



3Q2016 IFRS RESULTS

JANUARY 19, 2017



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First Deputy Head of Department

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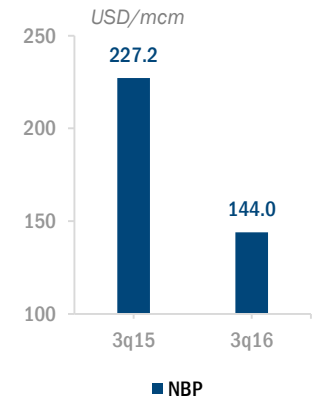
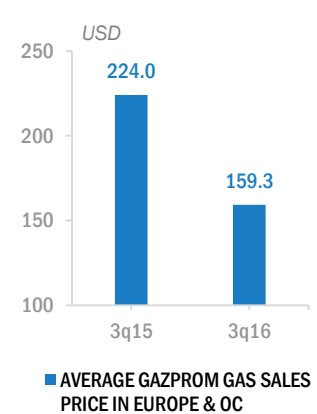
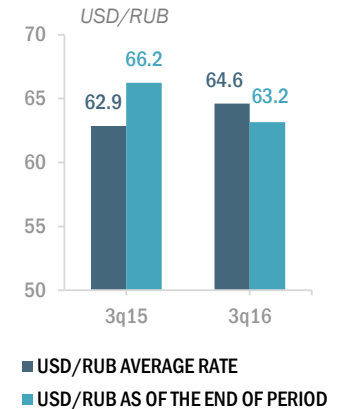
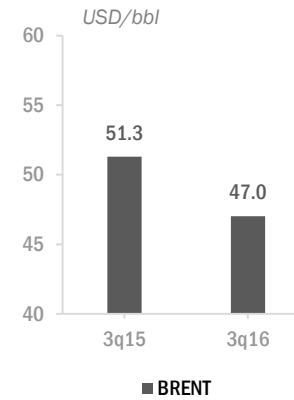
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HIGHLIGHTS

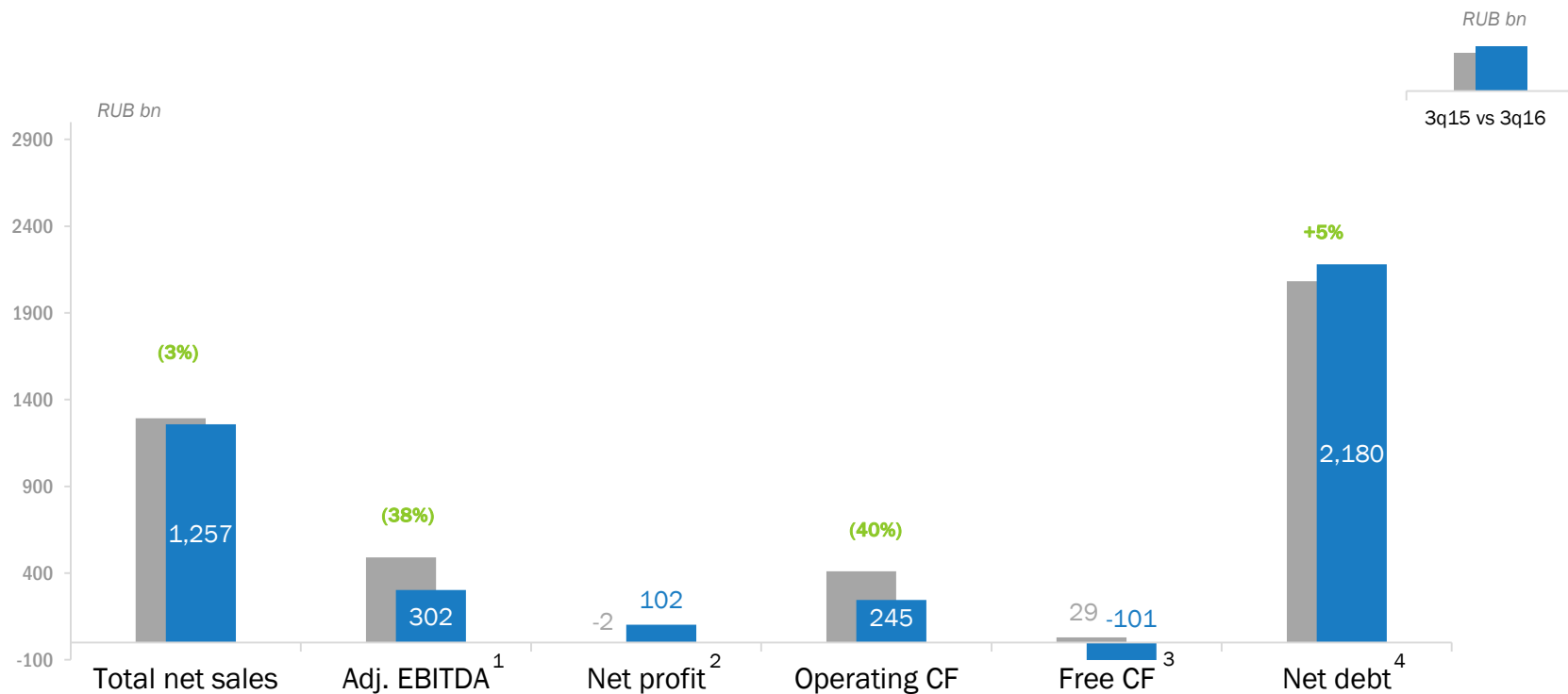
- | | |
|-------------------|--|
| 2016 | <ul style="list-style-type: none"> Record high gas exports to Europe – 179.3 bcm (+12.5% YoY) |
| Dec. 2016 | <ul style="list-style-type: none"> Binding Basic Agreement signed for an E&P asset swap with OMV Contract with Allseas Group S.A. for laying the first branch of the TurkStream €800 mn loan from Mizuho, SMBC and J.P. Morgan |
| Nov. 2016 | <ul style="list-style-type: none"> Gazprom placed CHF 500 mn Eurobonds due in 2021 at a record low coupon rate of 2.75% Gazprom placed €1,000 mn 3.125% Eurobonds due in 2023 |
| Oct. 2016 | <ul style="list-style-type: none"> EU positive decision on Gazprom access to OPAL pipeline Parent company 2016 Investment Program revised. 18% lower than the 2015 Program in RUB, 26% lower in USD S&P revised Gazprom's rating outlook from 'Negative' to 'Stable' The Agreement on the TurkStream signed between Russia and Turkey Corporate governance improvement <ul style="list-style-type: none"> - The Audit Committee of the Gazprom BoD headed by independent BoD member - The Nomination and Remuneration Committee established with two independent BoD members - The Corporate Secretary functions assigned to certain units of Gazprom |
| Sept. 2016 | <ul style="list-style-type: none"> Fitch revised Gazprom's rating outlook from 'Negative' to 'Stable' |
| Aug. 2016 | <ul style="list-style-type: none"> Gazprom BoD recognized 3 BoD members as independent |
| Jul. 2016 | <ul style="list-style-type: none"> Acquisition of 3.59% of Gazprom shares from VEB |

Market environment in 3q15 vs 3q16



Source: Company data, Bloomberg, Bank of Russia website
¹ OC - Other countries: including LNG sales

SUMMARY OF 3Q2016 IFRS FINANCIAL RESULTS



¹ EBITDA adjusted for changes in impairment provisions

² Profit for the period attributed to shareholders of PJSC Gazprom

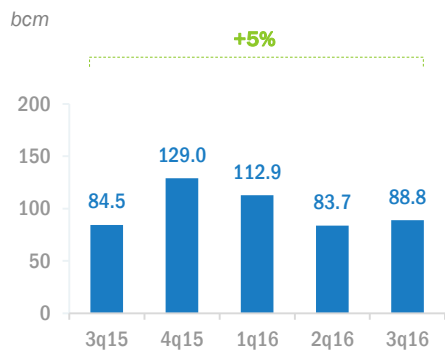
³ Free cash flow is calculated as Net cash provided by operating activities less capital expenditures

⁴ Compared to Net debt as of December 31, 2015

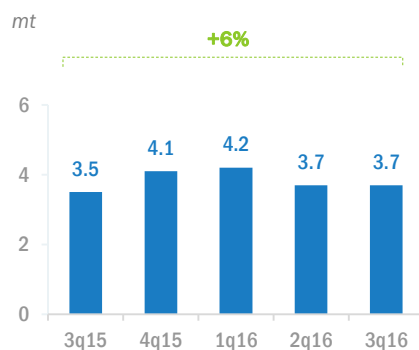
HYDROCARBON PRODUCTION, ELECTRICITY AND HEAT GENERATION



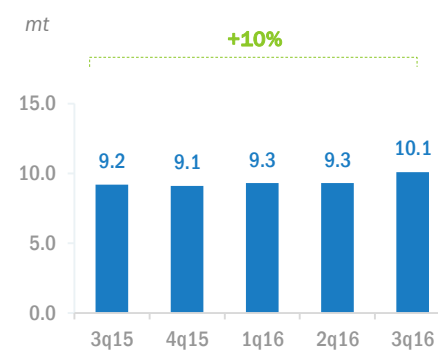
Natural gas production



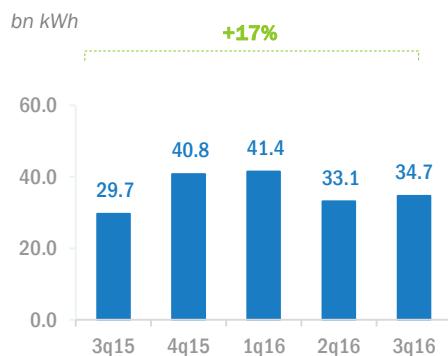
Gas condensate production



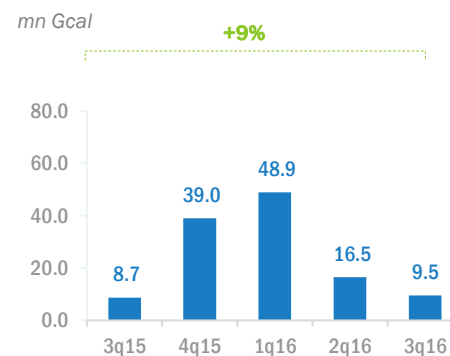
Crude oil production



Electricity generation ¹



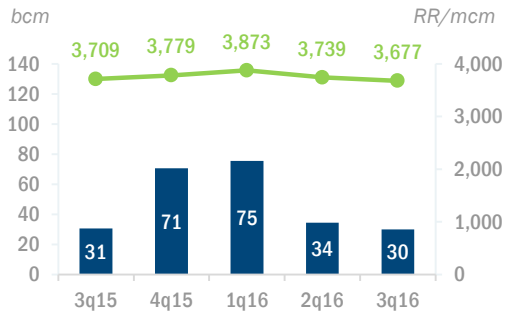
Heat generation ¹



1. Includes Russian generating companies: Mosenergo, OGGK-2, TGGK-1, MOEK
Calculations may differ due to rounding.

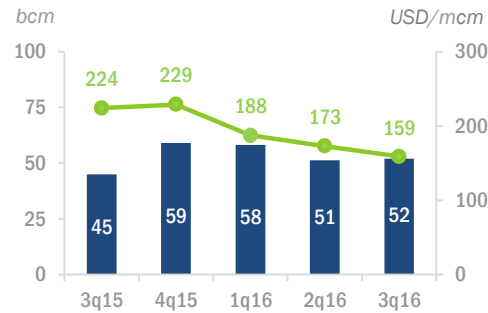
GAS SALES

Russia



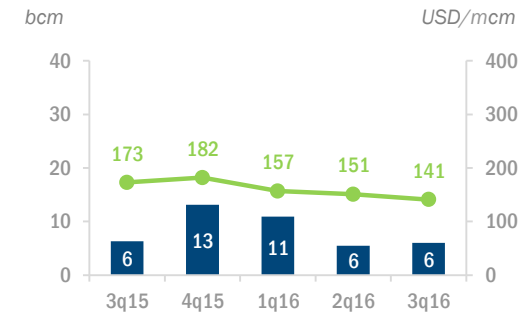
■ VOLUMES ● AVERAGE PRICE IN RUSSIA

Europe & OC²

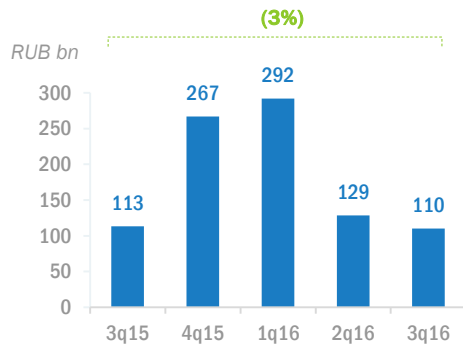


■ VOLUMES ● AVERAGE PRICE IN EUROPE & OC

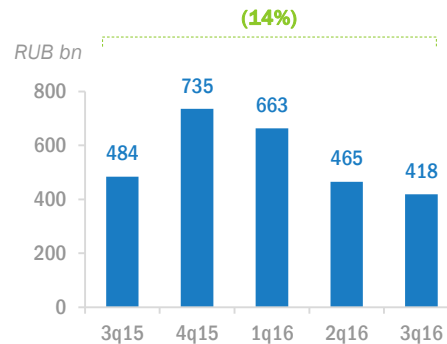
FSU



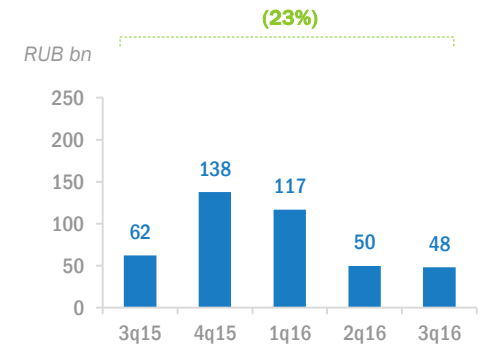
■ VOLUMES ● AVERAGE PRICE IN FSU



■ NET SALES TO RUSSIA¹



■ NET SALES TO EUROPE & OC^{3,4}



■ NET SALES TO FSU^{3,4}

Calculations may differ due to rounding.

¹ Net of value added tax (VAT)

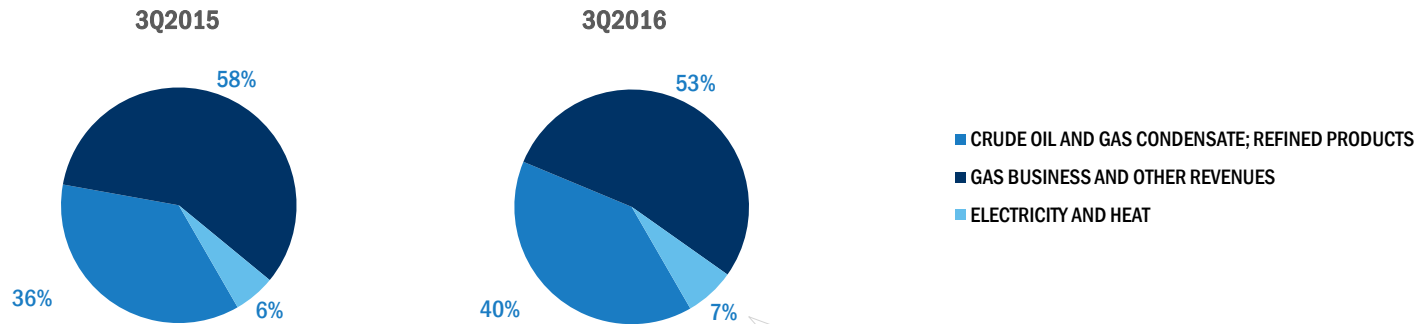
² OC - Other countries: including LNG sales

³ VAT is not charged on sales

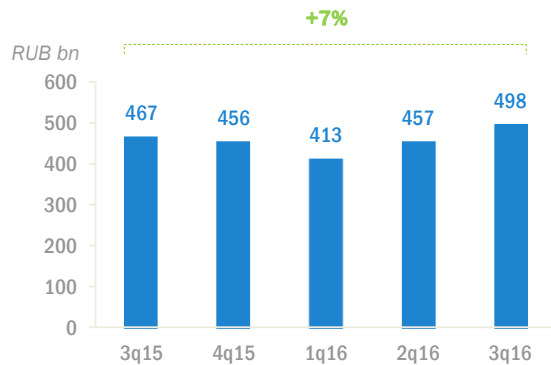
⁴ Net of custom duties and excise tax on gas exports

OIL AND ENERGY BUSINESS

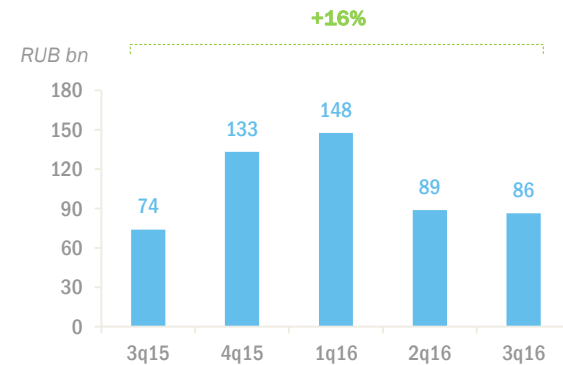
Net Sales¹



Crude Oil and Gas Condensate; Refined Products



Electricity and heat

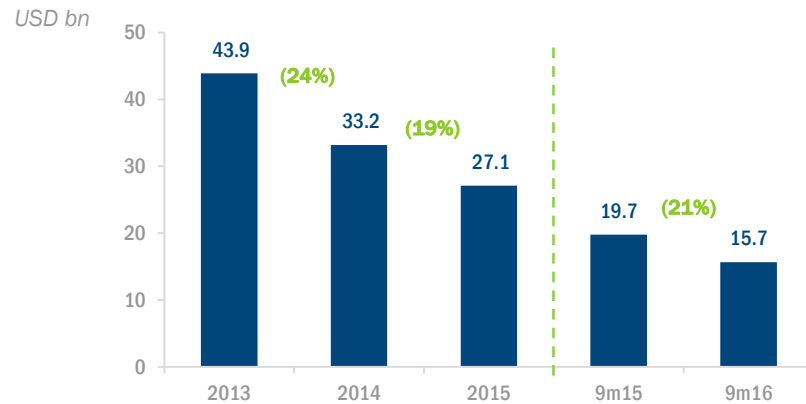
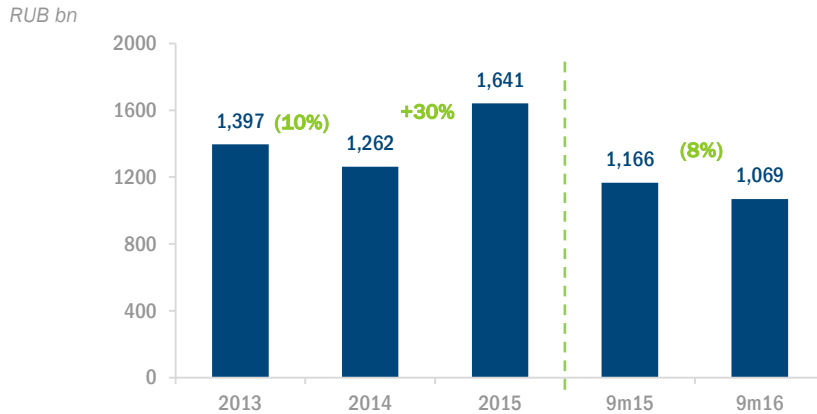


Calculations may differ due to rounding.

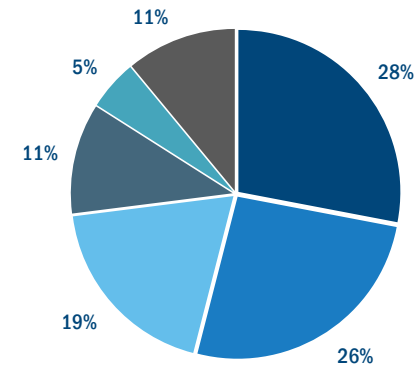
¹ Net of value added tax (VAT), excise tax and custom duties.

CAPITAL EXPENDITURES

Cash CapEx



The Group's 9M2016 CapEx breakdown¹

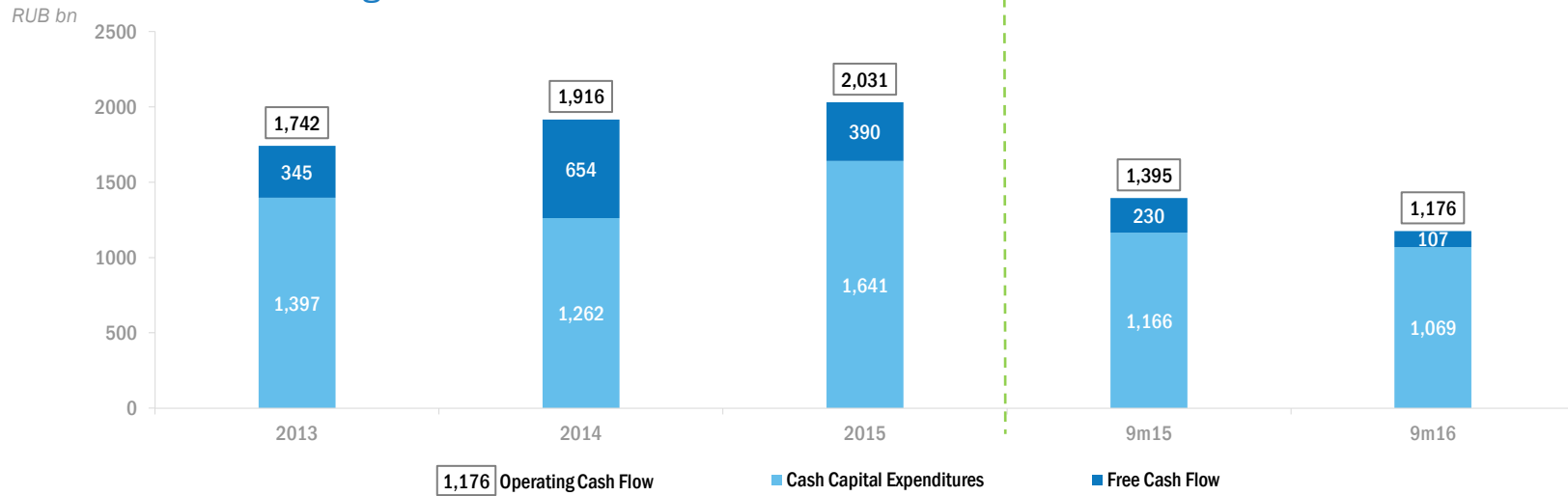


- TRANSPORT
- PRODUCTION OF CRUDE OIL AND GAS CONDENSATE
- PRODUCTION OF NATURAL GAS
- REFINING
- ELECTRICITY AND HEAT
- OTHER CAPEX

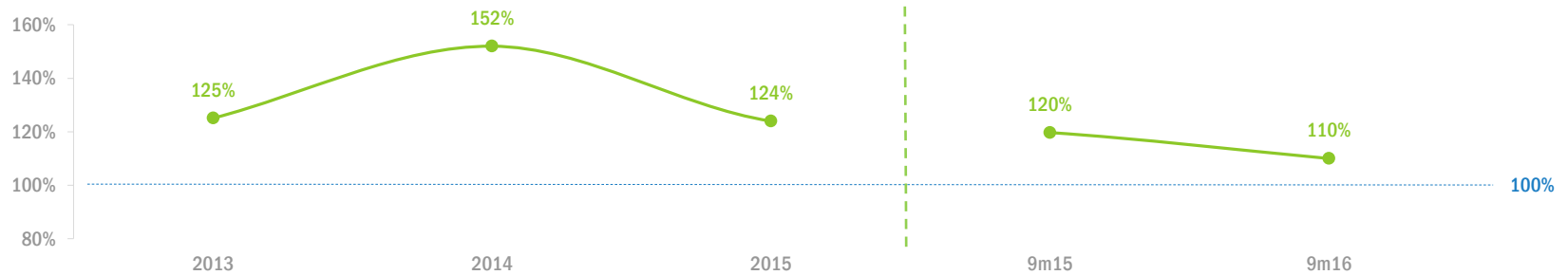
¹ CapEx breakdown as provided in Management Report

FREE CASH FLOW GENERATION

Free Cash Flow generation¹



Gazprom self funding²

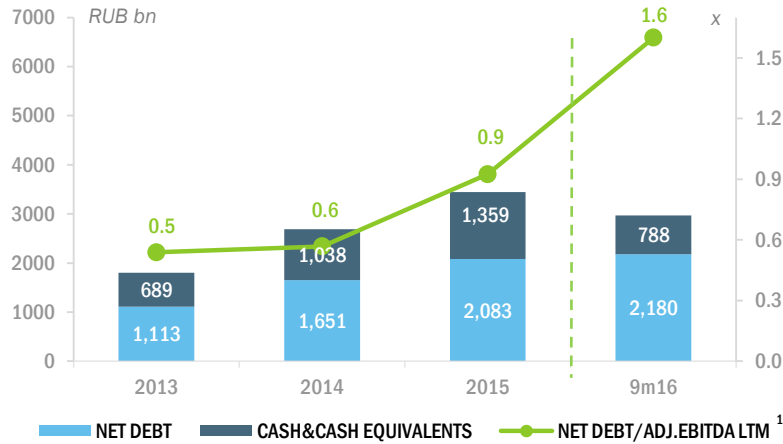


¹ Free Cash Flow = Net Cash from operating activities – Cash CAPEX

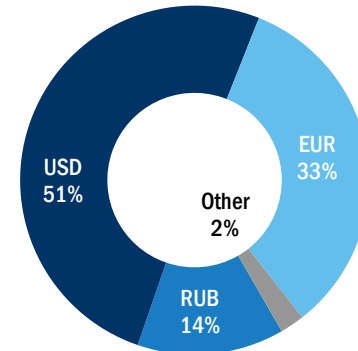
² Net Cash from operating activities / Cash CAPEX

KEY DEBT METRICS

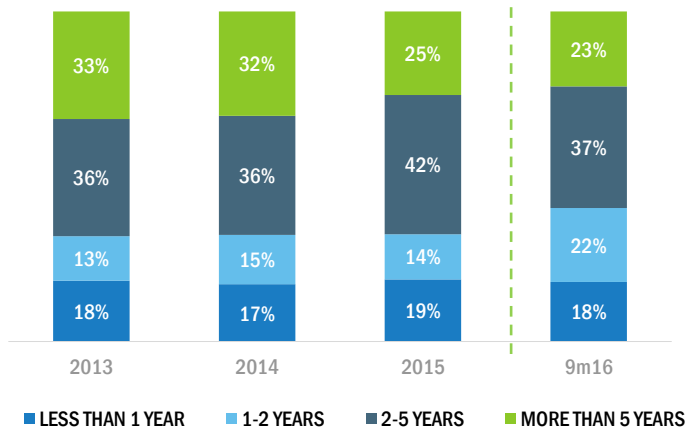
Total and Net Debt



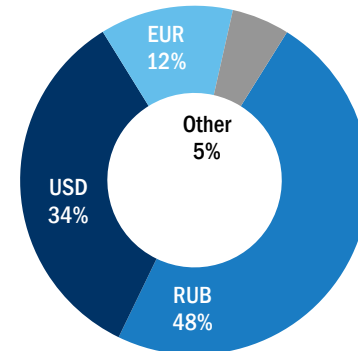
Debt breakdown by currency



Debt maturity profile²



Cash & equivalents breakdown by currency



¹ Calculated using dollar values of Net debt and EBITDA

² Excluding promissory notes



ADDITIONAL INFORMATION

RUSSIAN NATURAL GAS BALANCE

Bcm	3Q2015	3Q2016	9M2015	9M2016
Natural gas resources	147.2	149.2	495.3	498.5
Domestic gas production	137.5	141.4	449.2	449.4
Other sources including Central Asia and Azerbaijan gas	7.7	5.4	19.6	16.3
Gas from underground storage facilities in Russia, Latvia and Europe	0.9	1.4	23.3	29.8
Decrease in the amount of gas within the gas transportation system	1.1	1.0	3.1	3.0
Natural gas distribution	147.2	149.2	495.3	498.5
Domestic consumption	77.3	81.1	308.9	309.5
including needs of the gas transportation system and underground storage facilities	6.4	6.6	21.0	21.1
Gas pumped into underground storage facilities	17.3	16.5	28.8	26.5
Gas for LNG production	3.2	3.4	10.6	10.5
Foreign supplies	42.2	41.9	118.5	128.0
FSU supplies	6.1	5.5	25.3	21.3
Increase in the amount of gas within the gas transportation system	1.2	0.8	3.1	2.7

Source: Company Operating Data

THANK YOU!