUR's gas processing plants (GPPs), including GPPs operated by OOO Yugragazpererabotka, processed 9.6 billion cubic metres of associated petroleum gas (APG)⁽¹⁾, an increase of 5.4% year-on-year. As a result, production of natural gas⁽²⁾ rose 4.2% year-on-year to 8.3 billion cubic metres⁽¹⁾. Raw natural gas liquids (raw NGL)⁽¹⁾ production increased by 14.6% year-on-year to 2.6 million tonnes.

In the first half of 2013, SIBUR increased sales volumes in majority of its energy products primarily due to higher hydrocarbon feedstock processing. Our natural gas sales volumes increased by 18.4% year-on-year to 6.2 billion cubic metres. External sales of natural gas liquids (NGLs), including liquefied petroleum gases (LPG), naphtha and raw NGL, rose 17.1% year-on-year to 2.3 million tonnes. Sales volumes of petrochemical products totaled 1.1 million tonnes, a decrease of 7.8% year-on-year.

Operating results

| <i>Tonnes, except as stated</i> | Six months ended | | Change % |
|--|------------------|-----------------|-------------|
| | 2013 | 30 June 2012 | |
| Processing and production volumes | | | |
| APG processing ⁽¹⁾ (thousand cubic metres) | 9,635,356 | 9,140,248 | 5.4% |
| APG processing, SIBUR's share ⁽³⁾ (thousand cubic metres) | 6,786,469 | 6,301,268 | 7.7% |
| Natural gas production ⁽¹⁾ (thousand cubic metres) | 8,341,818 | 8,008,428 | 4.2% |
| Natural gas production, SIBUR's share ⁽³⁾ (thousand cubic metres) | 5,655,811 | 5,323,616 | 6.2% |
| Raw NGL production ⁽¹⁾ | 2,572,444 | 2,244,767 | 14.6% |
| Raw NGL production, SIBUR's share ⁽³⁾ | 1,818,446 | 1,477,679 | 23.1% |
| Basic polymers production | 201,047 | 196,193 | 2.5% |
| Synthetic rubbers production | 216,665 | 212,932 | 1.8% |
| Plastics and organic synthesis production | 447,670 | 393,288 | 13.8% |
| Intermediates and other chemicals production | 1,609,638 | 1,709,220 | (5.8%) |
| Sales volumes | | | |
| Natural gas sales volumes (thousand cubic metres) | 6,211,514 | 5,244,367 | 18.4% |
| NGLs sales volumes | 2,334,561 | 1,993,041 | 17.1% |
| MTBE, other fuels & fuel additives sales volumes | 320,791 | 307,461 | 4.3% |
| Petrochemical products sales volumes | 1,064,436 | 1,154,083 | (7.8%) |

Financial Results

In the first half of 2013, SIBUR's revenue decreased by 5% year-on-year to RR 130 billion. The decrease was largely attributable to three key factors. First, our synthetic rubber business continued to be under significant pressure due to weak demand on our key markets and persisting price correction for majority of synthetic rubber grades. Second, in the first quarter of 2012, we continued trading activities in favour of the mineral fertilisers business, which had been divested at the end of 2011. Revenue from such trading activities, which we reported as "trading and other sales" in the first

quarter of 2012, is non-recurring, as these activities were discontinued from the second quarter of 2012. Third, following the deconsolidation of OOO Yugragazpererabotka (our joint venture with RN Holding⁽⁴⁾) as of 12 March 2013, we no longer consolidate the JV's revenue. The above factors were only partially compensated by solid performance of our energy product group on strong volume growth and an increase in revenue from sales of plastics & organic synthesis products thanks to higher production and change in scope through consolidation of the BIAXPLEN group of companies.

Our EBITDA for the first half of 2013 amounted to RR 38,117 million, a year-on-year decline of 10.4%. Our EBITDA margin totaled 29.3%. The year-on-year decrease in EBITDA was primarily attributable to tighter spreads between feedstock and end-product prices, particularly in synthetic rubber product group.

Net profit for the first half of 2013 totaled RR 25,545 million, a decrease of 13.9% year-on-year. The decline was largely attributable to lower EBITDA and the foreign exchange loss on the revaluation of our USD-denominated debt, which was materially higher than a year earlier.

Despite EBITDA declining by 10.4%, our net cash from operating activities went down by 4.8% year-on-year to RR 36,995 million, reflecting a positive effect from working capital changes.

In the first half of 2013, our capital expenditures increased by 11.8% year-on-year to RR 36,044 million. The growth was attributable to the investments in the development of our feedstock processing and transportation infrastructure as well as in our petrochemical projects in line with our strategic objectives.

Financial results

| <i>RR millions, except as stated</i> | Six months ended | | <i>Change %</i> |
|---|------------------|----------|-----------------|
| | 30 June | | |
| | 2013 | 2012 | |
| Revenue (net of VAT and export duties) | 130,030 | 136,926 | (5.0%) |
| <i>Energy products</i> | 67,219 | 63,441 | 6.0% |
| <i>Petrochemical products</i> | 57,984 | 64,426 | (10.0%) |
| <i>Other</i> | 4,827 | 9,059 | (46.7%) |
| EBITDA | 38,117 | 42,562 | (10.4%) |
| <i>EBITDA margin, %</i> | 29.3% | 31.1% | |
| Profit for the reporting period | 25,545 | 29,662 | (13.9%) |
| Net cash from operating activities | 36,995 | 38,847 | (4.8%) |
| Net cash used in investing activities, including: | (36,717) | (15,821) | 132.1% |
| <i>Purchase of property, plant and equipment</i> | (36,044) | (32,226) | 11.8% |

Borrowings

As of 30 June 2013, our total debt amounted to RR 94,409 million, a decrease of 1.7% compared to 31 December 2012. The share of long-term debt in the company's overall credit portfolio increased to 71.3% as of 30 June 2013, compared to 42.8% as of 31 December 2012.

Our net debt⁽⁵⁾ totaled RR 90,149 million and our net debt to EBITDA ratio stood at 1.16x as of 30 June 2013, which underscores the company's strong financial position.

Borrowings

| <i>RR millions, except as stated</i> | As of 30 June 2013 | As of 31 December 2012 | Change, % |
|--------------------------------------|-------------------------------|-----------------------------------|------------------|
| Total debt | 94,409 | 95,994 | (1.7%) |
| Cash and cash equivalents | 4,260 | 13,570 | (68.6%) |
| Net debt ⁽⁵⁾ | 90,149 | 82,424 | 9.4% |
| Key ratio | | | |
| Debt / EBITDA | 1.21x | 1.17x | |
| Net debt ⁽⁵⁾ / EBITDA | 1.16x | 1.00x | |

Borrowings by scheduled maturities

| <i>RR millions, except as stated</i> | As of 30 June 2013 | % of total borrowings | As of 31 December 2012 | % of total borrowings | Change, % |
|--------------------------------------|-------------------------------|----------------------------------|-----------------------------------|----------------------------------|------------------|
| Due for repayment: | | | | | |
| Within one year | 27,091 | 28.7% | 54,936 | 57.2% | (50.7%) |
| Between one and two years | 14,821 | 15.7% | 15,175 | 15.8% | (2.3%) |
| Between two and five years | 43,719 | 46.3% | 12,679 | 13.2% | 244.8% |
| After five years | 8,778 | 9.3% | 13,204 | 13.8% | (33.5%) |
| Total debt | 94,409 | 100.0% | 95,994 | 100.0% | (1.7%) |

Full version of the unaudited consolidated interim condensed financial information as of and for the three and six months ended 30 June 2013 in accordance with IFRS is available on our website (http://www.sibur.com/disclosure_info/statements/financial_statements/).

About SIBUR

SIBUR is a uniquely positioned vertically integrated gas processing and petrochemicals company. We own and operate Russia's largest gas processing business in terms of associated petroleum gas processing volumes and are a leader in the Russian petrochemicals industry.

As of 30 June 2013, SIBUR operated 27⁽⁶⁾ production sites across Russia and employed more than 28,000 personnel. We serve over 1,500 large customers operating in the energy, automotive, construction, fast moving consumer goods (FMCG), chemical and other industries in approximately 60 countries.

Investor Relations

Anna Kareva
Director
Tel.: + 7 (495) 777-55-00 (*34-20)
KarevaAA@sibur.ru

International Media Relations

SIBUR LLC
Direct line: +7 (495) 937-17-26
Cell: + 7 (926) 754-08-51
www.sibur.com
press@sibur.ru

⁽¹⁾ Including RN Holding's (formerly OAO TNK-BP Holding) share in processing/production volumes of OOO Yugragazpererabotka.

⁽²⁾ An equivalent to dry gas, a product of APG processing.

⁽³⁾ Excluding RN Holding's (formerly OAO TNK-BP Holding) share in processing/production volumes of OOO Yugragazpererabotka.

⁽⁴⁾ Formerly TNK-BP Holding. Renamed RN Holding as of 30 July 2013 following the acquisition by Rosneft.

⁽⁵⁾ Net debt is calculated as total debt less cash and cash equivalents.

⁽⁶⁾ Including three GPPs operated by OOO Yugragazpererabotka, SIBUR's JV with RN Holding (formerly TNK-BP Holding), which we do not consolidate from the second quarter of 2013.