

TNK-BP Net Profit Nearly Doubles in Q2

By [The Moscow Times](#)

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TNK-BP International said Tuesday that its net profit nearly doubled to \$2.02 billion for the second quarter of 2011, as oil prices rose.

TNK-BP International, half-owned by BP, is the parent company of Moscow-traded TNK-BP Holding — the company whose Russian shareholders and their lawyers are frustrating BP's plans for a project with bigger state-run rival Rosneft.

"This was an exceptional first half performance for TNK-BP. Thanks to management's continuous efforts to enhance operational efficiency and further develop our key business streams, the company was able to deliver robust results," executive chairman and key shareholder Mikhail Fridman said in a statement.

"Growing our international business is a key priority for TNK-BP, and we have made great progress so far by closing the deal to acquire BP's upstream assets in Venezuela and identifying additional targets abroad," Fridman said.

The company saw slight declines in quarterly core earnings and net profit as export profits were squeezed by high duty levels set while average oil prices were high.

Earnings before interest, tax, depreciation and amortization in the first quarter were \$3.94 billion, while net income was \$2.44 billion.

Duty, a key revenue earner for the state, is set on a monthly basis based on average Urals crude prices, leaving exporters at a disadvantage when prices fall the subsequent month.

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