Discussion materials

Deutsche Bank Russia One-on-One Conference

February 2009

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Integra at a Glance

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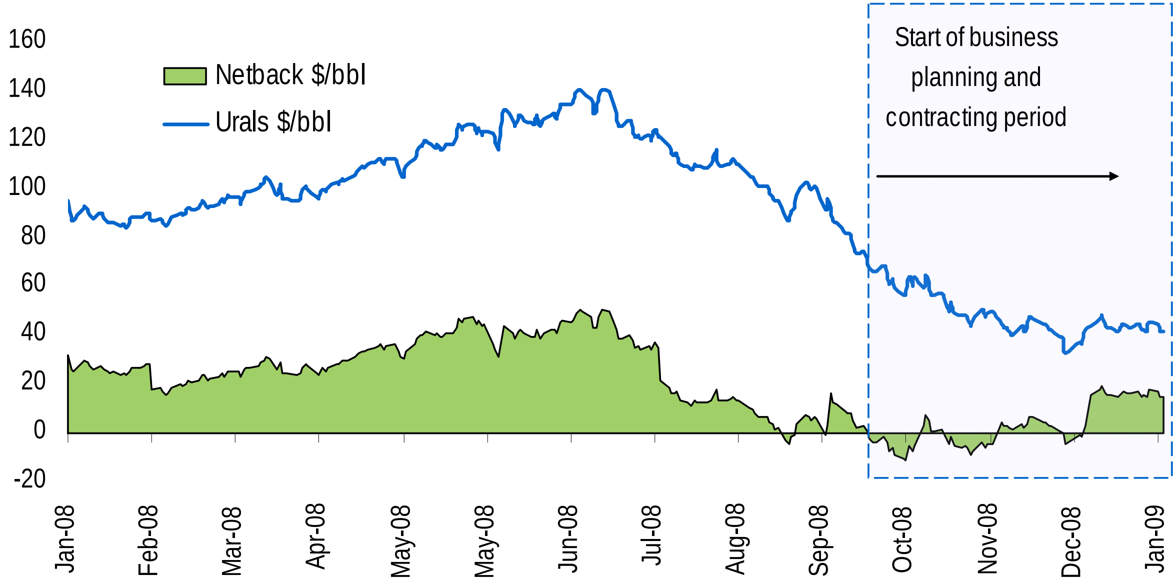
Consolidated Revenue 2007- $1 177MM, 9M 2008 - $1,167 MM
Adjusted EBITDA 2007- $216MM [1], 9M 2008 - $193 MM
Total Assets as of 30 September 2008 – $1.87 BN

	Drilling, Workover, IPM, Technology Services and Trade House	Formation Evaluation	OFS Equipment Manufacturing
Revenues 9M2008	$655MM	$270MM	$254MM
Adj. EBITDA 9M2008	$134MM	$71MM	$39MM
Market Share [2]	7% - Drilling+WO+IPM 3% - TechServices + Trade House	20% (on pro-forma basis)	43% (manuf) 16% (market)[3]
Key Services	Drilling rig management Workovers Integrated Project Management Technology Services and Drilling Tools	2-D, 3-D seismic surveys Seismic processing and interpretation Production logging	Heavy drilling rigs Cementing fleet Other equipment
Personnel [4]	Ca. 10,000 employees[6]	Ca. 7,300 employees	Ca. 3,500 employees
Production assets 9M2008	45 active drilling rigs 122 workover crews [6]	43 seismic crews (5) 34 logging crews	3 production sites 1 service business unit 1 R&D facility
Operating Statistics 9M2008	301 th meters drilled 2,542 workover operations [7]	704 th seismic shot points	24 rigs in production 18 rigs commissioned 15 cementing complexes produced
Key Customers	Gazprom, Rosneft, West Siberian Resources Ltd, TNK-BP, Lukoil, Shell, Total	Gazprom, Rosneft, TNK-BP, СНГ	Gazprom, Lukoil, СНГ, TNK-BP, Rosneft

(1) Adjusted EBITDA represents profit (loss) before interest income (expenses), exchange rate translation differences, income taxes, depreciation and amortization, share of associates, share-based compensation and minority interest
(2) Share of the respective market in Russia
(3) Manuf. means share in heavy drilling rigs produced in Russia. Market means Russian market of heavy drilling rigs including import
(4) Personnel data as of 2009
(5) Excluding associates SNGF,NNGF
(6) Workover data including NKRS crews
(7) Data including ONR, NKRS

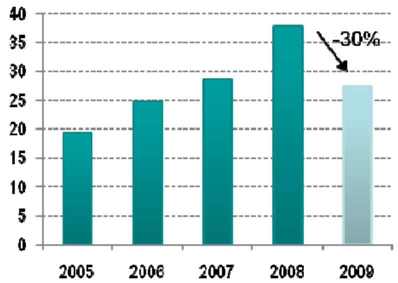
OFS Macro view:
Customers' market sentiments weakened…
… but with some overreaction

Russian oil industry netbacks, $/bbl



Source: Analyst estimates, Bloomberg

Expected industry upstream capex reduction, US$ bn (assuming 28RUB/$)



Source: Analyst estimates of 5 largest oil & gas producers

Comments

- Crude export netbacks have reached negative levels in Nov-Dec, 2008
- An immediate reactive change in sentiment followed, resulting in a downward trend in capex estimates which are now expected 20-30% lower in 2009
- Following tax changes and significant Ruble devaluation the upstream industry is now more competitive vis-à-vis end 2008

OFS Macro view:
Upstream economics are in better shape than in 2008

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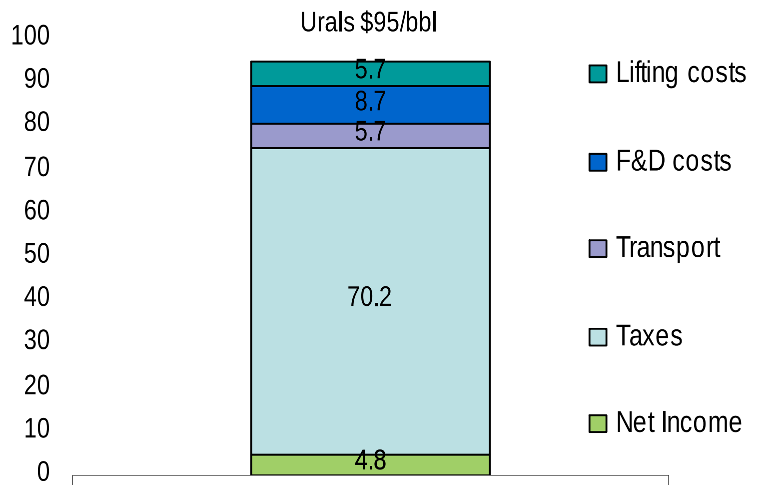
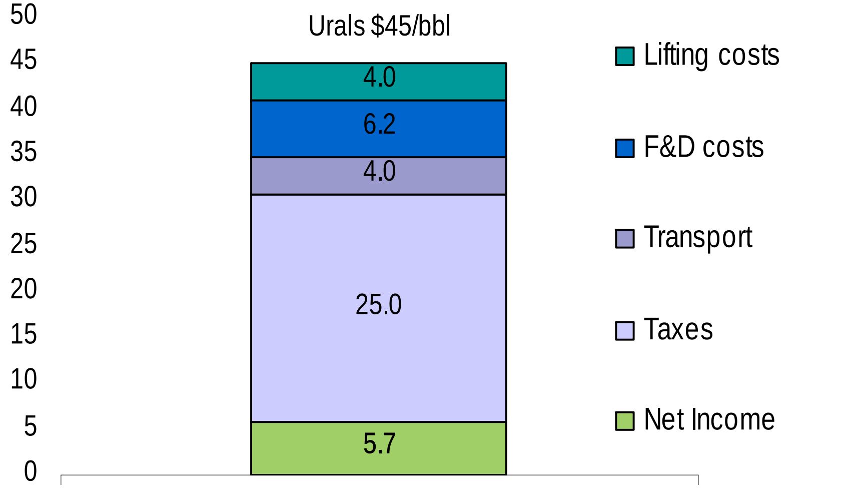
$/bbl economics at $95/bbl oil and 25RUB/$



Source: Analyst estimates

$/bbl economics at $45/bbl oil and 35 RUB/$



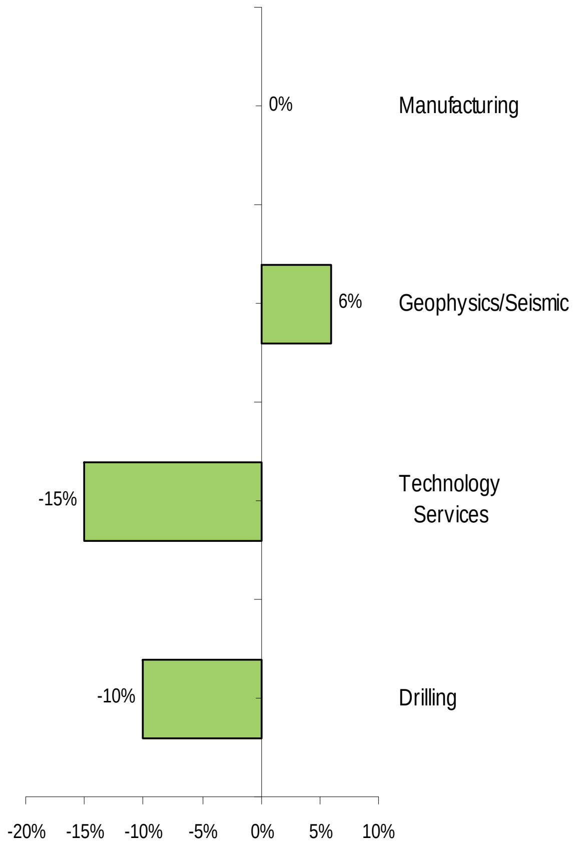
Source: Analyst estimates

Comments

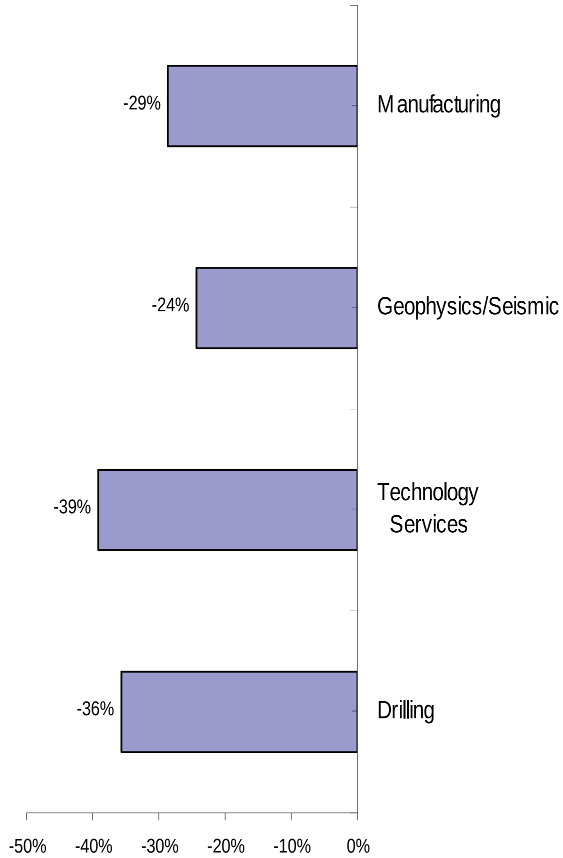
- Substantial improvement in upstream economics implies that a reversal in downward trend in capex revision is likely to happen in mid-2009, provided that oil prices stabilize and Ruble continues to weaken
- Russian exporters are receiving an immediate price discount for OFS and other costs through weaker Ruble
- The condition of Russian reserve base (depletion levels) does not allow for substantial and prolonged reduction in upstream spending

OFS Macro view: Estimated Industry Pricing

OFS Pricing dynamics 2009/2008 (RUB)



OFS Pricing dynamics 2009/2008 (USD)



2008: Exchange rate 25 RUB/$
2009: Exchange rate 35 RUB/$

Source: Company estimates

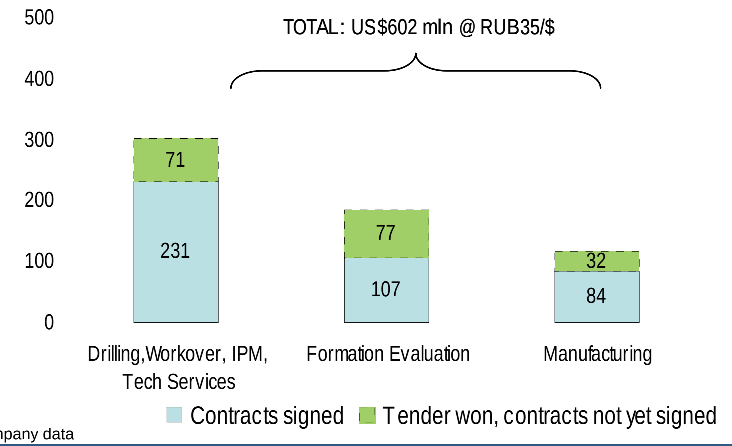
Comments

- Ruble devaluation had an adverse effect on USD pricing
- However, in Ruble terms further pressure on pricing is unlikely
- Manufacturing and Geophysics sustained lower Ruble pricing declines so far, as majority of prices were pre-agreed in mid 2008

Integra: Balancing a challenging year

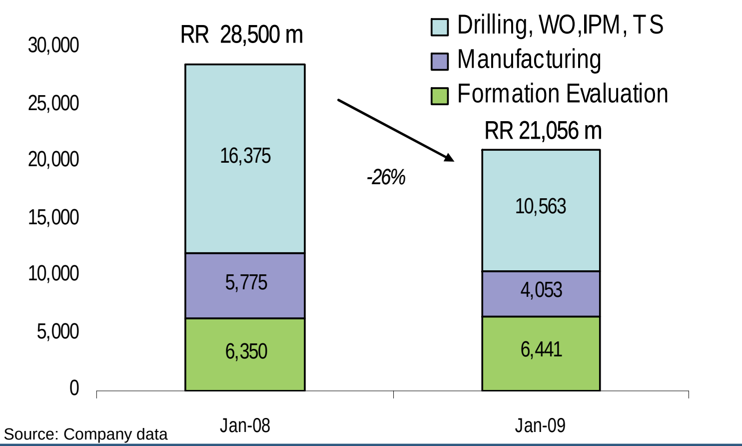
Ruble order book declines

Order Book 2009 (by segment), US$ m @ RUB 35/$



Source: Company data

2008/2009 Order book comparison (RUB)

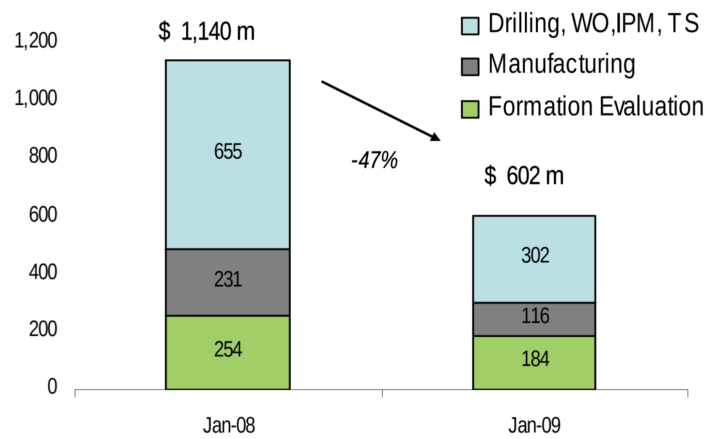


Source: Company data

Comments

- Order book indicates a reduction in volumes across all segments
- Order book in Rubles shows good resilience relative to last years' progress
- Formation Evaluation and Manufacturing enjoy decent roll-over volumes from the previous year

2008/2009 Order book comparison (USD)



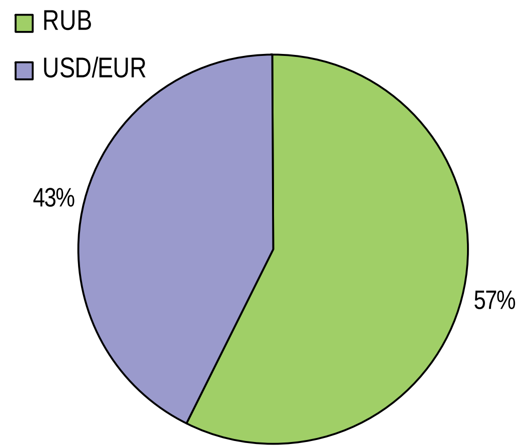
Source: Company data

Integra: Currency risks

Currency exposure (Revenue/opex)

- The order book is currently more than 90% denominated in Rubles
- Manufacturing segment has the largest share of revenues denominated in foreign currency (c15%)
- Costs in foreign currency are estimated to be less than 5% of revenues and in most cases are matched by foreign currency revenues
- Overall operating currency risk is estimated at less than 2% of annual revenue

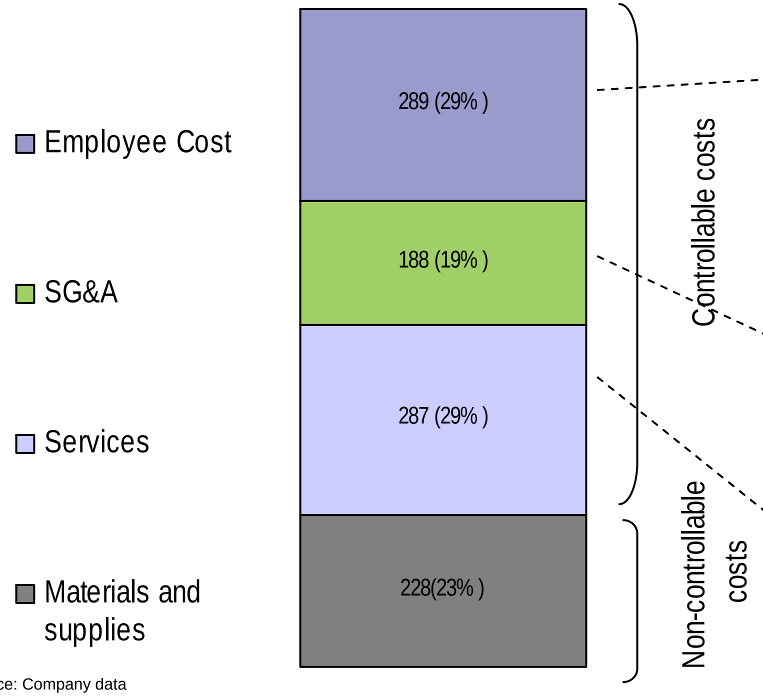
Currency exposure (Debt)



Source: Company data

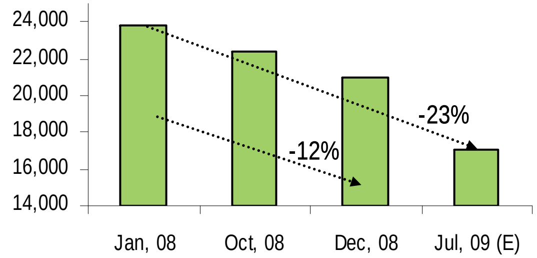
Integra: Cost cutting program

Integra cash cost breakdown US$m (%) for 9M2008



Source: Company data

Employee cost (Headcount reduction)



Source: Company data

SG&A

- Office rental cost reduction
- Reduction in 3-rd party consultant fees
- Significant (30%) reduction in headquarters staff

Services

- Optimization of transportation expenses both for field and office personnel
- Strong bargaining power in re-negotiation of 3rd party service contracts

Non-controllable expenses

- Maximizing the share of variable expenses
- Seeking benefit from lower material and fuel costs

Integra: Ongoing de-leveraging

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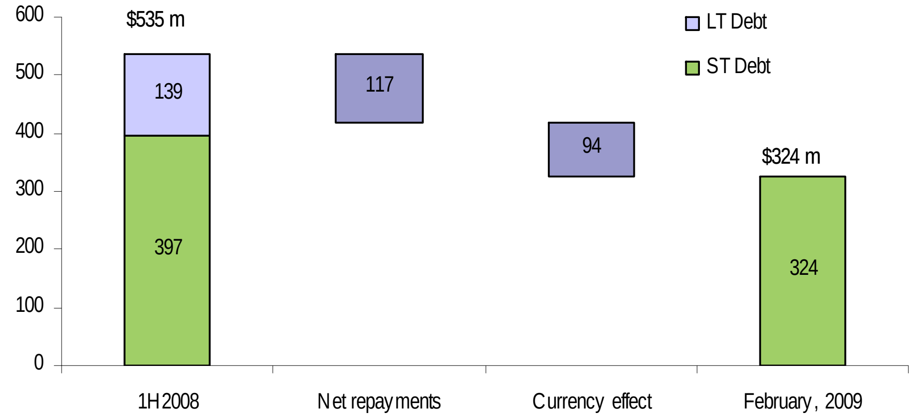
Significant deleveraging in the last 6 months, US$ m (@ 35RUB$)



Source: Company data

Pro-forma loan portfolio, US $ m

At 35 RUB$	Currency	As of 28 Jan 09	After refinancing (31 Mar 09)	Scheduled as of 31 Dec 09
The EBRD syndicated loan*	US$	-	225.0	250.0
ING/ABN syndicated bridge	US$	135.0	-	-
Uralsib	RR	17.1	-	-
Commerzbank	Euro	3.5	-	-
Alfa Bank	RR	2.9	-	-
Sberbank	RR	21	20.6	2.7
First Rouble Bond	RR	57.1	-	-
Second Rouble Bond	RR	85.7	85.7	-
Other	RR/US$	1.7	-	-
Total		324.0	331.3	252.7

Source: Company data

* Scheduled refinancing. Deal is in the final stage of documentation process

Comments

- Significant amount of debt repaid from internally generated funds
- The deal to refinance debt maturing in 1Q 2009 is in the final documentation stage
- Debt maturing at the end of 2009 is scheduled to be repaid from cash flow generation of 2009

Integra: Focus on cash generation

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Working capital optimization

Significantly lower amount of receivables and inventories is required given reduced scale of operations

Significantly lower capex

Capital expenditures reduced to maintenance levels. Over 75% cut in capex to level of US$ 30-40 will take place.

Cash flow 2009

EBITDA margins supported

Much lower fixed cost base should allow to react swiftly to changing market conditions and also support overall margin

Good visibility of orders

Maintaining strong customer relationship

Key conclusions

- OFS markets will contract in 1H09 vs. 1H08, resulting in pressure on Ruble revenues. RUB weakness will exert additional pressure on $-denominated revenues
- Upstream economics benefit from the current balance of exchange rate and oil price
- Integra is starting the year with a much leaner cost structure which should support margins
- Current situation creates a unique opportunity for stronger market players to reinforce and expand their market share.

Appendix: Consolidated P&L

Consolidated P&L, in US$ mln

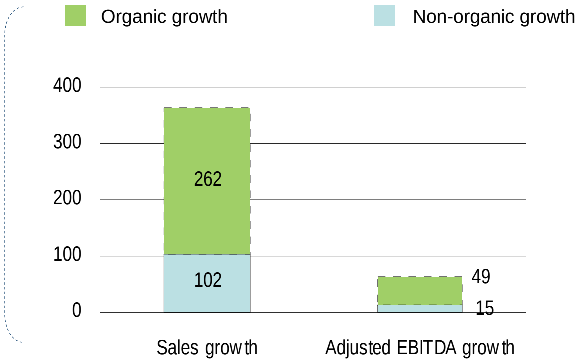
	2007	1H '07	1H '08	*Chg %, H08/H07*	9M '07	9M '08	Chg US$, 9M08/9M08	*Chg %, 9M08/9M07*
Revenue	1 177	488	786	+61%	803	1 167	364	+45%
Cost of Sales	(950)	(401)	(630)	+57%	(645)	(923)	(278)	+43%
SG&A	(201)	(95)	(128)	+34%	(153)	(204)	(51)	+33%
As a % of sales	*17.1%*	*19.5%*	*16.3%*		*19.1%*	*17.5%*		
Adj. EBITDA[1]	216	76	129	+66.7%	128.5	192.9	64	+50%
Adj. EBITDA margin	18.3%	15.5%	16.4%		16.0%	16.5%		
D&A	154	67	86	+28%	100	130	30	+30%
As a % of sales	*13.1%*	*13.7%*	*10.9%*		*12.5%*	*11.1%*		
Operating (Loss) Profit	22	(7)	33		4	45	41	+1025%
Operating Margin	*1.9%*	*neg.*	*4.2%*		*0.5%*	*3.8%*		
Profit (loss) before taxation	(23)	(42)	20	n/a	n/a	n/a	n/a	n/a
Net Loss	(51)	(52)	(5)	n/a	n/a	n/a	n/a	n/a
Minority interest	(5)	(1.2)	7.4	n/a	n/a	n/a	n/a	n/a

Source: Company

(1) Adjusted EBITDA represents profit (loss) before interest income (expenses), exchange translation difference, income taxes, depreciation and amortization, share-based compensation, share of results of associates and minority interest

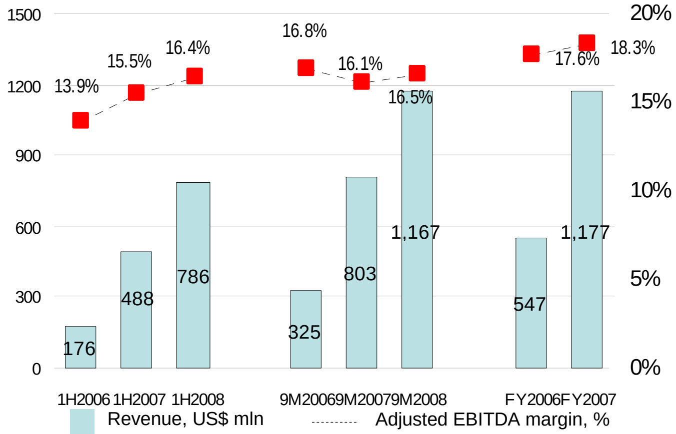
Sources of Growth (9M2008), in US$ mln

Breakdown of growth of Sales, and Adjusted EBITDA by organic/ non-organic



Source: Company data

Cons. Revenue and EBITDA margin



Appendix:
9M2008 Balance Sheet and Cash Flows

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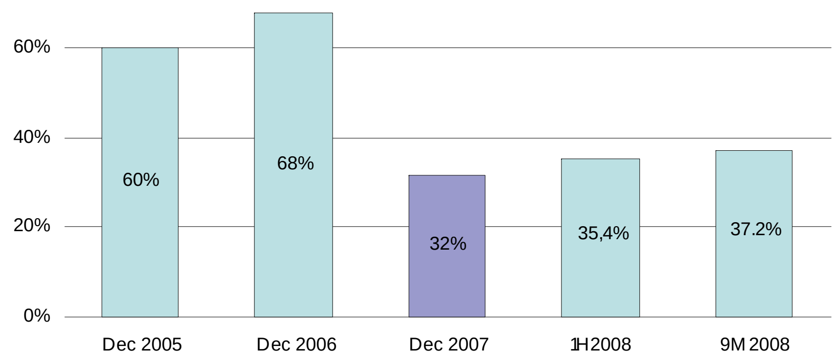
Balance Sheet, in US$ mln

	2007	9M2008	Change,%
Assets, including	1,715	1,873	9%
Current assets	692	815	18%
Non-current assets	1,023	1,058	3%
Liabilities, including	822	978	19%
Current liabilities	523	775	48%
Non-current liabilities	294	203	-30%
Equity	892	895	0.3%

Source: Company

… with the gearing [1] at healthy levels



Source: Company

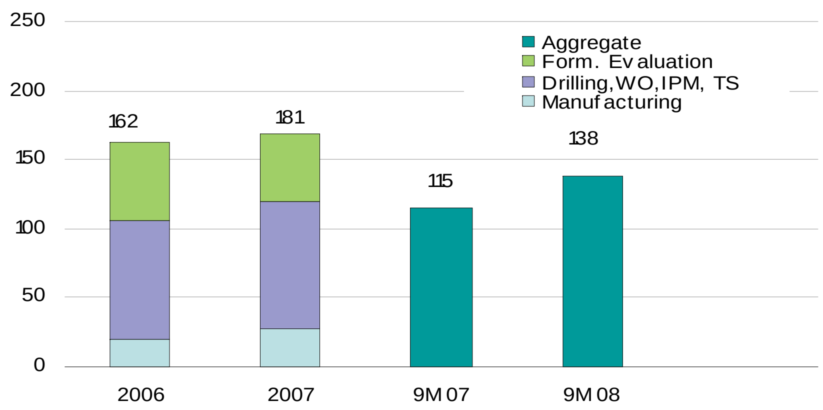
[1] Gearing defined as (short term debt + long term debt)/(short term debt + long term debt + BV of equity)

9M 2008 – Cash Flows, in US$ mln

	9M2007	9M2008	Change,%
Operating cash flow after income tax and interest paid and before working capital changes	88.6	120.6	36%
Net cash flow provided by operating activities	3.9	82.2	n/m
Net cash used in investing activities	177	160	-10%
Financing cash flow	187	138	-26%

Source: Company

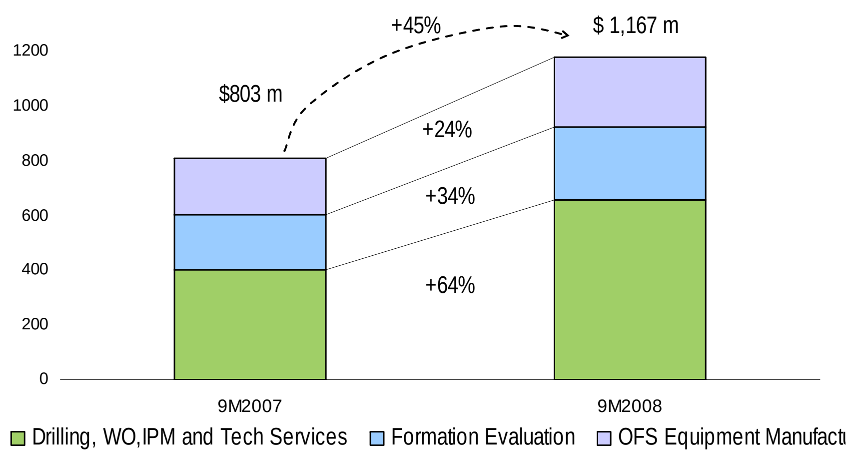
Capital Expenditures, in US$ mln



Source: Company

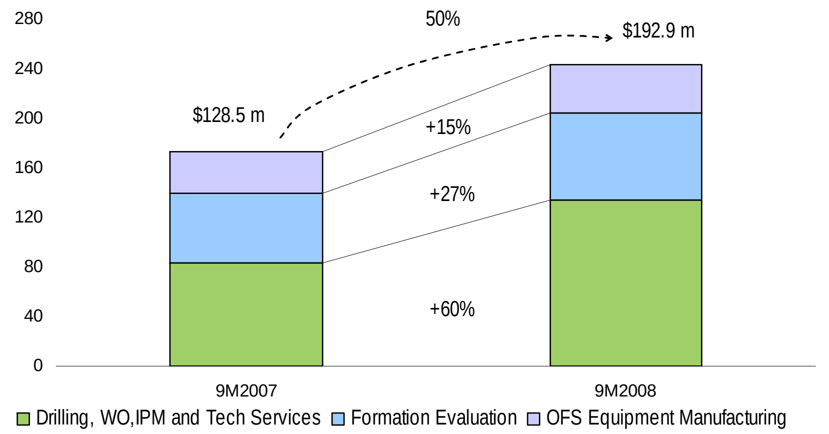
Appendix:
Quarterly earnings dynamics

9M Revenue dynamics, US$ Mln



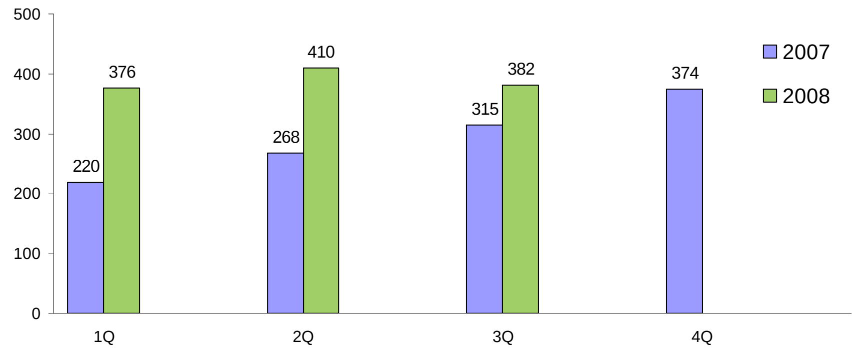
Source: Management estimates

9M EBITDA dynamics, US$ Mln



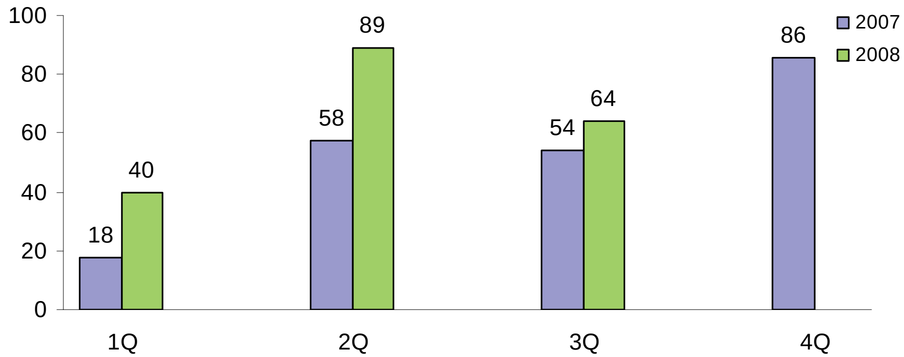
Source: Management estimates

Revenue quarterly dynamics, US$ Mln



Source: Management estimates

EBITDA quarterly dynamics, US$ Mln



Source: Management estimates