

Recommendations of the Board of Directors of OJSC «Oil Company «Rosneft» to the annual (based on 2006 results) General Shareholders' Meeting of the Company on the distribution of profit of OJSC «Oil Company «Rosneft» including the dividend rate on shares of OJSC «Oil Company «Rosneft» and the payment procedure based on performance in 2006

1. To approve the following distribution of profits of **OJSC «Oil Company «Rosneft»** for 2006:

	million rubles
1. Profit before tax	258 925.3
2. Deferred tax assets	68.4
3. Deferred tax liabilities	(2 288.0)
4. Profit tax and similar compulsory payments	(44 810.6)
5. Amount of profits due to amendments in the Charter	1 321.5
6. Net profit	213 216.6
7. Expenses from profits	213 216.6
including:	
7.1. For payment of dividends on shares	14 095.6
	<i>(6.6% of the net profit or 19.5% of the net profit without taking into account the profit gained in consequence of the loss compensation under the court rulings in respect of OAO NK Yukos),</i>
of them on shares owned by OJSC «ROSNEFTEGAZ»	10 594.5
7.2. For investment, production and social development of OJSC «Oil Company «Rosneft»	199 121.0
	<i>(93.4% of the net profit)</i>

2. To declare the annual dividends based on performance of the Company in 2006 in a monetary form of RUR 1.33 per one ordinary share of the nominal value of 1 kopek.

The dividends shall be paid before 31 December 2007.

**Information on availability of conditions for payment of dividends on shares
of OJSC «Oil Company «Rosneft» for 2006**

OJSC «Oil Company «Rosneft» has conditions to declare dividends on the shares of the Company for 2006 and the payment of the said dividends in accordance with article 43 of the Federal Law «On joint stock companies», provided that:

before the decision to pay the dividends is taken:

- the authorized capital of **OJSC «Oil Company «Rosneft»** remains fully paid;
 - **OJSC «Oil Company «Rosneft»**, in accordance with the Article 76 of the Federal Law «On joint stock companies», has not implemented the procedure of repurchase of shares;
- as of the day the decision is made to pay the dividends and as of the day the dividends are paid:

- **OJSC «Oil Company «Rosneft»** does not show any signs of insolvency (bankruptcy) in accordance with the legislation of the Russian Federation on insolvency (bankruptcy) and the said signs do not appear in consequence of the dividend payment by the Company;
- the net assets worth of **OJSC «Oil Company «Rosneft»** is not be less than its authorized capital and reserve fund and is not reduced beyond their amount in consequence of the decision on the dividend payment (as of 31.03.2007 the net assets worth of **OJSC «Oil Company «Rosneft»** exceeds its authorized capital and reserve fund by RUR 306 722 781 thousands).