

Rosneft Sells 9.9% Stake in TNK-BP for \$3Bln

By [The Moscow Times](#)

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State-owned energy company Rosneft has sold a 9.9 percent stake in TNK-BP to third-party buyers for 97 billion rubles (\$3 billion), less than a year after buying out the British-Russian joint venture for \$55 billion.

The fact of the sale was revealed in Rosneft's financial statements, which were released Tuesday. These show that 9.989 percent of Rosneft subsidiary PN Holding — formerly TNK-BP Holding — was sold in the third quarter of this year, Vedomosti reported.

The statements also show a rise in Rosneft's third-quarter net income to 280 billion rubles, slightly missing analyst forecasts, after its acquisition of smaller rival TNK-BP.

Rosneft accounts for 40 percent of Russia's oil production, the world's largest, and its fast expansion has been a concern for analysts and some industry players who say that increasing state involvement in the oil and gas sector undermines competition, drives up costs

and affects production.

Rosneft's net income was up from 35 billion rubles in the previous quarter and just short of a consensus analyst forecast of 284 billion rubles. It included a 167 billion ruble upwards revaluation of TNK-BP.

Adjusted free cash flow stood at 84 billion rubles in the July to September quarter, up from 35 billion rubles in the previous quarter, Rosneft said.

The company completed the \$55 billion acquisition of TNK-BP, which was Russia's third-largest oil producer, from BP and a consortium of Soviet-born tycoons in March.

BP became a holder of 19.75 percent of Rosneft as a part of the deal.

After the acquisition, Rosneft became the world's top listed oil producer. It said its oil and liquids production edged up 0.2 percent to 4.193 million barrels per day in the third quarter compared with the previous three months.

The company plans to more than triple its oil supplies to China from about 300,000 barrels per day at present.

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