Alexander Ivannikov
Head of Department
DISCLAIMERS

This presentation has been prepared by PJSC Gazprom (the “Company”), and comprises the slides for a presentation to investors concerning the Company. This presentation does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares or other securities representing shares in the Company, nor shall it or any part of it nor the fact of its presentation or distribution form the basis of, or be relied on in connection with, any contract or investment decision.

Any viewer of this presentation considering a purchase of such securities is hereby reminded that any such purchase should be made solely on the basis of the information contained in the prospectus or other offering document prepared in relation thereto and will be subject to the selling restrictions set out therein. The information in this presentation should not be treated as investment advice. Care has been taken to ensure that the facts stated in this presentation are accurate, and that the opinions expressed are fair and reasonable. However, the contents of this presentation have not been verified by the Company. Accordingly, no representation or warranty, express or implied, is made or given by or on behalf of the Company or any of its members, directors, officers or employees or any other person as to the accuracy, completeness or fairness of the information or opinions contained in or discussed at this presentation. None of the Company or any of their respective members, directors, officers or employees nor any other person accepts any liability whatsoever for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection therewith.

The information in this presentation includes forward-looking statements, such statements may also occur during the Q&A session. These forward-looking statements include all matters that are not historical facts, statements regarding the Company’s intentions, beliefs or current expectations concerning, among other things, the Company’s results of operations, financial condition, liquidity, prospects, growth, strategies, and the industry in which the Company operates. By their nature, forward-looking statements involve risks and uncertainties, including, without limitation, the risks and uncertainties to be set forth in the prospectus, because they relate to events and depend on circumstances that may or may not occur in the future. The Company cautions you that forward looking statements are not guarantees of future performance and that its actual results of operations, financial condition and liquidity and the development of the industry in which the Company operates may differ materially from those made in or suggested by the forward-looking statements contained in this presentation. In addition, even if the Company’s results of operations, financial condition and liquidity and the development of the industry in which the Company operates are consistent with the forward-looking statements contained in this presentation, those results or developments may not be indicative of results or developments in future periods.

The information and opinions contained in this presentation are provided as at the date of this presentation and are subject to change without notice. No person is under any obligation to update or keep current the information contained herein.

By attending the presentation you agree to be bound by the foregoing limitations.
HIGHLIGHTS

Jan. 2017
• High quality of Gazprom’s corporate governance confirmed by Moscow Exchange

Mar. 2017
• Progress in approaching solution of EU antitrust case
• S&P changed Gazprom’s rating outlook from ‘Stable’ to ‘Positive’
• Gazprom placed USD 750 mn Eurobonds. First dollar-denominated issue in the last 3 years
• EUR700 mn loan from Credit Agricole CIB

Apr. 2017
• Strong gas export volumes in 1q17 (+15% YoY)
• Gazprom placed GBP850 mn Eurobonds
• Nord Stream 2 financing agreements signed with ENGIE, OMV, Shell, Uniper and Wintershall
• Belarus fully paid off its overdue debt of USD 726 mn for the Russian gas supplied by Gazprom in 2016–2017

May 2017
• Construction of TurkStream’s offshore section commenced
• The Board of Directors recommended to pay out RUB 8,0397 per share in annual dividends (+2% YoY)

Market environment in 1q16 vs 1q17

Source: Company data, Bloomberg, Bank of Russia website

1 OC - Other countries: including LNG sales
SUMMARY OF 1Q17 IFRS FINANCIAL RESULTS

- Total net sales: RUB 1,815bn (+4%)
- Adj. EBITDA: RUB 450bn (+1%)
- Net profit: RUB 333bn (-8%)
- Capex: RUB 321bn (-27%)
- Operating CF: RUB 105bn
- FCF: RUB -216bn
- Net debt: RUB 2,043bn (+6%)

1 EBITDA adjusted for changes in impairment provisions
2 Profit for the period attributed to shareholders of PJSC Gazprom
3 Cash capital expenditures
4 Compared to Net debt as of December 31, 2016

*In order to reflect the effects of the bank deposits (reported as part of Other current and non-current assets) increase

1Q2017 IFRS RESULTS
Gradual recovery of key financial indicators

**EBITDA AND NET PROFIT GROWTH**

### EBITDA

<table>
<thead>
<tr>
<th>Quarter</th>
<th>RUB bn</th>
<th>USD bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q16</td>
<td>444</td>
<td>6.0</td>
</tr>
<tr>
<td>2Q16</td>
<td>249</td>
<td>3.8</td>
</tr>
<tr>
<td>3Q16</td>
<td>302</td>
<td>4.7</td>
</tr>
<tr>
<td>4Q16</td>
<td>328</td>
<td>5.2</td>
</tr>
<tr>
<td>1Q17</td>
<td>450</td>
<td>7.6</td>
</tr>
</tbody>
</table>

**Growth:**
- +1%
- +37%

### Net Profit

<table>
<thead>
<tr>
<th>Quarter</th>
<th>RUB bn</th>
<th>USD bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q16</td>
<td>362</td>
<td>4.9</td>
</tr>
<tr>
<td>2Q16</td>
<td>245</td>
<td>3.7</td>
</tr>
<tr>
<td>3Q16</td>
<td>102</td>
<td>1.6</td>
</tr>
<tr>
<td>4Q16</td>
<td>242</td>
<td>3.8</td>
</tr>
<tr>
<td>1Q17</td>
<td>333</td>
<td>5.7</td>
</tr>
</tbody>
</table>

**Growth:**
- (8%)
- +38%
- +17%
- +50%
Gazprom Group’s volumes produced in Russia
Calculations may differ due to rounding.
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 export sales
4. Net of custom duties and excise tax on gas exports
OIL AND ENERGY BUSINESS

Net Sales

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**

*RUB bn*

- **2014**: 1,262 (+30%)
- **2015**: 1,641 (17%)
- **2016**: 1,369
- **1q16**: 437 (27%)
- **1q17**: 321

**The Group’s 1q17 Capex breakdown¹**

- **TRANSPORT**: 26%
- **PRODUCTION OF CRUDE OIL AND GAS CONDENSATE**: 37%
- **PRODUCTION, DISTRIBUTION AND STORAGE OF NATURAL GAS**: 16%
- **REFINING**: 3%
- **ELECTRICITY AND HEAT**: 16%
- **OTHER CAPEX**: 2%

¹ CapEx breakdown as provided in Management Report
BANK DEPOSITS

According to Gazprom 1q17 IFRS report:

12 OTHER CURRENT AND NON-CURRENT ASSETS

Included within other current assets are short-term deposits in the amount of RUB 472,112 million and RUB 144,035 million as of 31 March 2017 and 31 December 2016, respectively.

Included within other non-current assets are VAT recoverable related to assets under construction totalling RUB 36,486 million and RUB 35,702 million and long-term deposits totalling RUB 40,733 million and RUB 42,230 million as of 31 March 2017 and 31 December 2016, respectively.

Key features of bank deposits:

- Early withdrawal clause
- Deposit term of over 3 months
- Are NOT included in Cash and cash equivalents

Impact of substantial increase in bank deposits:

- Decrease in Cash and equivalents
- Increase in Net Debt and Net Debt/EBITDA
- Reduction in Cash flows from operating activities (changes in working capital)
- Decrease in Free cash flow

In 1q17 Gazprom substantially increased bank deposits volumes

Increase of LT and ST bank deposits is aimed to improve the efficiency of liquidity management

1 Source: Gazprom 1Q17 IFRS report, page 17
2 Reported as a part of Other current assets and Other non-current assets
3 Affected by ST deposits

1Q2017 IFRS RESULTS
FREE CASH FLOW GENERATION

Free Cash Flow

1Q2017 IFRS RESULTS

1Q2017 adjusted Free Cash Flow breakdown

OCF before working capital changes
Working capital and operating items changes, tax
OCF reported
Capex
FCF reported
Adjustment for increase in ST deposits
FCF adjusted

FCF adjusted for changes in bank deposits remains positive at $1.9 bn in 1q17 (RUB112 bn)

Notes:
1 Free Cash Flow = Net Cash from operating activities – Cash Capex
2 Free Cash Flow adjusted for changes in the ST bank deposits
KEY DEBT METRICS

Total Debt and Net Debt

1Q2017 adjusted Net Debt structure

Total Debt breakdown by currency

Cash & equivalents breakdown by currency

1 Calculated using dollar values of Net debt and EBITDA
2 Net Debt adjusted for the bank deposits reported as a part of Other current and non-current assets

1Q2017 IFRS RESULTS
ADDITIONAL INFORMATION
# RUSSIAN NATURAL GAS BALANCE

<table>
<thead>
<tr>
<th>Bcm</th>
<th>1Q2016</th>
<th>1Q2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Natural gas resources</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic gas production</td>
<td>169.6</td>
<td>182.3</td>
</tr>
<tr>
<td>Other sources. including gas from Central Asia and Azerbaijan</td>
<td>5.7</td>
<td>6.3</td>
</tr>
<tr>
<td>Gas from underground storage facilities in Russia, Latvia and Europe</td>
<td>26.7</td>
<td>27.9</td>
</tr>
<tr>
<td>Decrease in gas volumes of within the gas transportation system</td>
<td>1.0</td>
<td>0.8</td>
</tr>
<tr>
<td><strong>Natural gas distribution</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic consumption</td>
<td>143.0</td>
<td>148.9</td>
</tr>
<tr>
<td>including needs of the gas transportation system and underground storage facilities</td>
<td>8.8</td>
<td>10.5</td>
</tr>
<tr>
<td>Gas pumped into underground storage facilities</td>
<td>0.01</td>
<td>0.17</td>
</tr>
<tr>
<td>Gas for LNG production</td>
<td>3.5</td>
<td>4.1</td>
</tr>
<tr>
<td>Foreign supplies</td>
<td>45.0</td>
<td>52.3</td>
</tr>
<tr>
<td>FSU supplies</td>
<td>10.3</td>
<td>11.0</td>
</tr>
<tr>
<td>Increase in gas volumes of within the gas transportation system</td>
<td>1.1</td>
<td>0.7</td>
</tr>
</tbody>
</table>

Source: Company Operating Data
THANK YOU!