



# 1Q2015 IFRS CONSOLIDATED FINANCIAL RESULTS

AUGUST 10, 2015



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Head of the Department

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# 2015 HIGHLIGHTS



## 1Q2015

February 2015	China's biggest independent rating agency Dagong assigned highest credit rating to Gazprom ('AAA' with a 'stable' outlook)
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## 2Q2015

April 2015	Gazprom obtained a long-term loan from a consortium of banks with JP Morgan as bank agent (Asian banks participated; \$500mm; LIBOR +3.25%; 3 years)
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April 2015	European Commission adopted a Statement of Objections in the course of ongoing antitrust investigation of Gazprom activity in the European Union
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May 2015	The drilling of production wells for the pilot commercial development of the oil rim started in the Chayandinskoye field
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May 2015	Gazprom and CNPC signed the Heads of Agreement for pipeline gas supply from Russia to China via the western route
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June 2015	Gazprom, E.ON, Shell and OMV signed the Memorandum of Intent stipulating the construction of two strings of the Nord Stream II gas pipeline
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June 2015	The Shareholders Meeting approved the dividend amount - RUB 7.20 per share (same as last year)
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June 2015	Minister of Energy of the Russian Federation Alexander Novak was elected as a member of the Board of Directors
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## 3Q2015

July 2015	Gazprom and NIPIGAZ agreed to form a partnership on designing, coordinating equipment and material supplies as well as managing the construction of the Amur GPP
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# SUMMARY OF FINANCIAL RESULTS



## 1Q2015 vs. 1Q2014 Gazprom Group results

	1Q 2015	YoY
Total net sales	1,648 bln RR	+6%
Adj. EBITDA	583 bln RR	-1%
Net Profit <sup>1</sup>	382 bln RR	+71%
Operating cash flow	696 bln RR	+1%
Free cash flow	252 bln RR	-13%
Net debt	1,448 bln RR	-12% <sup>2</sup>
Net debt/Adj.EBITDA LTM <sup>3</sup>	0.6x	

<sup>1</sup> Profit for the period attributed to owners of PJSC Gazprom

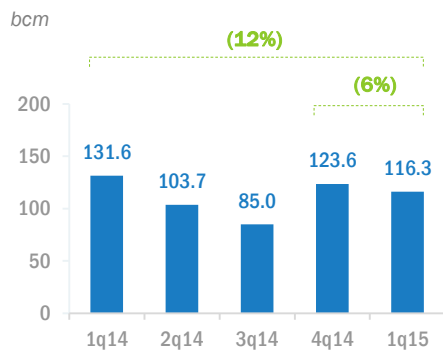
<sup>2</sup> Compared to net debt as of December 31, 2014

<sup>3</sup> Calculated using dollar values of Net debt and EBITDA

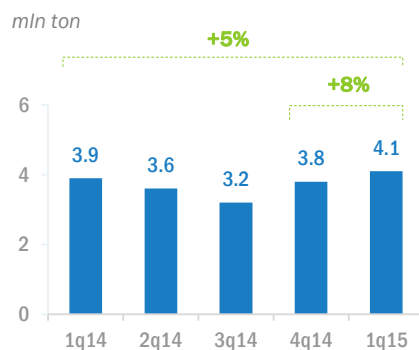
# HYDROCARBON PRODUCTION, ELECTRICITY AND HEAT GENERATION



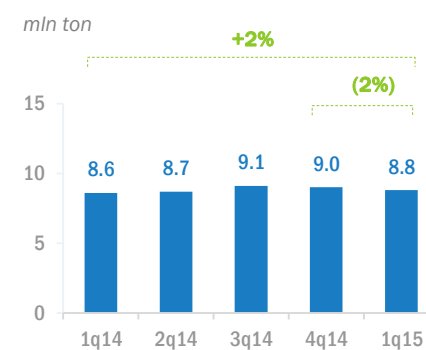
Natural gas production



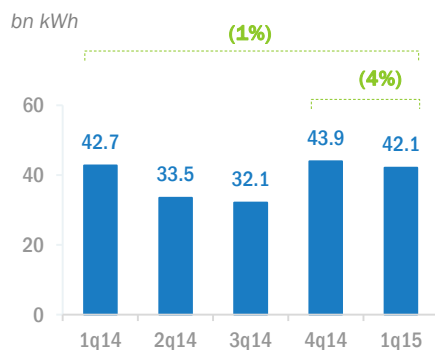
Gas condensate production



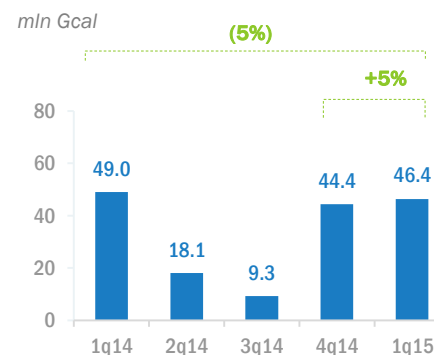
Crude oil production



Electricity generation



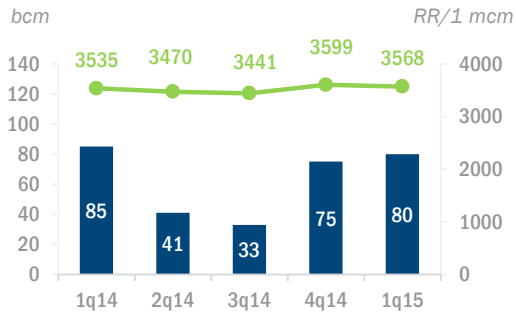
Heat generation



Including Russian generating companies: Mosenergo, OGK-2, TGK-1, MIPC  
Calculations may diverge due to rounding.

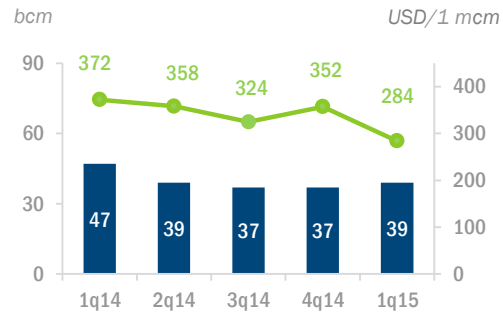
# GAS SALES

## Russia



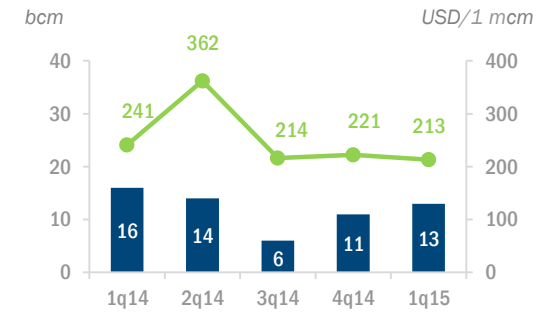
■ VOLUMES ● AVERAGE PRICE IN RUSSIA

## Europe & OC<sup>2</sup>

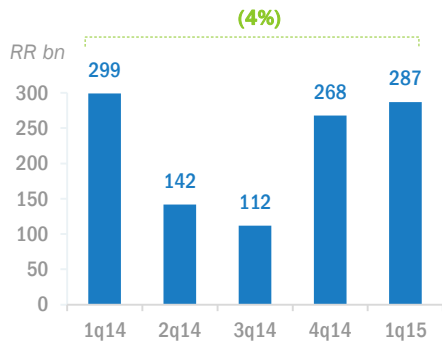


■ VOLUMES ● AVERAGE PRICE IN EUROPE & OC

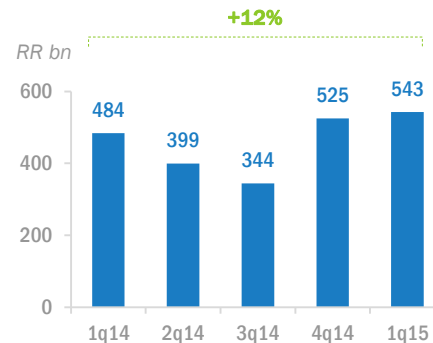
## FSU



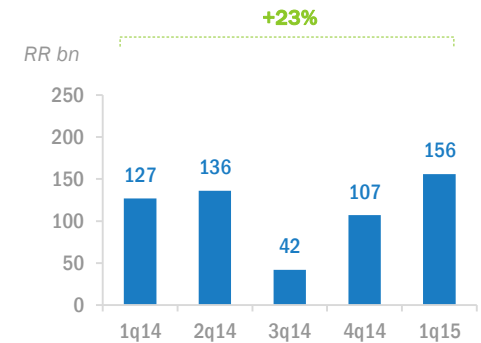
■ VOLUMES ● AVERAGE PRICE IN FSU



■ NET SALES TO RUSSIA<sup>1</sup>



■ NET SALES TO EUROPE & OC<sup>3,4</sup>



■ NET SALES TO FSU<sup>3,4,5</sup>

Calculations may diverge due to rounding.

<sup>1</sup> Net of value added tax (VAT)

<sup>2</sup> OC - Other countries: include LNG sales

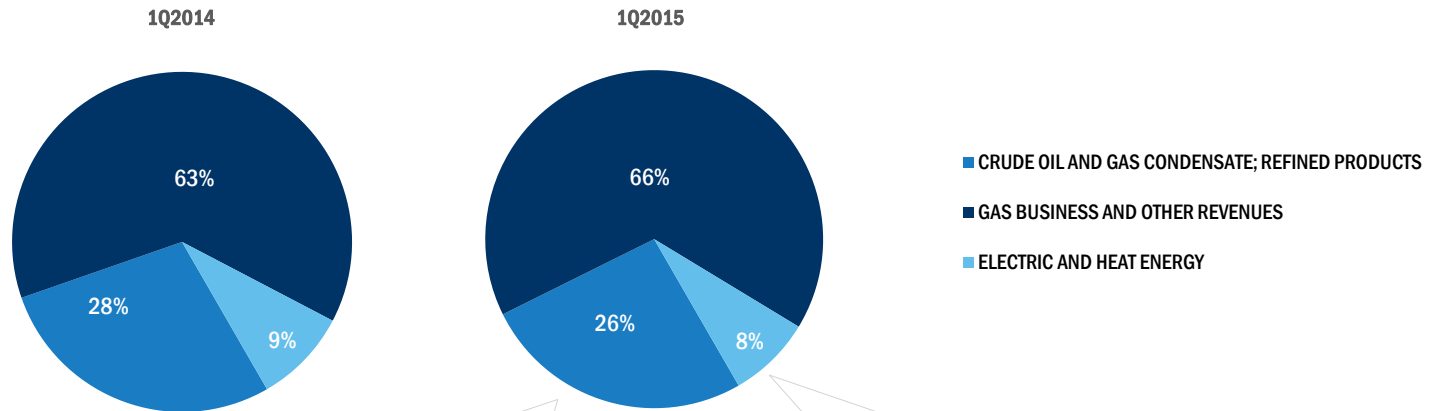
<sup>3</sup> VAT is not charged on sales

<sup>4</sup> Net of custom duties and excise tax on gas exports to Europe

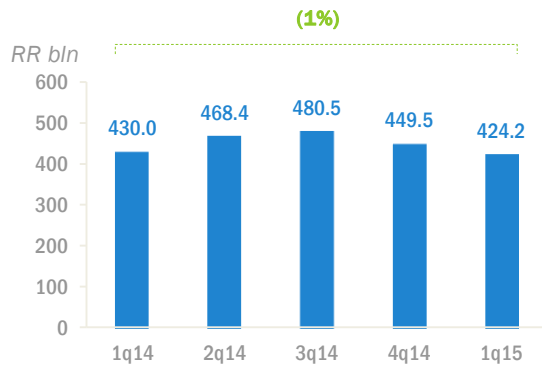
<sup>5</sup> Net of customs duties and excise tax

# OIL AND ENERGY BUSINESS

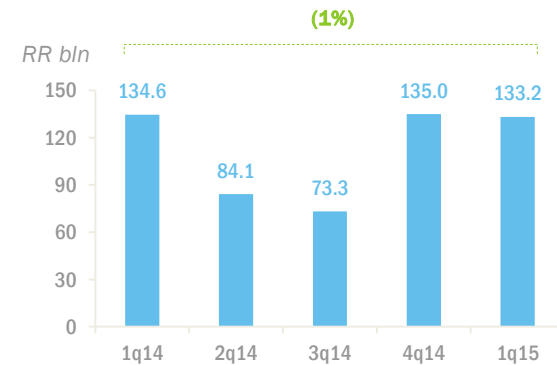
## Net Sales<sup>1</sup>



### Crude Oil and Gas Condensate; Refined Products



### Electric and heat energy

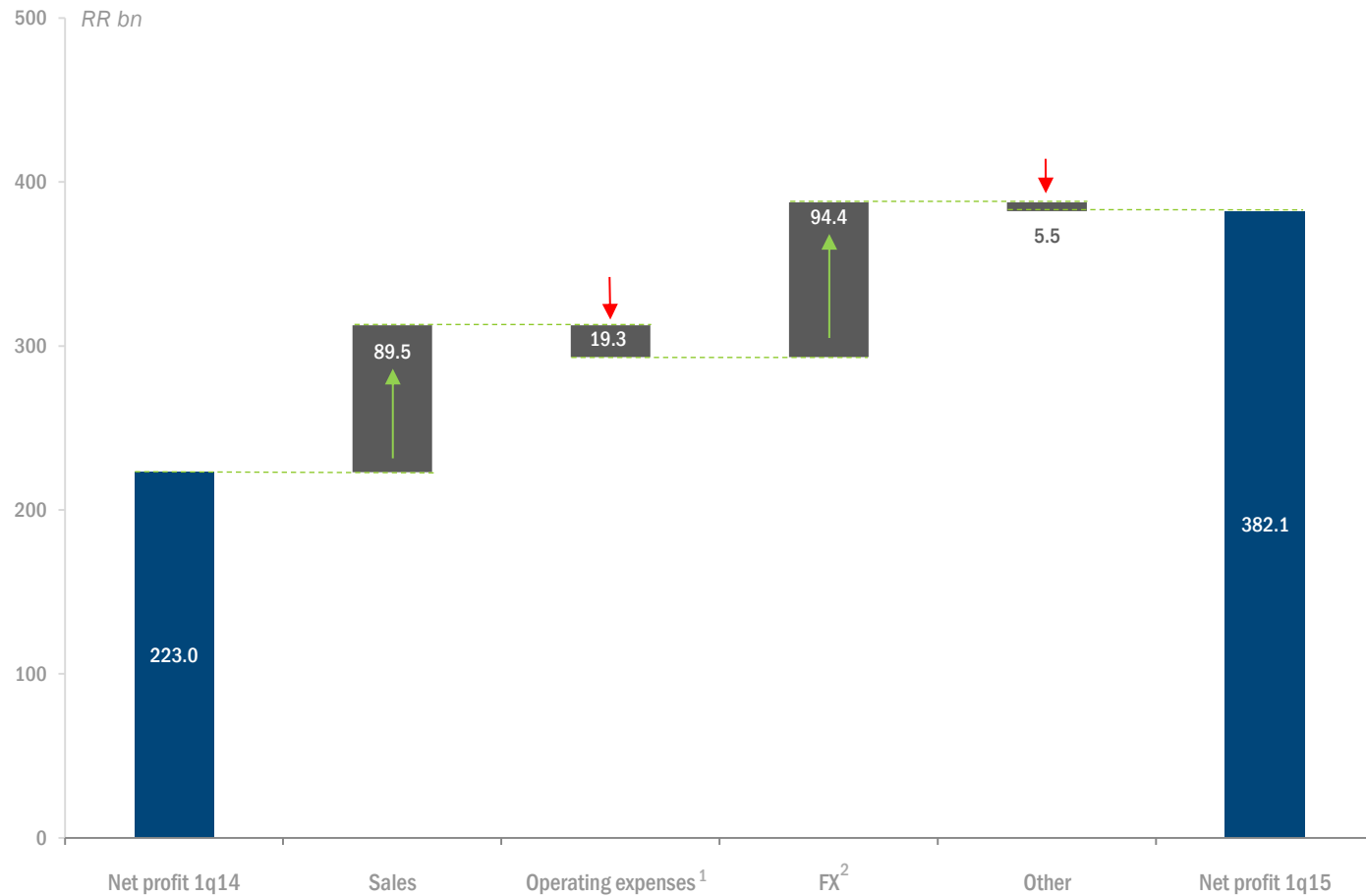


Calculations may diverge due to rounding.

<sup>1</sup> Net of value added tax (VAT), excise tax and custom duties.



# NET PROFIT INCREASE



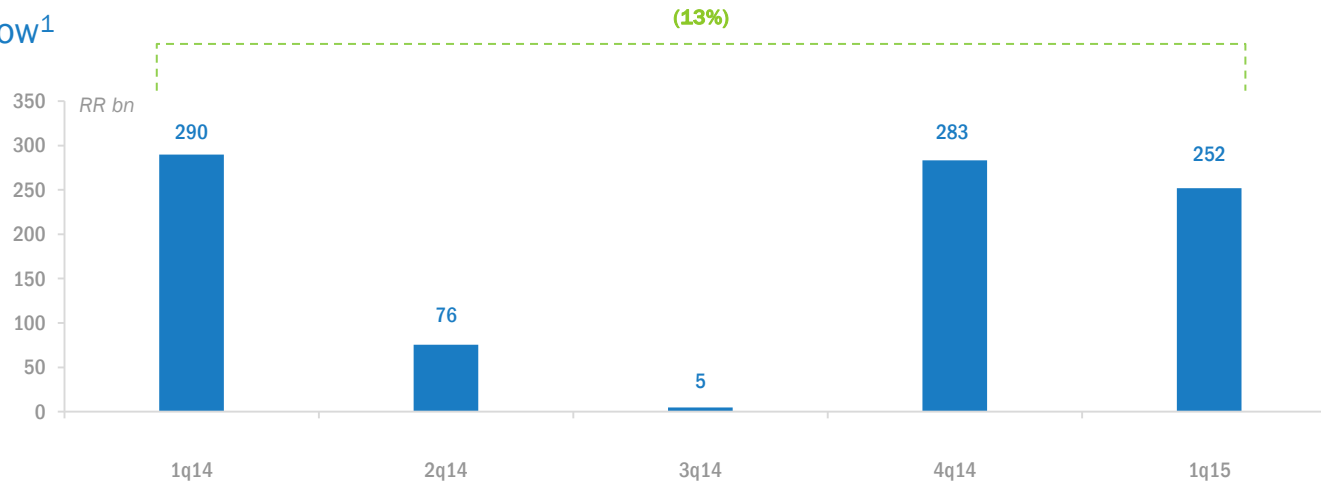
Net profit attributable to owners of PJSC Gazprom

<sup>1</sup> Excluding FX differences on operating items

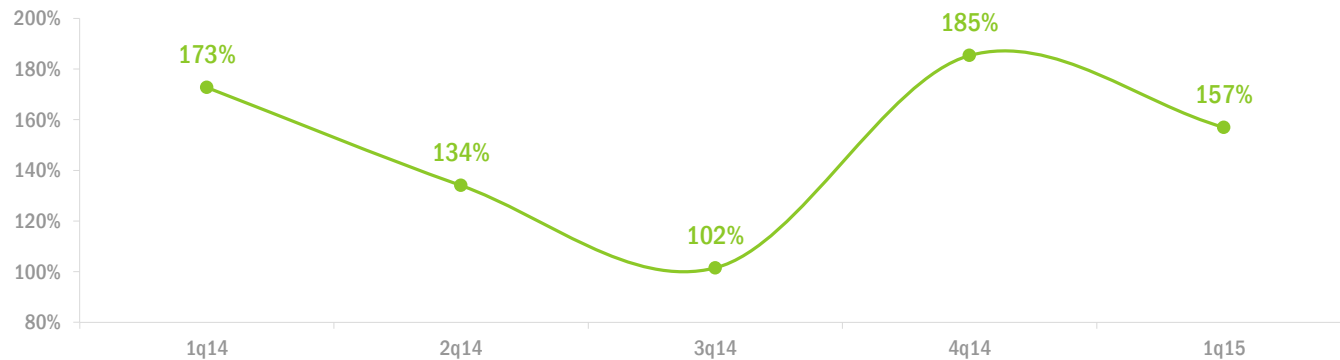
<sup>2</sup> Including FX differences on operating items

# SUSTAINABLE FREE CASH FLOW GENERATION

Free Cash Flow<sup>1</sup>



Gazprom self funding<sup>2</sup>

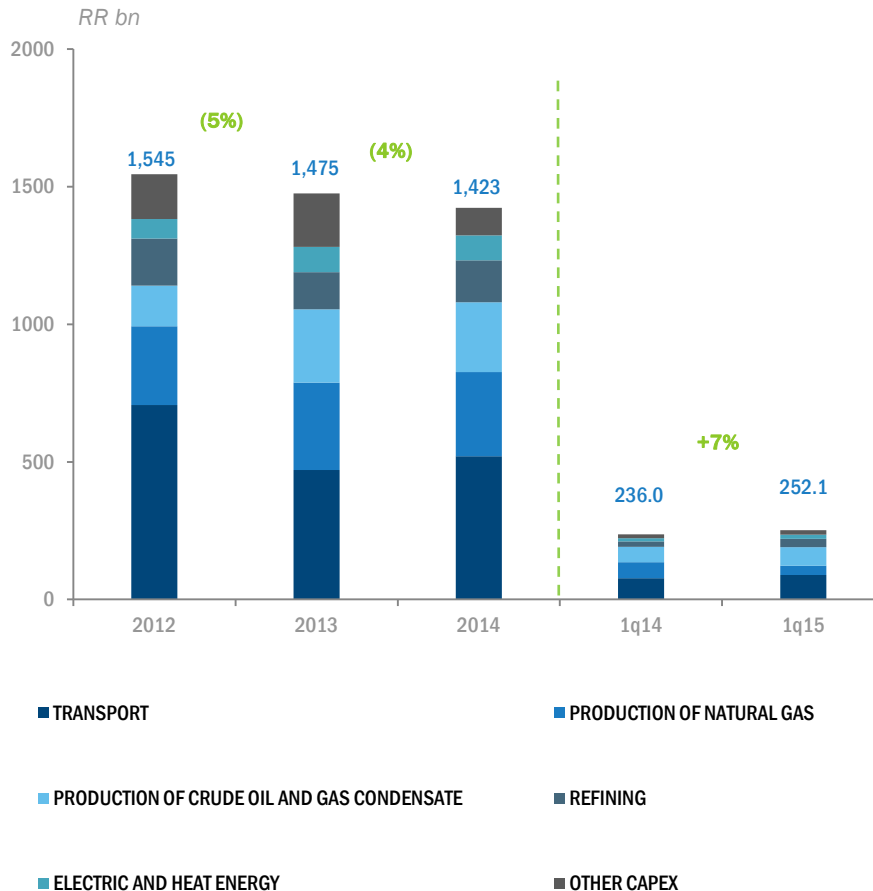


<sup>1</sup> Free Cash Flow = Net Cash from operating activities – Cash CAPEX

<sup>2</sup> Net Cash from operating activities / Cash CAPEX

# CAPITAL EXPENDITURES

## Gazprom Group's CapEx<sup>1</sup>



## 2015 Priorities

### Gas Upstream

- Bovanenkovo field
- Development of fields related to the Eastern Gas Program and export to China
- Gas brownfields development and support

### Gas Downstream

- Bovanenkovo-Ukhta pipeline
- Preliminary works, roll out of the Eastern Gas Program and China export project

### Oil

- Novoportovskoe, Messoyakha and other greenfields development, brownfields support and refining modernization

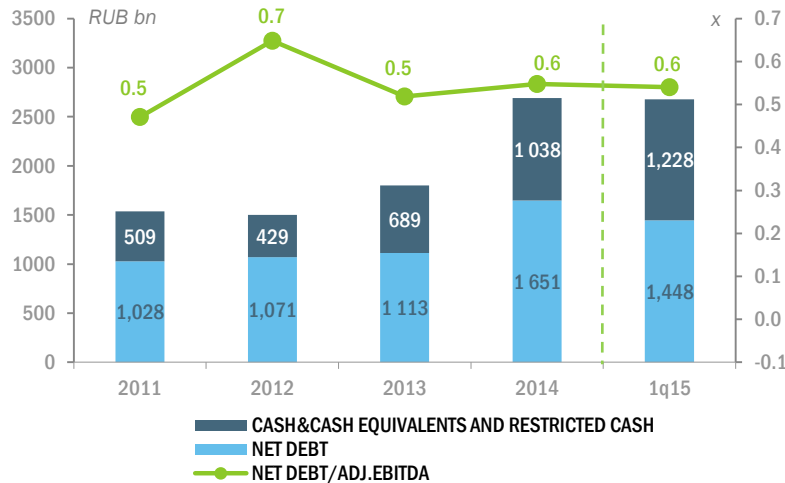
### Power generation

- Investments in new capacity

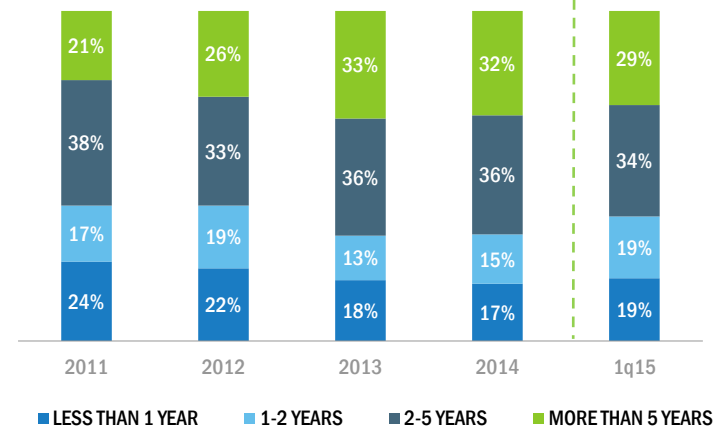
<sup>1</sup> CapEx volumes and breakdown as provided in Management Report

# KEY DEBT METRICS

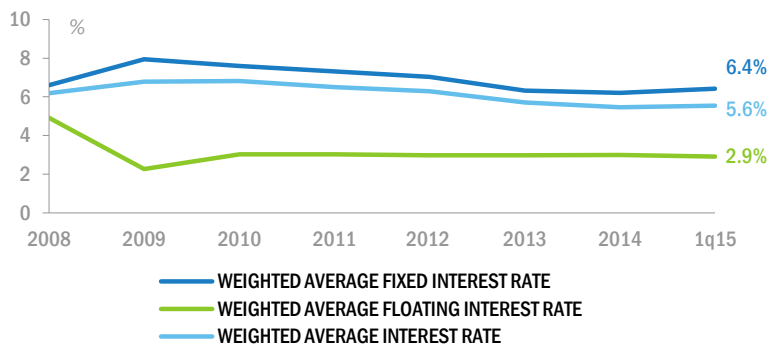
## Total and Net Debt



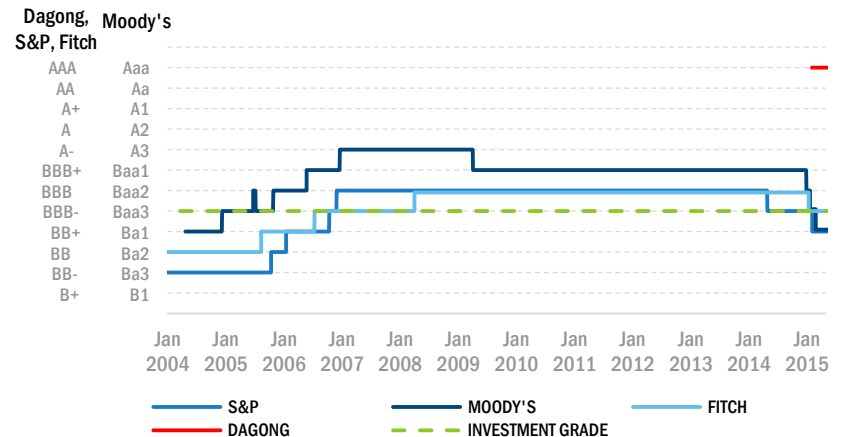
## Debt maturity profile<sup>1</sup>



## Cost of debt financing



## Gazprom credit ratings



SOURCE: BLOOMBERG, COMPANY DATA

<sup>1</sup> Excluding promissory notes

# CONTACTS FOR INVESTORS AND ANALYSTS



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