

**Comment by Famil Sadygov, Deputy Chairman of Gazprom  
Management Committee, on financial statements under IFRS for six  
months of 2020:**

"The challenges faced by Gazprom and the oil and gas industry at large in the second quarter and the first six months of this year overall are hard to overestimate: plummeting demand for energy, historically low gas prices in Europe, and multidirectional volatility of currency rates. In such extreme conditions, Gazprom has achieved rather good financial results as compared to many other oil and gas companies, thanks in part to the optimization of its operating and capital expenditures. For instance, the volume of investments in the second quarter of this year was the lowest since 2016.

Gazprom has managed to achieve a positive net profit for the quarter and the six-month period alike, and the dividend base (calculated in accordance with the Dividend Policy) totaled RUB 216 billion for the first six months of 2020. The decision on the dividend amount will be made based on the overall results for 2020. While many companies choose to opt out of paying dividends or delay their payouts, we stand by the plans that were announced earlier and reaffirm that the Dividend Policy continues to be a top priority for the Company.

Although the debt burden has increased, it remains manageable, and long-term borrowings with a maturity period of more than five years prevail in the Gazprom Group's overall debt structure. Apart from that, the Company's liquidity position allows it to confidently fulfill all of its obligations: at the end of the second quarter, the total amount of cash and deposits of the Gazprom Group exceeded RUB 1.1 trillion.

The overwhelmingly negative market conditions in the second quarter, when the seasonal weakness of the gas market was exacerbated by unprecedented restrictions on economic activity throughout the world, caused the prices at European hubs to fall below the breakeven level for all producers. Nevertheless, as expected, the third quarter is already showing a stronger market environment: this August, the spot prices crossed the psychological threshold of USD 100 per 1,000 cubic meters, and the dynamics of gas consumption is also positive, which will undoubtedly help Gazprom improve its financial performance. Moreover, the Company will continue implementing measures to optimize its operating and capital costs. These measures were developed to help us overcome the crisis, and their ongoing implementation will prepare Gazprom for any and all external factors that may emerge in the future."