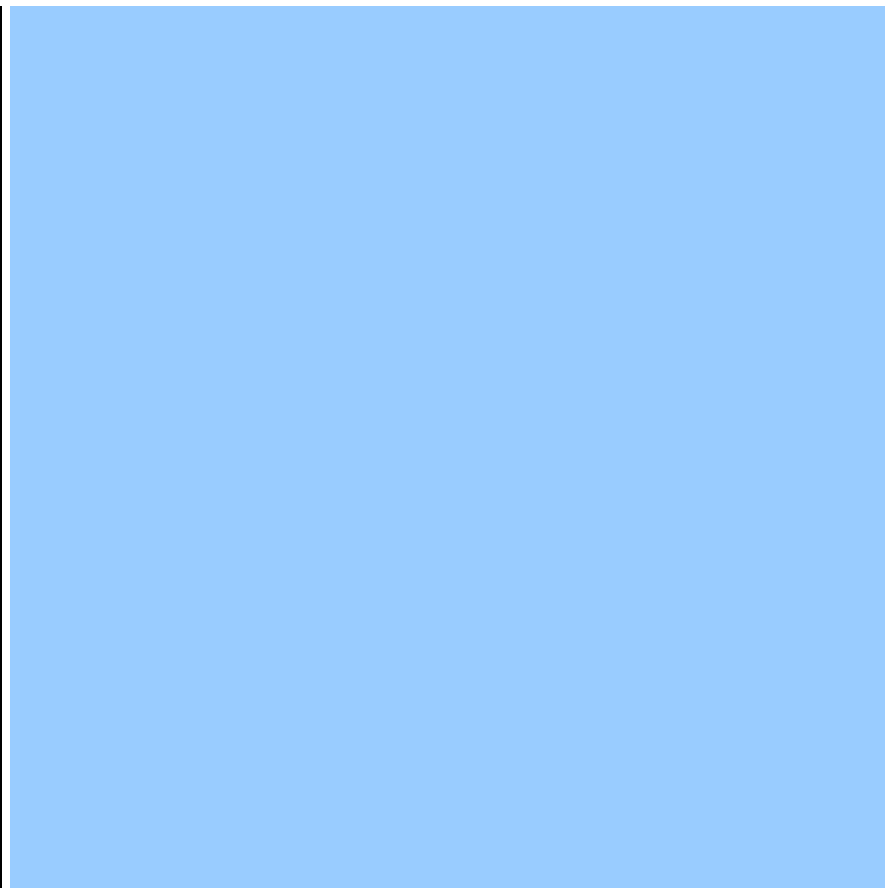




Vostok Nafta Investment Ltd
12 Months Report 2009
February 17th 2010



Vostok Nafta

12 Months Report 2009

Income Statement

(TUSD)	Jan 1, 2009- Dec 31, 2009	Jan 1, 2008- Dec 31, 2008	Oct 1, 2009 Dec 31, 2009	Oct 1, 2008 Dec 31, 2008
Operating income	151,603	-540,244	38,567	-254,963
Operating expenses	-5,897	-8,716	-1,684	-2,528
Russian dividend withholding tax expenses	-1,367	-1,381	-482	-648
Other operating expenses	-	-15	-	-15
Reversal of write downs	-	-	150	-
Operating result	144,339	-550,356	36,441	-258,154
Net financial items	-4,492	-6,988	-195	-755
Result before tax	139,847	-557,344	36,246	-260,231
Taxation	8	956	0	-1,322
Net result	139,855	-556,388	36,246	-260,231
Earnings per share (USD)	1.40	-10.32	0.36	-4.82
Diluted earnings per share (USD)	1.40	-10.32	0.36	-4.82

Vostok Nafta

12 Months Report 2009

Balance Sheet

(TUSD)	Dec 31, 2009	Dec 31, 2008
Intangible non current assets	-	-
Tangible non current assets	1,948	510
Financial non current assets	472,402	266,874
Current assets	14,695	59,772
Total assets	489,045	327,156
Shareholders' equity	487,624	247,893
Deferred tax liabilities	-	19
Borrowings	-	77,887
Other current liabilities	1,421	1,357
Total shareholders' equity and liabilities	489,045	327,156

Vostok Nafta Ownership Structure

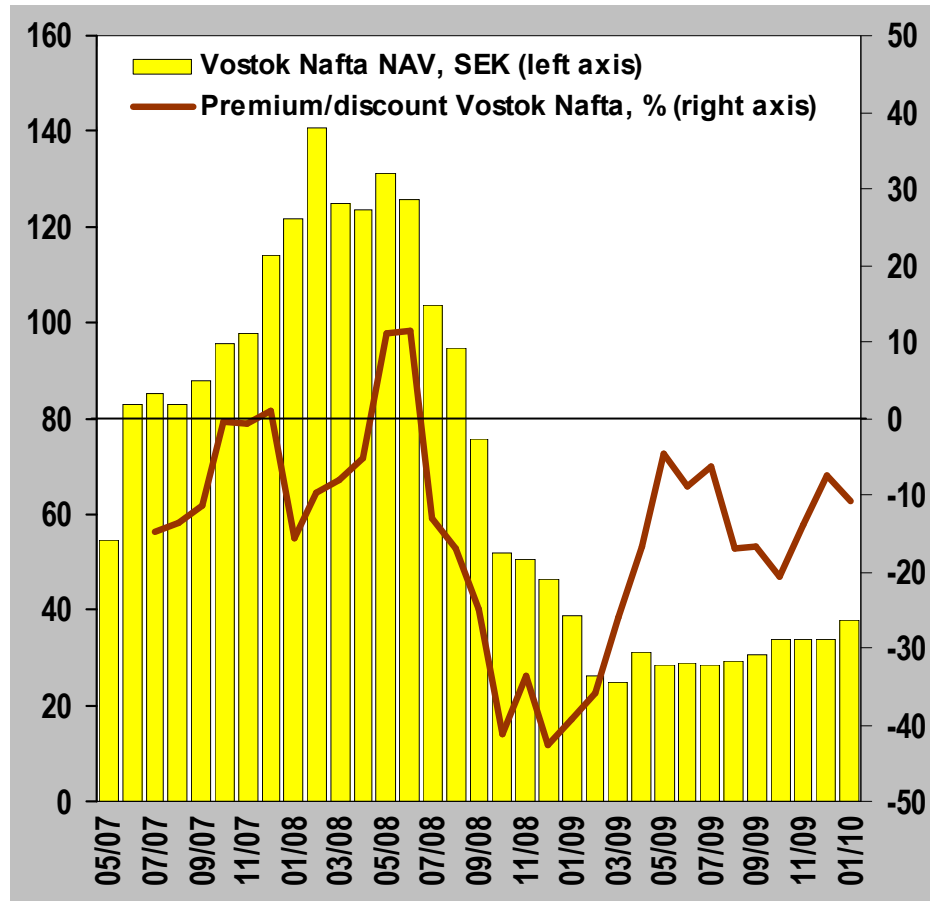
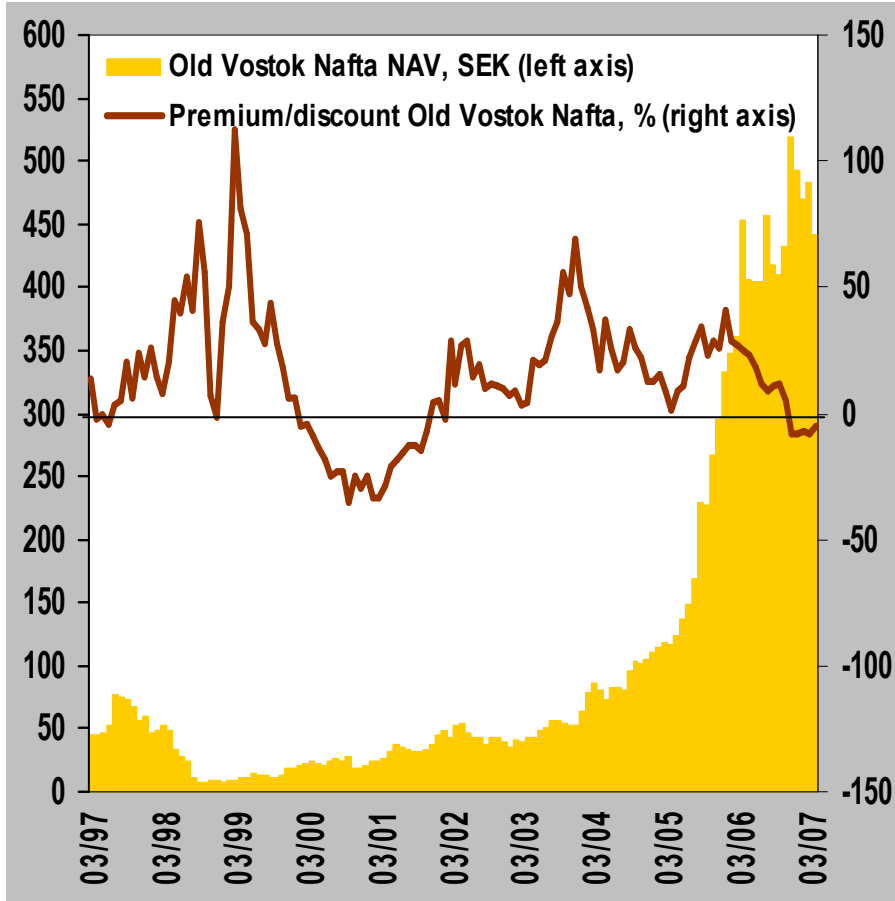
10 largest owners as per December 30, 2009
(left) and January 29, 2010 (right)

Owner	Holding, SDRs	Holding, %
1 Lorito Holdings (Guernsey) Ltd	28,000,000	27.73%
2 Alecta Pension Insurance	7,000,000	6.93%
3 4th Swedish National Pension Fund	5,874,817	5.82%
4 Länsförsäkringar Funds	4,587,281	4.54%
5 HQ Funds	4,073,323	4.03%
6 AFA Insurance	3,566,360	3.53%
7 Avanza Pension Insurance	2,289,383	2.27%
8 Skandia Liv	1,722,861	1.71%
9 Nordea Funds	1,569,307	1.55%
10 Swedbank Robur Funds	1,158,182	1.15%
10 largest owners	59,841,514	59.25%
Other foreign owners & nominees	17,036,615	16.87%
Other, approx. 17,000 shareholders	24,112,846	23.88%
Total	100,990,975	100.00%

Owner	Holding, SDRs	Holding, %
1 Lorito Holdings (Guernsey) Ltd	28,000,000	27.73%
2 Alecta Pension Insurance	7,000,000	6.93%
3 Länsförsäkringar Funds	5,962,232	5.90%
4 4th Swedish National Pension Fund	5,607,921	5.55%
5 HQ Funds	4,073,323	4.03%
6 AFA Insurance	3,566,360	3.53%
7 Avanza Pension Insurance	2,430,968	2.41%
8 Skandia Liv	1,722,861	1.71%
9 Nordea Funds	1,646,600	1.63%
10 Nordnet Pension Insurance	1,164,051	1.15%
10 largest owners	61,174,316	60.57%
Other foreign owners & nominees	16,650,610	16.49%
Other, approx. 17,200 shareholders	23,166,049	22.94%
Total	100,990,975	100.00%

Net asset value (NAV) and premium/discount

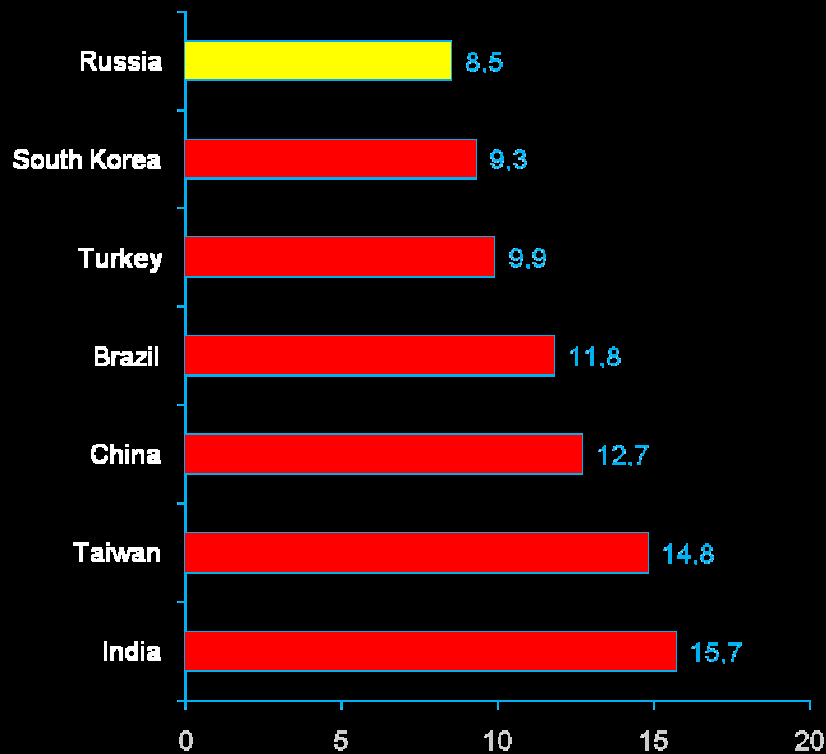
Old Vostok Nafta March 1997–April 2007 (left) and New Vostok Nafta May 2007–January 2010 (right)



Valuation

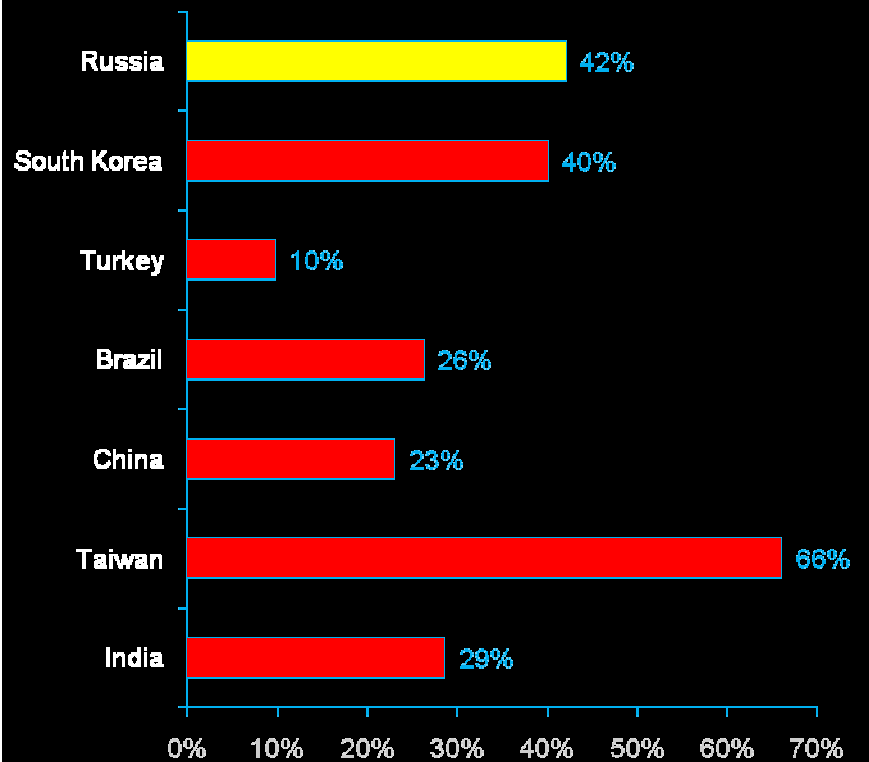
Russia at a Discount to EM Peers

P/E 2010e



Source: Credit Suisse I/B/E/S, Feb 2010

EPS growth 2010e



Source: Credit Suisse I/B/E/S, Feb 2010

Vostok Nafta Investment Portfolio

Macro themes

Portfolio as of December 31, 2009:
USD 475.5 mln

What Works in the West... 22.11%

Tinkoff Credit Systems 10.03%
RusForest 6.19%
Vosvik/Kontakt East 3.88%
Other 2.01%

Short term trades 3.89%

Lukoil 3.10%
Other 0.78%

Agriculture 21.24%

Black Earth Farming 20.61%
Other 0.63%

Oil 14.38%

TNK-BP Holding Pref 8.55%
Other 5.83%

Commodities 10.14%

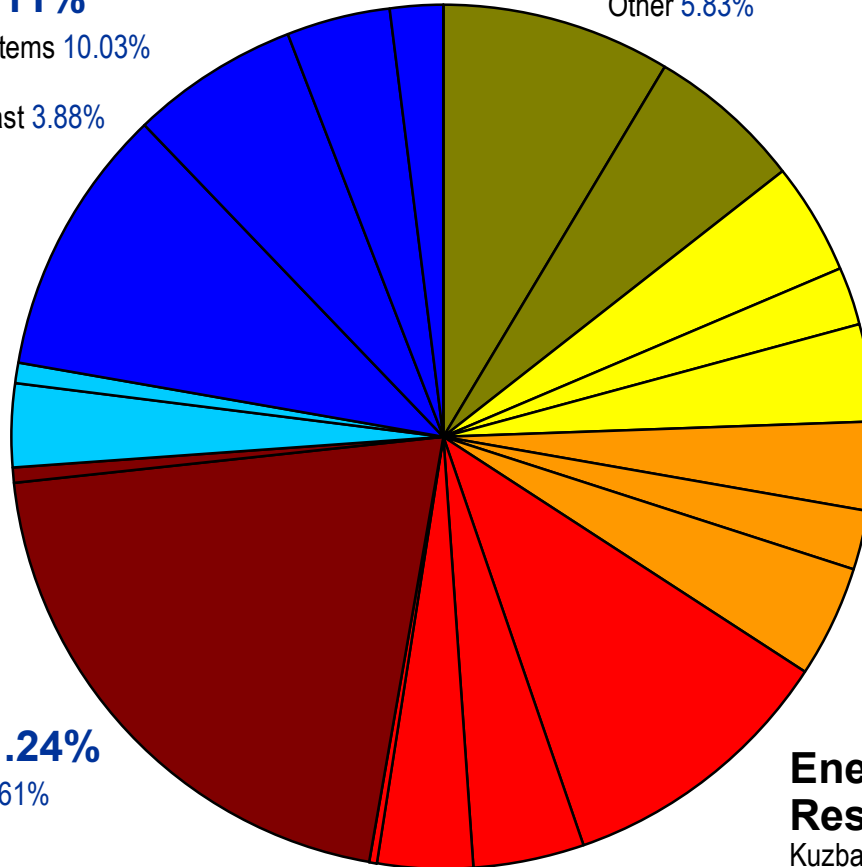
Priargunsky Ind 4.26%
Poltava Gok 2.15%
Other 3.73%

Infrastructure 9.78%

Transneft Pref 3.24%
Steppe Cement 2.14%
Other 4.40%

Energy Sector Restructuring 18.42%

Kuzbassrazrezugol 10.41%
Kuzbass Fuel Company 4.21%
RusHydro 3.77%
Other 0.04%



- 323,000 hectares under control
 - of which 196,000 under full ownership
 - and 45,000 under long term lease
- Substantial production
 - 2007: 110k tons on 53k ha harvested
 - 2008: 437k tons on 142k ha harvested
 - 2009: 511k tons on 183k ha harvested
- Anchor investors & active owners:
 - Vostok Nafta Investment Ltd 24.8%
 - Investment AB Kinnevik 20.9%

All BEF's farms are located in the Black Earth region which holds one of the most fertile soils in the world





Tinkoff Credit Systems

– Russia’s only monoline direct mail credit card issuer

- Founded 2007 by Oleg Tinkov
- 71% owned by Tinkov, 15% Vostok Nafta, 14% Goldman Sachs

– Favourable macro situation

- Credit card penetration in Russia under 10% of pop. vs. Poland (18%), Kazakhstan (40%) and Brazil (46%)

– Excellent management

- Experienced, entrepreneurial
- Background from VISA and leading consumer lenders

– Targeting 3-5% market share by 2010

- Loan portfolio of USD 165mn

– Debt financing

- EUR 70mn placed at 18% in June 2008
- RUB 1.5bn loan at 16.5-24.5%

– Vostok Nafta Investments

- Shares: 15% for USD 30mn
- Warrants: 2% for free
- Loan: RUB 500mn
- Bond: EUR 5mn

Tinkoff Credit Systems



— Good results for 9 months of 2009

- USD 12.3mn net profit
- USD 18-20mn expected for FY09
- 63% Return on Equity
- Net operating cash flows of USD 21mn

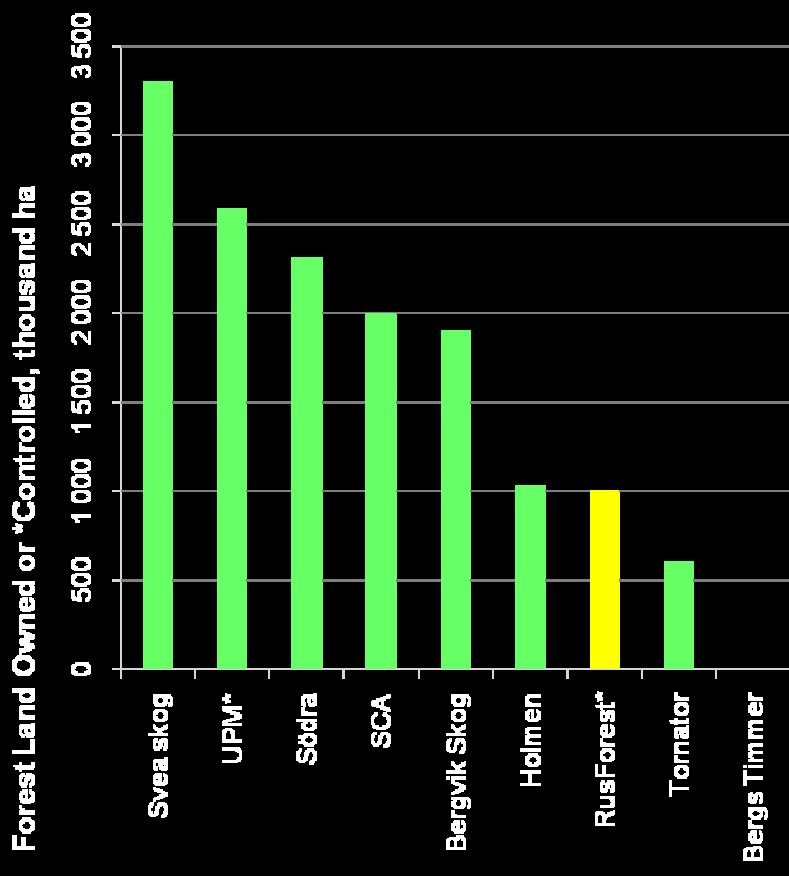
— Growth resumed

- Organic growth resumed in August
- Increased credit limits & reinvested cash flows

— New funding

- Retail deposit program to be rolled out 2010
- Looking to capital markets in addition

- RusForest has reached a considerable scale in terms of forest land controlled
 - Over 1mIn hectares with 1.6mIn m³ in AAC and an ~80% share of softwood
- Harvest of approximately 459k m³ 9M 2009
 - Currently 6th largest in Russia
 - Growth plans project an increase to around 1.4mIn m³
- Sawmilling capacity set to increase to around 300k m³



Source: RusForest

Location of Holdings





– Sawnwood market has stabilized

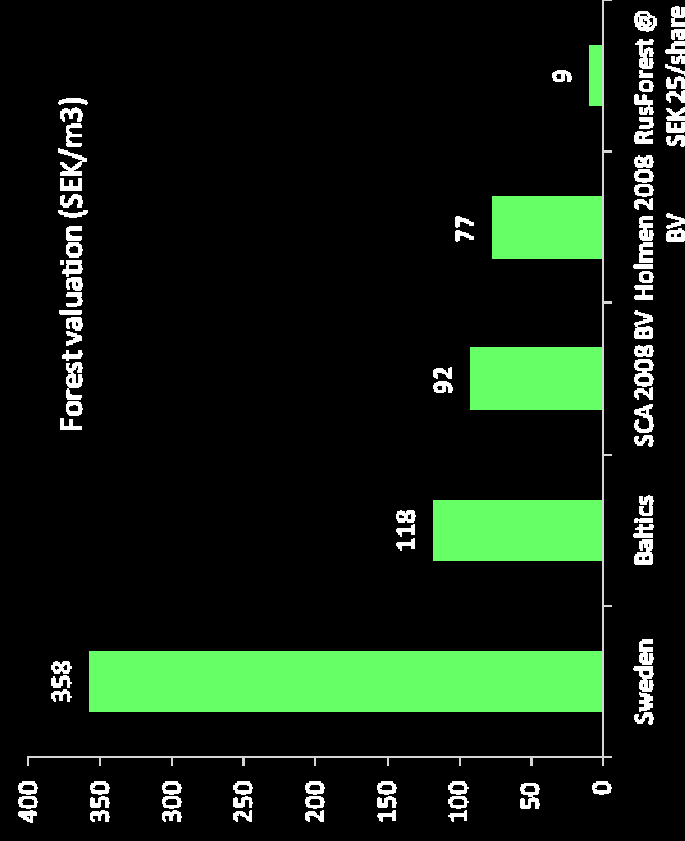
- Robust demand, strong back log
- Prices rebounded to USD 200/m³
- Japan, Middle East & Central Asia key markets

– Financials still muted

- Volumes of scale being built
- Potential SEK 50mn bond issuance
- Capacity increase to come online 2010 as financing becomes available
- Secure stable reliable log flow by building “snow stocks”

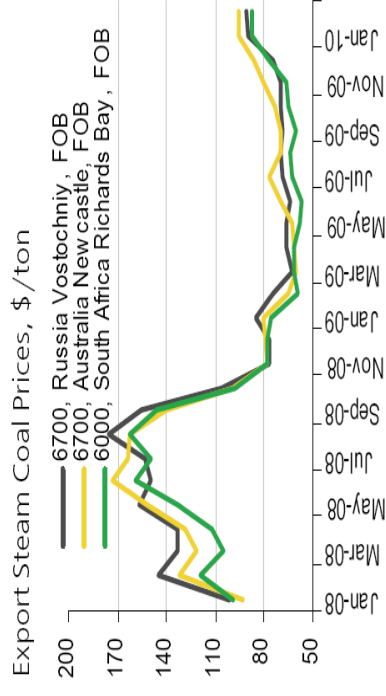
– Operations picking up 9M 2009

- Harvesting up 18% y-o-y to 459k m³
- Sawmilling up 37% y-o-y to 125k m³



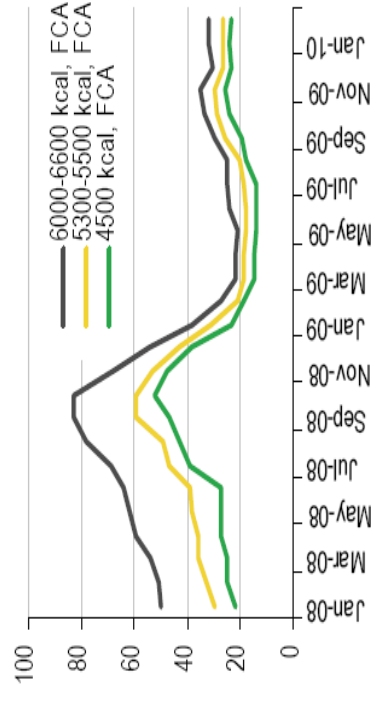
Thermal Coal Prices Starting to Rebound

- **China & India fueling demand**
- Thermal coal critical to energy supply
- Electricity output up 40% y-o-y
- Domestic supply cannot keep up
- Net imports steadily growing
- **Infrastructure bottlenecks**
- Global supply struggles to keep up
- Export logistics in Australia & South Africa
- Russian export capacity in Far East



Source: Bloomberg

Domestic steam coal prices, \$/ton



Source: Metal Courier

Vostok Nafta's Coal Holdings



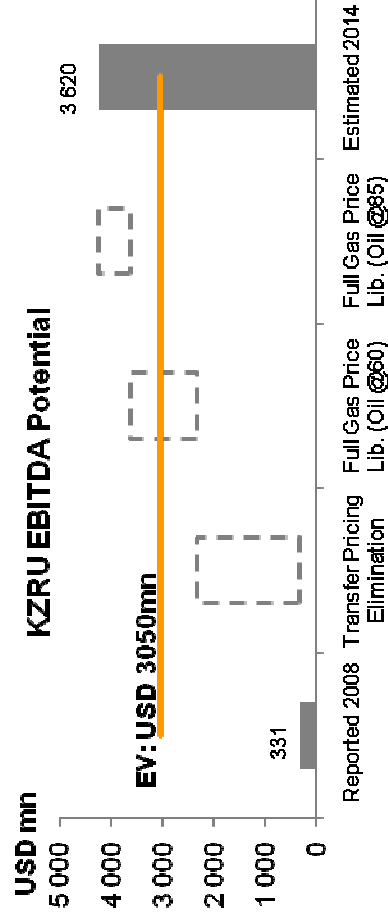
— Kuzbassrazrezugol (KZRU)

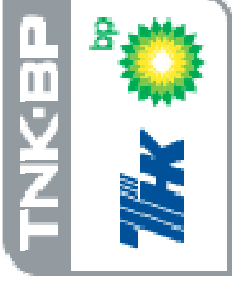
- Russia's 2nd largest steam coal producer
- Evidence of diminishing transfer pricing
 - First ever Q3 report, with clean numbers!!!
 - Reported FOB price on exports: USD 75/ton
- Improved corporate governance
 - Investor conference call
 - Will not revert to any "tax optimization schemes" in the future

— Kuzbass Fuel Company (KBTK)

- Vertically integrated thermal coal producer
- Full public offering pending

Company	EV/EBITDA		EV/Reserves		EV/prod.		P/Reserves		P/prod	
	2010E	\$/ton	\$/ton	\$/ton	\$/ton	\$/ton	\$/ton	\$/ton	\$/ton	\$/ton
Mechel	12.2	1.7	1.7	275	1.1	185				
Raspadskaya	17.4	4.2	4.2	383	4.1	367				
Belon	18.1	2.1	2.1	216	1.2	131				
Kuzbassrazrezugol	4.9	1.5	1.5	67	1.1	48				
Kuzbass Fuel Company	11.2	2.4	2.4	153	2.1	130				
Average	12.8	2.4	2.4	218.8	1.9	172.2				





— Russia's 3rd largest oil producer

- Production increase of 3% y-o-y

— Highly cash generative

- Focused on higher return Brownfield capex

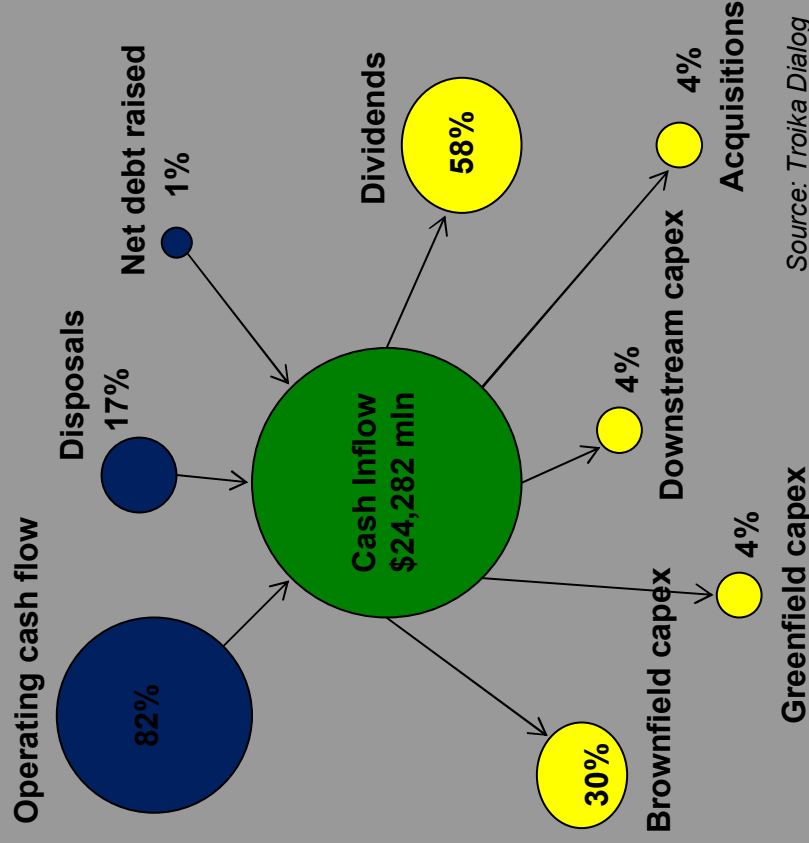
— Maxim Barsky named new CEO

- Marks definite end to shareholder conflict

— Corporate restructuring likely

- Russian key shareholders voice public support
- Increase market's interest for TNK-BP Holding

Cash Distribution 2006-2008

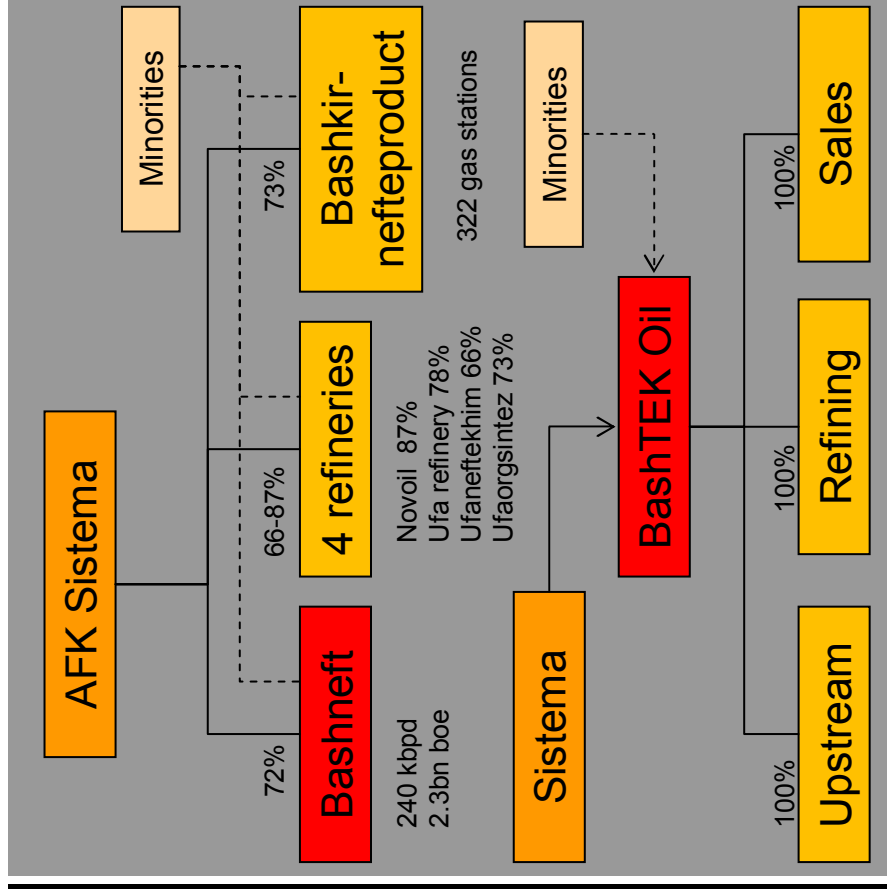


Source: Troika Dialog

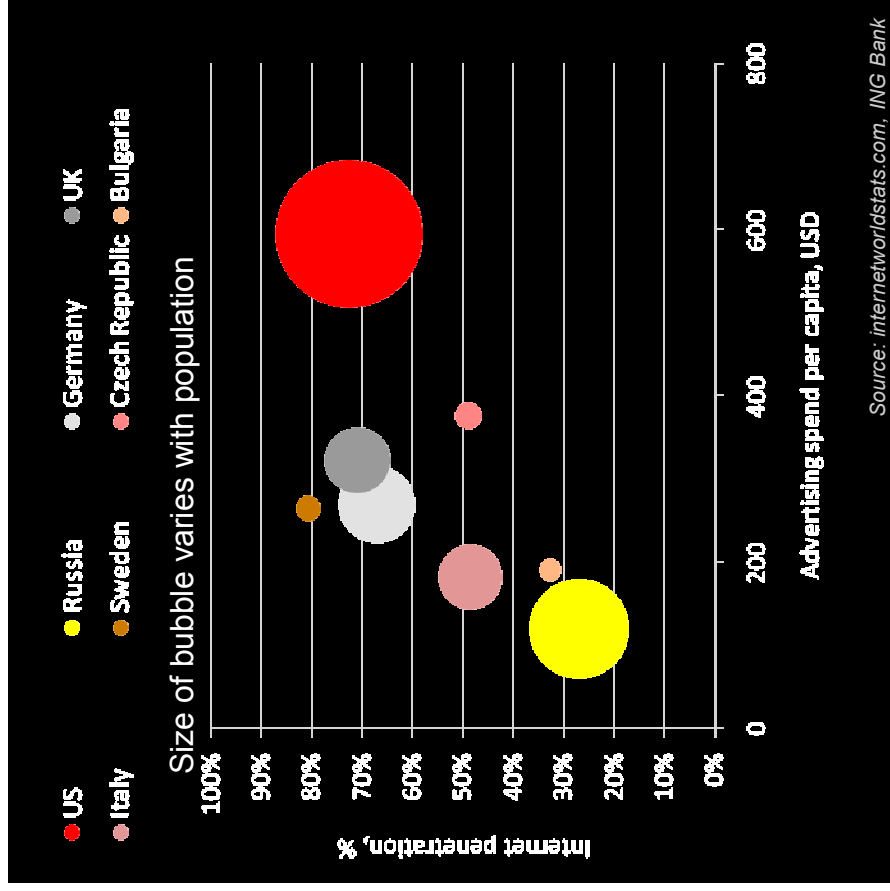
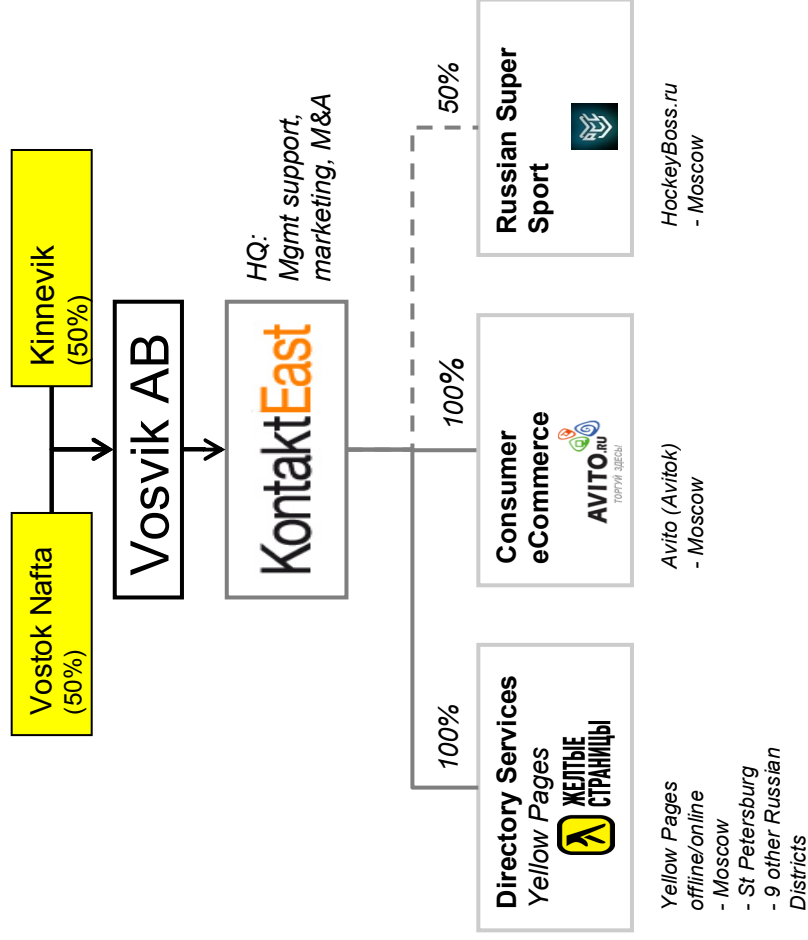
BashTEK Oil

Consolidation of Bashkir energy assets into one vertically integrated company

- Consolidation of Bashkir refineries into Basheft
 - 1. Bashneft to acquire Sistema's controlling stakes in Bashkir energy assets
 - 2. Bashneft cash offer to minorities or swap for Bashneft shares
- Turns BashTEK into vertically integrated top 10 company
 - long refining capacity (total 400kbpd)
 - Potential upstream acquisitions
 - EBITDA-margin to increase 100%
- Elimination of tolling schemes
 - 3rd party crude currently processed for free



Kontakt East Holding



Source: internetworldstats.com, ING Bank

Kontakt East Holding



Directory Services

- Challenging market
 - Sales down 50% from 2008 peak
 - SMEs severely affected by restrictive lending conditions
 - Lackluster recovery
- YP profitable every month since July
 - Full effects of cost cutting program
 - Sales efficiency improving
- Organizational reshuffle
 - Offline in St Pete
 - Online in Moscow

Consumer eCommerce

- Strong traffic growth
 - Avito.ru fastest growing classifieds site
 - On track to become market leader
 - Around 5mn unique visitors/month
 - 175-200k new listings every week
- Time to build a brand
 - Key is to become consumers natural first choice
 - TV advertisement commenced
- Charge for listings
 - Once market dominance is evident
 - E.g. Craigslist or Blocket

Priargunsky (PGHO)

- Largest uranium miner in Russia, no. 6 in the world
 - Key Russian asset of ARMZ
 - 90% of national output, over 3,000 tonnes per year
 - Uranium reserves estimated at 132,000 tonnes
- Transfer pricing reduces profitability
 - 35-70% discount to world uranium spot price
 - EBITDA to increase 6x should market prices be realized
- Need for interaction with capital markets to increase production

	EV/Reserves (USD/lb)	EV/Production (USD/lb)	Market Cap/ (Production x 40/lb)
Areva	22.0	2,098	36.5
Cameco	12.1	798	17.9
ERA	17.1	325	8.3
Paladin Resources	6.7	632	16.2
Uranium One	3.0	455	12.4
<i>International Av.</i>	<i>12.2</i>	<i>862</i>	<i>18.2</i>
Priargunsky	2.5	83	1.7

Source: Renaissance Capital, Sep 09



— Largest genco in Russia and second largest hydro-genco in the world

- Generation capacity of around 25 GW
- 12% national market share

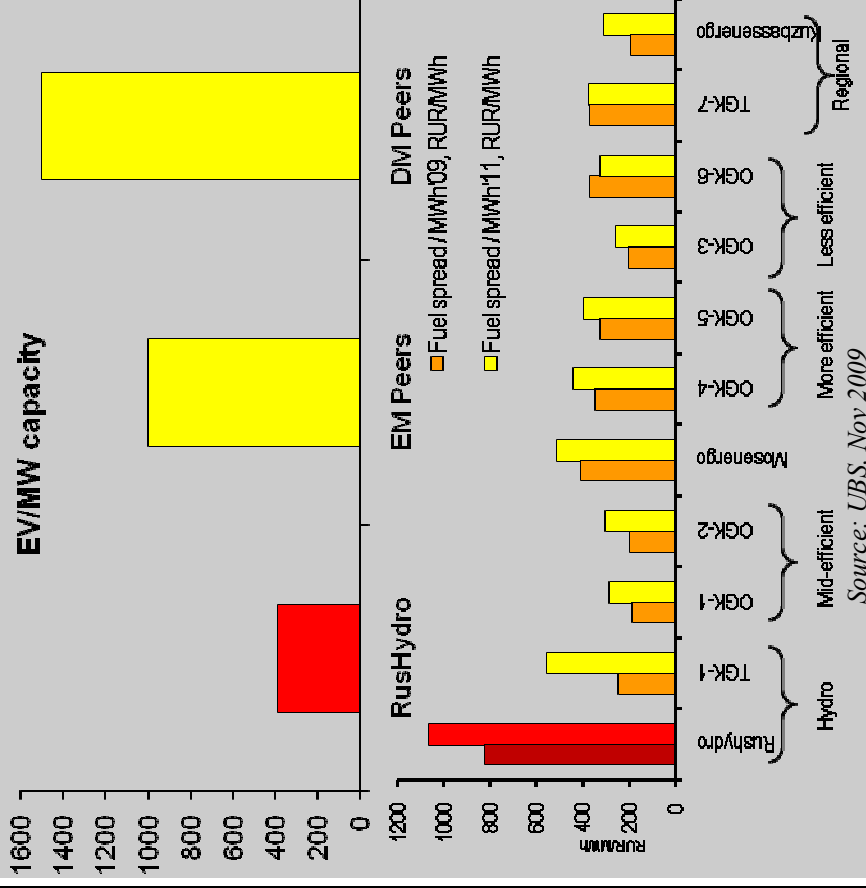
— Highly geared towards liberalized electricity prices

- Highest fuel or spark spread (power price – fuel cost) => most efficient
- Efficiency key to volumes & profitability as reforms steepen supply curve

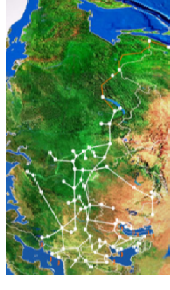
— Russian electricity prices picking up

- Demand back to pre-crises levels
- Spike in liberalized prices

EV/MW capacity



Source: UBS, Nov 2009



– Self-regulating monopoly

- 51,294km of pipeline transporting 9.3mn bpd (93% of Russia's crude oil)
- Linefill exceeding USD 10bn in value
- Capex recoverable via tariffs

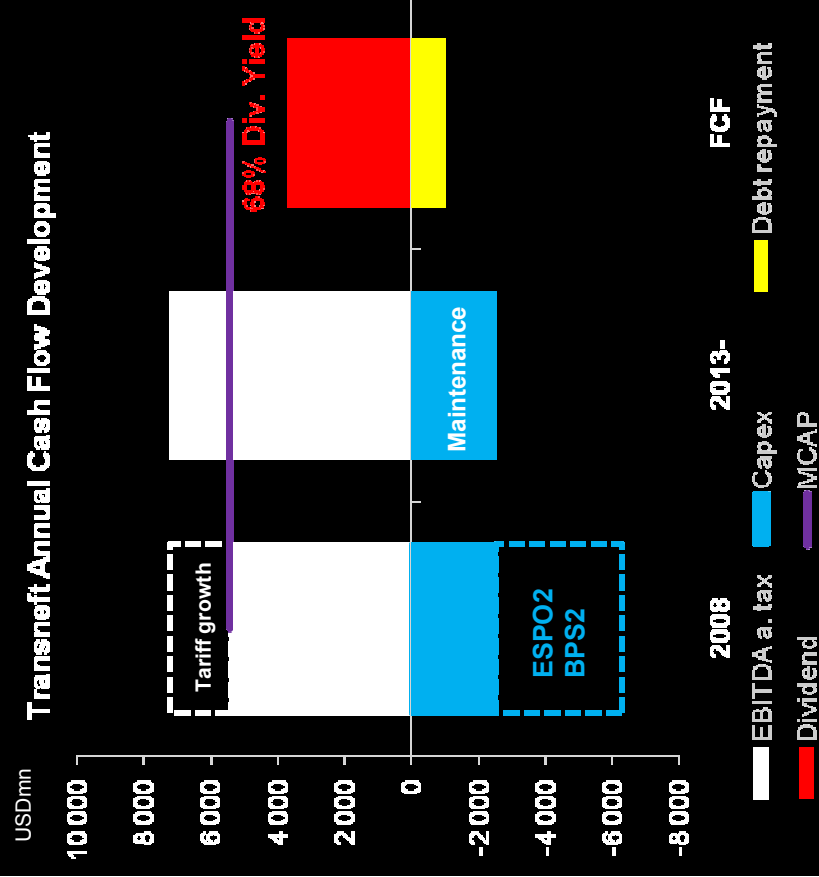
– Cash cow to start payout 2013

- 59% EBITDA-margin, USD 6.5bn 2008
- Completion of pipeline projects (ESPO & BPS-2) 2009-12 : USD ~6bn in capex annually
- 2013 and onwards: Maintenance capex of US 2.5bn

– Corporate governance key issue

- Recent signs of improvement
- BoDs' interests aligned with preferred shareholders'

Transneft Annual Cash Flow Development



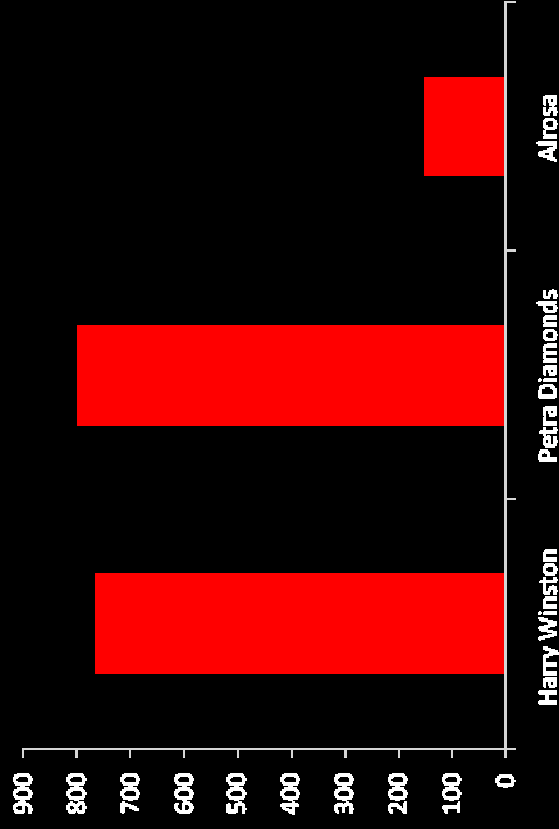
Source: Troika Dialog, Vostok Nefta estimates Nov 2009

Alrosa



- World's 2nd largest diamond producer
 - 97% of Russia's diamond production
- Early signs of recovery
 - Rough diamond prices increased by 20-30% since Q1 2009 low
 - De Beers has announced a ramp-up of production
 - Alrosa sold ~75% to market Sep 2009
- State backing
 - State fund Gokhran to buy USD 1.5bn of Alrosa diamonds 2009 & 10
 - USD 1.4bn VTB loan to cover foreign short term debt payments and capex

EV/Production



Source: UBS, Bloomberg, Feb 2010

Vostok
Nafta
Investment
Ltd



www.vostoknafta.com