

**Vostok Gas Ltd.
Twelve Months Report
Covering the Period
January 1, 2010–December 31, 2010**

- Net result for the period was USD -105 thousand (USD-39,275 thousand for the corresponding period last year). Earnings per share was USD -0.002 (-0.91).
- The net asset value of the company was USD 443 thousand on December 31, 2010 (Dec 31, 2009: 554), corresponding to USD 0.01 per share (0.01). Given a SEK/USD exchange rate of 6.8025, the corresponding values were SEK 3.02 mln and SEK 0.07 respectively.
- The number of shares at the end of the period was 43,080,087.

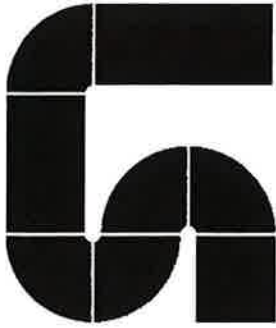
Background

Vostok Gas Ltd (the "Company" or "VGAS") was incorporated in Bermuda on October 25, 1996, as an exempted private limited liability company with corporate identity number 22531.

The Company was established as an investment company for the Russian gas industry. At the beginning of 2009 the Company held a block of approximately 0.5 per cent of the shares in OAO Gazprom, the world's largest gas company with more than 16 per cent of the world's known gas reserves ("Gazprom"), mainly in the form of American Depositary Receipts ("Gazprom ADRs"). The global financial turmoil, which started in 2008 and continued into 2009 made it practically impossible to apply leverage to a position such as the Company's holding of Gazprom ADRs. Long term credit was not available at practically any price and extreme volatility made short term debt very unattractive. Also the size of the holding was reduced due to deleveraging during 2008. In summary, it was no longer in the best interests of the shareholders for the Company to maintain its holding in Gazprom through the vehicle of the Company.

By reason of the above, the Board of Directors resolved to initiate the closing down of the Company by first redeeming the remaining outstanding loan notes issued to Deutsche Bank and then distributing all Gazprom ADRs held by the Company to its shareholders. At an Extraordinary General Meeting held on 23 December 2008, it was resolved to carry out the distribution by way of a share split and a compulsory redemption programme. Through the share split, one existing share of the Company was divided into two shares. One of these shares was a so-called redemption share. With regard to shares that were represented by Swedish depository receipts listed on NASDAQ OMX Nordic ("SDRs"), each existing SDR was divided into one SDR and one so-called redemption depository receipt ("Redemption SDRs") Trading in the Redemption SDRs took place on NASDAQ OMX Nordic in the period from 12 January 2009 up to and including 30 January 2009.

The last day of trading in the Swedish depository receipts of Vostok Gas at NASDAQ OMX Stockholm was January 30, 2009.



As at December 31, 2010, the Vostok Gas Ltd Group consisted of one Bermudian parent company, one wholly owned Bermudian subsidiary and one wholly owned Cypriot subsidiary. During the year, the wholly owned Swedish subsidiary Vostok Gas Sverige AB was liquidated.

The financial year is January 1–December 31.

Group – results for the period January 1, 2010–December 31, 2010, and NAV at December 31, 2010

During the period operating costs were USD 253 thousand (2009: 1,880). Operating result was USD –253 thousand (2009: –38,463).

Net financial items were USD -3 thousand (196). Net result for the period was USD –105 thousand (–39,275). Total shareholders' equity amounted to USD 443 thousand (554) on December 31, 2010.

Parent company

During the period, a reversal of write downs on shares in subsidiaries has been carried out in the amount of USD 12 thousand.

Net result for the period was USD -168 thousand (2009: 299,275).

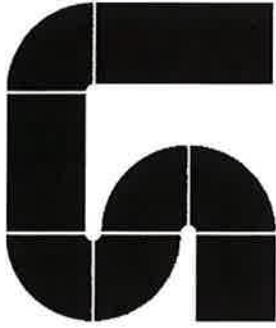
Events of the financial period and status report regarding the liquidation of the Group

An Annual General Meeting in the Company was held on 15 June 2010.

At the meeting, the shareholders considered a number of items, some of which were the following.

- The profit and loss account and the balance sheet as well as the consolidated profit and loss account and the consolidated balance sheet were adopted. The directors' proposal that no dividends be paid, was approved.
- Three directors were re-elected, namely Lukas H. Lundin, Per Brilioth and Torun Litzén. Lukas H. Lundin was appointed Chairman of the Board.
- PricewaterhouseCoopers AB were re-elected as the Company's auditors.

During the period, the liquidation of Vostok Gas Sverige AB was finalized. The Company's Cypriot subsidiary, Austro (Cyprus) Limited, is subject to an investigation by the Cyprus tax authorities in order to determine the amount of Income Tax and Special Defence Contribution Tax liability up to 2010. Once the investigation is finalized and the liability is settled, the company will be in a position to enter the final stages of the liquidation. Vostok Energo Investments Limited is expected to be liquidated on parallel with the liquidation of Vostok Gas Limited.



Vostok Gas

Treatment of retained earnings

The group's total retained earnings amount to USD -10,326,619.

The board of directors and the managing director propose that the retained earnings of the parent company USD -10,466 thousand, whereof the year's loss is USD 168 thousand, be brought forward, and that no dividends be paid for the year.

The Board of Directors declare that the consolidated financial statements have been prepared in accordance with IAS 34 and give a true and fair view of the Group's financial position and results of operations. The financial statements of the Parent Company have been prepared in accordance with IFRS and give a true and fair view of the Parent Company's financial position and results of operations.

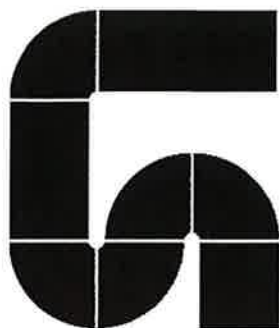
The statutory Administration Report of the Group and the Parent Company provides a fair review of the development of the Group's and the Parent Company's operations, financial position and results of operations and describes material risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, August 8, 2011

Lukas H. Lundin, *Chairman*

Per Brilioth, *Director*

Torun Litzén, *Director*



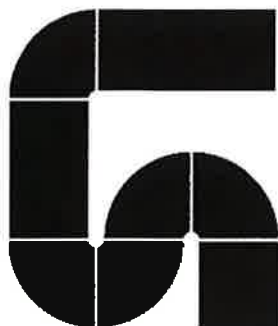
Income statements – Group

(Expressed in USD thousands)	Jan 1, 2010- Dec 31, 2010	Jan 1, 2009- Dec 31, 2009
Result from financial assets at fair value through profit or loss	-	-36,608
Dividend income	-	10
Total operating income	-	-36,598
Operating expenses	-253	-1,880
Russian dividend withholding tax expenses	-	0
Other operating expenses	0	15
Operating result	-253	-38,463
Financial income and expenses		
Interest income	0	99
Interest expense	-25	-81
Currency exchange gains/losses, net	22	126
Other financial expenses	-	52
Net financial items	-3	196
Result before tax	-256	-38,267
Taxation	151	-1,007
Net result for the financial period	-105	-39,275
Earnings per share (in USD)	-0.00	-0.91
Diluted earnings per share (in USD)	-0.00	-0.91

Statement of comprehensive income

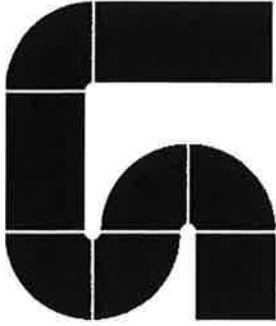
Net result for the financial period	-105	-39,275
Other comprehensive income for the period		
Currency translation differences	-6	81
Total other comprehensive income for the period	-6	81
Total comprehensive income for the period	-111	-39,193

Total comprehensive income for the periods above is entirely attributable to the equity holders of the parent company.



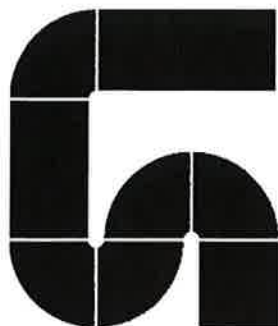
Balance sheets – Group

(Expressed in USD thousands)	Note	Dec 31, 2010	Dec 31, 2009
CURRENT ASSETS			
Cash and cash equivalents, unrestricted		1,157	1,450
Receivables from related parties		200	200
Tax receivables		-	6
Other current receivables		-	11
Total current assets		1,357	1,667
TOTAL ASSETS		1,357	1,667
SHAREHOLDERS' EQUITY (including net result for the financial period)			
		443	554
CURRENT LIABILITIES			
<i>Non-interest bearing current liabilities</i>			
Current income tax liabilities		699	900
Other current liabilities		-	22
Accrued expenses		215	191
Total current liabilities		914	1,113
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		1,357	1,667
Pledged assets		-	-
Contingent liabilities		-	-



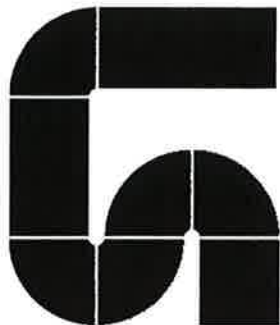
Statement of Changes in Equity – Group

(Expressed in USD thousands)	Share Capital	Retained earnings including net result for the period	Total
Balance at January 1, 2009	21,540	396,079	397,619
Net result for the period January 1, 2009 to December 31, 2009	-	-39,275	-39,275
<i>Other comprehensive income for the period</i>			
Currency translation differences	-	81	81
Total comprehensive income for the financial year January 1, 2009 to December 31, 2009	-	-39,193	-39,193
Split 1:2 and redemption of shares	-10,770	-347,101	-357,871
	-10,770	-347,101	-357,871
Balance at December 31, 2009	10,770	-10,215	554
Net result for the period January 1, 2010 to December 31, 2010	-	-105	-105
<i>Other comprehensive income for the period</i>			
Currency translation differences	-	-6	-6
Total comprehensive income for the financial year January 1, 2010 to December 31, 2010	-	-111	-111
Balance at December 31, 2010	10,770	-10,327	443



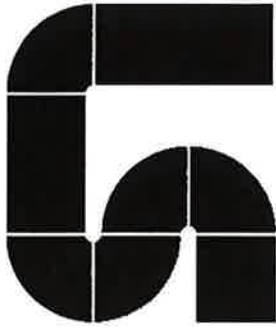
Cash flow statements – Group

(Expressed in USD thousands)	Jan 1, 2010- Dec 31, 2010	Jan 1, 2009- Dec 31, 2009
OPERATING ACTIVITIES		
Result before tax	-256	-38,267
<i>Adjustment for:</i>		
Interest income	-0	-99
Interest expenses	25	81
Currency exchange gains/losses	-23	126
Depreciation	-	8
Other non-cash items included in the Income Statements	22	-
Result from financial assets at fair value through profit or loss	-	36,608
Change in current receivables	11	23,888
Change in current liabilities	-20	-1,263
Change in pension commitments	-	-1,152
Cash from operations	-240	19,678
Investments in financial assets at fair value through profit or loss	-	-733
Sales of financial assets at fair value through profit or loss	-	2,637
Interest received	0	99
Interest paid	-	-81
Tax paid	-56	-198
Net cash flow from operating activities	-296	21,402
FINANCING ACTIVITIES		
Repayment of non current borrowings	-	-29,698
Net cash flow used in financing activities	-	-29,698
Change in cash and cash equivalents	-296	-8,296
Exchange gains/losses on cash and cash equivalents	3	126
Cash and cash equivalents at beginning of period	1,450	9,621
Cash and cash equivalents at end of period	1,157	1,450



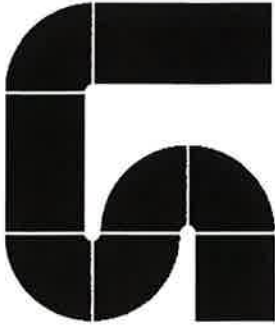
Income statement – Parent Company

(Expressed in USD thousands)	Jan 1, 2010– Dec 31, 2010	Jan 1, 2009– Dec 31, 2009
Dividends from subsidiaries	-	1,476,707
Operating expenses	-162	-1,735
Write-downs and reversals of write-downs	12	-1,274,492
Other operating expenses	-	-
Operating result	-150	200,480
<i>Financial income and expenses</i>		
Interest income	-	98,863
Interest expenses	-20	-5
Currency exchange gains/losses, net	2	193
Other financial expenses	-	1
Net financial items	-18	99,051
Result before tax	-168	299,530
Taxation	-	-55
Net result for the financial period	-168	299,475



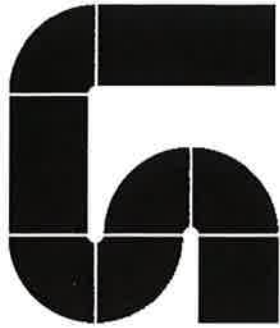
Balance sheet – Parent Company

(Expressed in USD thousands)	Dec 31, 2010	Dec 31, 2009
NON CURRENT ASSETS		
Financial non current assets		
Shares in subsidiaries	48,020	48,008
Loan receivables from subsidiaries	-	-
Total financial non current assets	48,020	48,008
CURRENT ASSETS		
Cash and cash equivalents	19	13
Receivables from related parties	200	200
Total current assets	219	213
TOTAL ASSETS	48,239	48,222
SHAREHOLDERS' EQUITY (including net result for the financial period)		
	304	473
CURRENT LIABILITIES		
<i>Interest bearing current liabilities</i>		
Loan payables to subsidiaries	47,764	47,580
<i>Non interest bearing liabilities</i>		
Other current liabilities	-	22
Accrued expenses	171	147
Total current liabilities	47,935	47,749
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	48,239	48,222
Pledged assets	-	-
Contingent liabilities	-	-



Statement of Changes in Equity – Parent Company

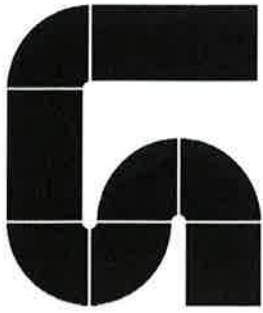
(Expressed in USD thousands)	Share Capital	Retained earnings including net result for the period	Total
Balance at January 1, 2009	21,540	37,328	58,868
Net result for the period January 1, 2009 to December 31, 2009	-	299,475	299,475
Total recognized income for the financial period January 1, 2009 to December 31, 2009	-	299,475	299,475
Split 1:2 and redemption of shares	-10,770	-347,101	-357,871
	-10,770	-347,101	-357,871
Balance at December 31, 2009	10,770	10,297	473
Net result for the period January 1, 2010 to December 31, 2010	-	-168	-168
Total recognized income for the financial period January 1, 2010 to December 31, 2010	-	-168	-168
Balance at December 31, 2010	10,770	-10,466	304



Vostok Gas

Note 1 Accounting Principles

This consolidated interim account is prepared in accordance with IAS 34 Interim Financial Reporting. The same accounting principles and methods of calculations have been applied for the Group as for the preparations of the consolidated accounts for Vostok Gas Ltd 2007.



Vostok Gas

Report on Review of Interim Financial Information

Introduction

We have reviewed the accompanying balance sheet of Vostok Gas Ltd as of December 31, 2010 and the related statements of income, changes in equity and cash flows for the twelve-month period then ended. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2400, "Engagement to Review Financial Statements". A review of financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects in accordance with IAS 34.

Stockholm, August 8, 2011

PricewaterhouseCoopers AB

Bo Hjalmarsson
Authorised Public Accountant