

**MATERIAL FACT STATEMENT
ON CERTAIN DECISIONS OF ISSUER'S BOARD OF DIRECTORS
(SUPERVISORY BOARD)**

1. General information	
1.1. Full legal name of issuer	Public Joint Stock Company Gazprom
1.2. Short legal name of issuer	PJSC Gazprom
1.3. Address of issuer	Moscow, Russian Federation
1.4. OGRN (Primary State Registration Number) of issuer	1027700070518
1.5. INN (Taxpayer Identification Number) of issuer	7736050003
1.6. Unique issuer code assigned by registering authority	00028-A
1.7. Internet pages used by issuer to disclose information	www.gazprom.ru; www.e-disclosure.ru/PORTAL/company.aspx?id=934

2. Contents of Statement							
<p>2.1. Quorum of issuer's Board of Directors meeting and voting results on decision-making issues: meeting in absentia, 10 out of 11 Board of Directors Members submitted voting ballots, quorum recorded as present.</p> <p>Voting results on agenda item:</p> <p>On ratification of related-party transaction with South Stream Transport B.V.: In favor – 10 votes, Against – 0 votes, Abstentions – 0 votes.</p> <p>On acquisition of stake in Gazprom Proyektirovaniye equity capital by Gazprom: In favor – 10 votes, Against – 0 votes, Abstentions – 0 votes.</p> <p>2.2. Content of decision made by issuer's Board of Directors:</p> <p>2.2.1. On ratification of related-party transaction with South Stream Transport B.V.:</p> <p>In compliance with Article 77, Chapter XI of Federal Law "On Joint Stock Companies" and subclauses 7, 17 of clause 34.1, Article 34 of Gazprom Articles of Association, Gazprom Board of Directors resolved:</p> <ol style="list-style-type: none"> To determine that based on market value, price of property (funds) acquired by Gazprom under loan agreement with South Stream Transport B.V. shall be 1.13% per annum of loan amount extended to South Stream Transport B.V. To ratify conclusion of loan agreement between Gazprom and South Stream Transport B.V. as related-party transaction under terms listed in Appendix to Board of Directors Decision. <p>2.2.1.1. Basic terms of loan agreement with South Stream Transport B.V.:</p> <table border="0"> <tr> <td>Parties</td><td>Gazprom South Stream Transport B.V.</td></tr> <tr> <td>Subject of agreement</td><td>Gazprom shall extend to South Stream Transport B.V. amount not exceeding EUR 310,000,000 (Three hundred and ten million) (hereinafter referred to as "loan amount"), and South Stream Transport B.V. undertakes to repay extended loan amount in full (hereinafter referred to as "principal debt") and pay interest for use of loan funds according to procedure and within time stipulated by agreement.</td></tr> <tr> <td>Purpose of loan</td><td>Funds extended by Gazprom shall be used by South Stream Transport B.V. to finance its costs for implementation of TurkStream project including payments under contracts for supply of pipe products and equipment,</td></tr> </table>		Parties	Gazprom South Stream Transport B.V.	Subject of agreement	Gazprom shall extend to South Stream Transport B.V. amount not exceeding EUR 310,000,000 (Three hundred and ten million) (hereinafter referred to as "loan amount"), and South Stream Transport B.V. undertakes to repay extended loan amount in full (hereinafter referred to as "principal debt") and pay interest for use of loan funds according to procedure and within time stipulated by agreement.	Purpose of loan	Funds extended by Gazprom shall be used by South Stream Transport B.V. to finance its costs for implementation of TurkStream project including payments under contracts for supply of pipe products and equipment,
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	storage and performance of construction and installation works, under other contracts for procurement of goods, works, and services, as well as general administrative expenses.
Interest for use of loan funds	Gazprom shall accrue interest monthly at rate of 1.13% of amount of indebtedness under principal debt. Interest rate can be changed subject to agreement between Parties.
Loan maturity	South Stream Transport B.V. is obliged to repay principal amount of debt not later than June 30, 2020 by way of money transfer to Gazprom bank account.
Responsibilities of Parties	For failure to comply with term of repayment of principal debt and term of interest payment Gazprom shall be entitled to claim from South Stream Transport B.V. payment of penalty at rate of 0.01% of amount of delayed funds for each calendar day of delay. In case of realization by Gazprom of specified right, South Stream Transport B.V. is obliged to pay assessed penalty within 5 (Five) days after written request to pay penalty made by Gazprom.
Commencement of agreement	Agreement shall become effective upon Gazprom's first transfer of loan amount to South Stream Transport B.V., and shall remain valid until Parties fully meet their obligations under agreement.
2.2.2. On acquisition of stake in Gazprom Proyektirovaniye equity capital by Gazprom: In compliance with Procedures for Completing Transactions approved by Gazprom Board of Directors Decision No. 366 dated September 27, 2002, Gazprom Board of Directors resolved: To determine that acquisition by Gazprom of stake in Gazprom Proyektirovaniye equity capital through making additional contribution and its payment by 5,301 (Five thousand three hundred and one) shares of Joint Stock Company TsKBN owned by Gazprom with nominal value of RUB 1 (One) each and total value of RUB 5,301 (Five thousand three hundred and one), which is 50% plus 1 share in TsKBN equity capital, shall require no approval by Gazprom Board of Directors. 2.3. Date of issuer's Board of Directors meeting where corresponding decisions were made: December 28, 2016 (date of submission of filled out voting ballots by Members of issuer's Board of Directors). 2.4. Date of execution and number of minutes of issuer's Board of Directors meeting where corresponding decisions were made: No. 1120, dated December 29, 2016.	

3. Signature	
3.1. Member of Management Committee, Department Head, Gazprom (acting under power of attorney No. 01/04/04-45д, dated February 3, 2015)	Elena Mikhailova _____ (signature) L.S.
3.2. Date: December 29, 2016	