



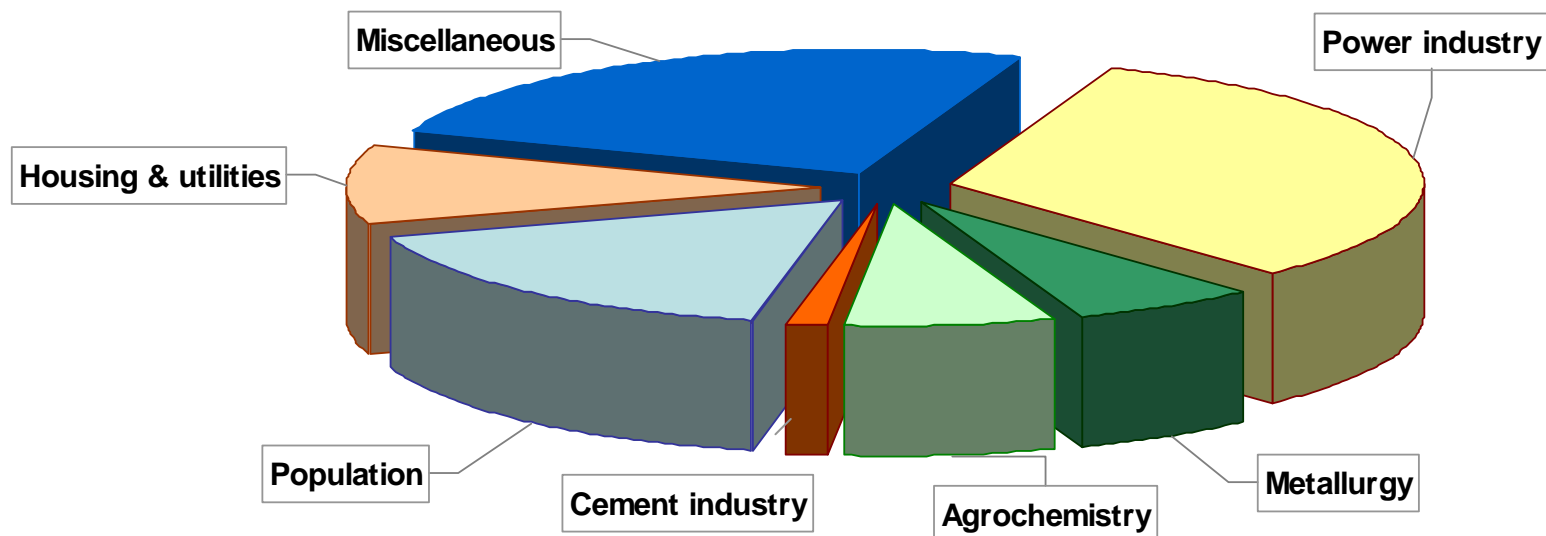
**GAS SUPPLY TO DOMESTIC MARKET.
ELECTRONIC TRADING PLATFORM OPERATION.
EXECUTING RUSSIAN REGIONS GASIFICATION PROGRAM.**

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GAZPROM'S GAS SALES TO DOMESTIC CONSUMER GROUPS IN 2008

In 2008 Gazprom Group supplied 287.0 billion cubic meters of gas to consumers in the Russian Federation



Power industry - 32.5

Agrochemistry - 7.0

Population - 16.8

Miscellaneous - 24.9

Metallurgy - 6.5

Cement industry - 1.6

Housing & utilities - 10.7

GAS SUPPLIES TO DOMESTIC MARKET IN 2008

Gazprom Group revenues from gas sales
(net of VAT and excise tax) at the domestic market
grew by **18.7%** if compared to 2007 and totaled
RUB **474.3** billion

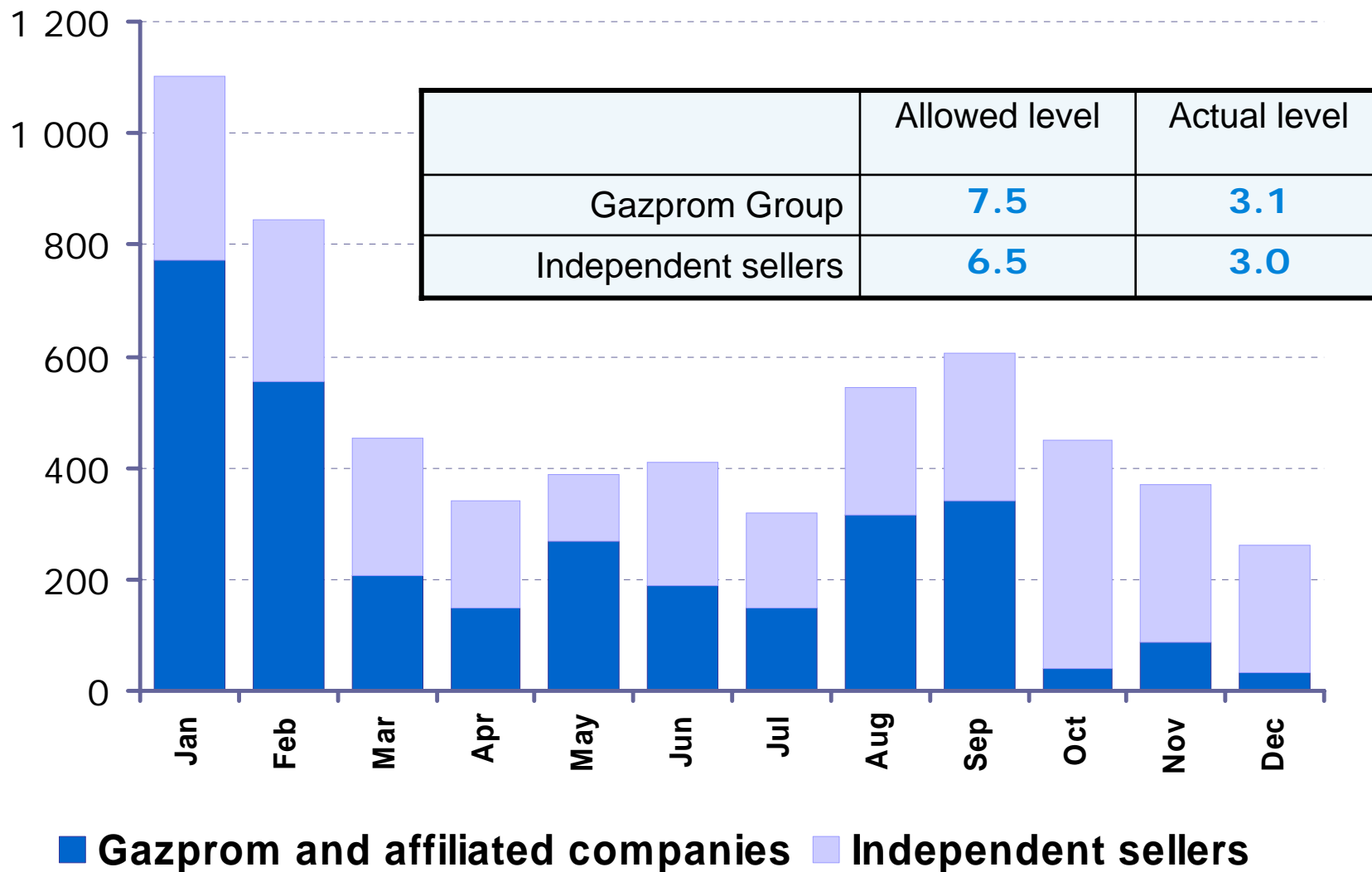
Average gas price at the domestic market grew by **27%**
if compared to 2007 and totaled RUB **1652.8** per
1000 cubic meters (net of VAT and excise tax)

ECONOMIC AND FINANCIAL OUTCOMES OF MEZHREGIONGAZ ELECTRONIC TRADING PLATFORM (ETP) OPERATION IN 2008

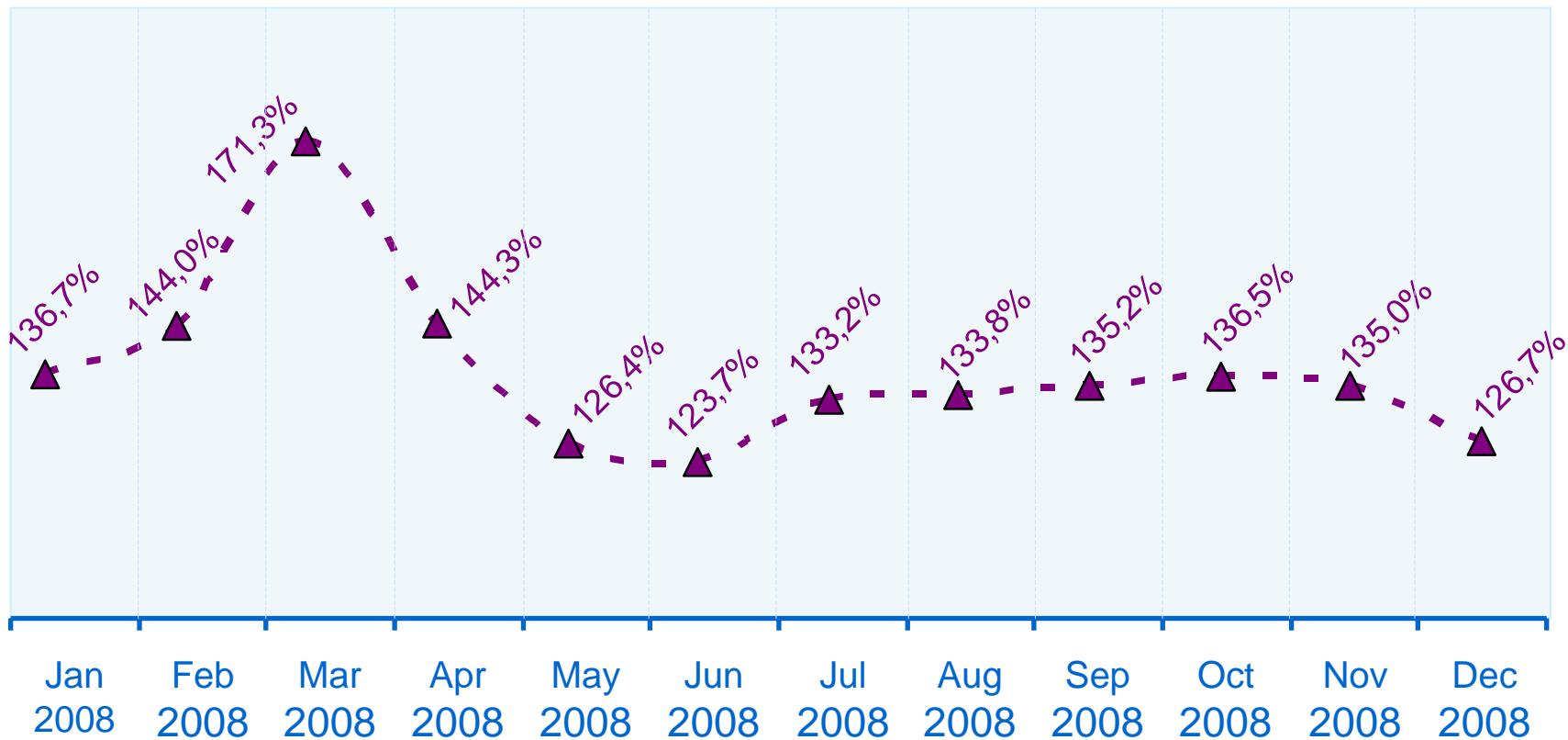
Indicators	2008	2008 / 2007, %
Gas sales volume, million cubic meters	6091.4	-15
Gas sales volume within the Express Delivery system, million cubic meters	244.0	-
including Gazprom and affiliated companies	172.8	-
independent companies	51.2	-
Weighted average price in balancing points, RUB/thousand cubic meters	1480.5	+24
Weighted average price at purchasers' gas distribution stations (GDS), RUB/thousand cubic meters	2247.4	+28
GDS price vs Russia's Federal Tariff Service (FTS) price, %	138.1	+1
Overall gas sales value, RUB million	10641.6	+5

GAS SALES IN 2008

GAZPROM GROUP VS INDEPENDENT SELLERS

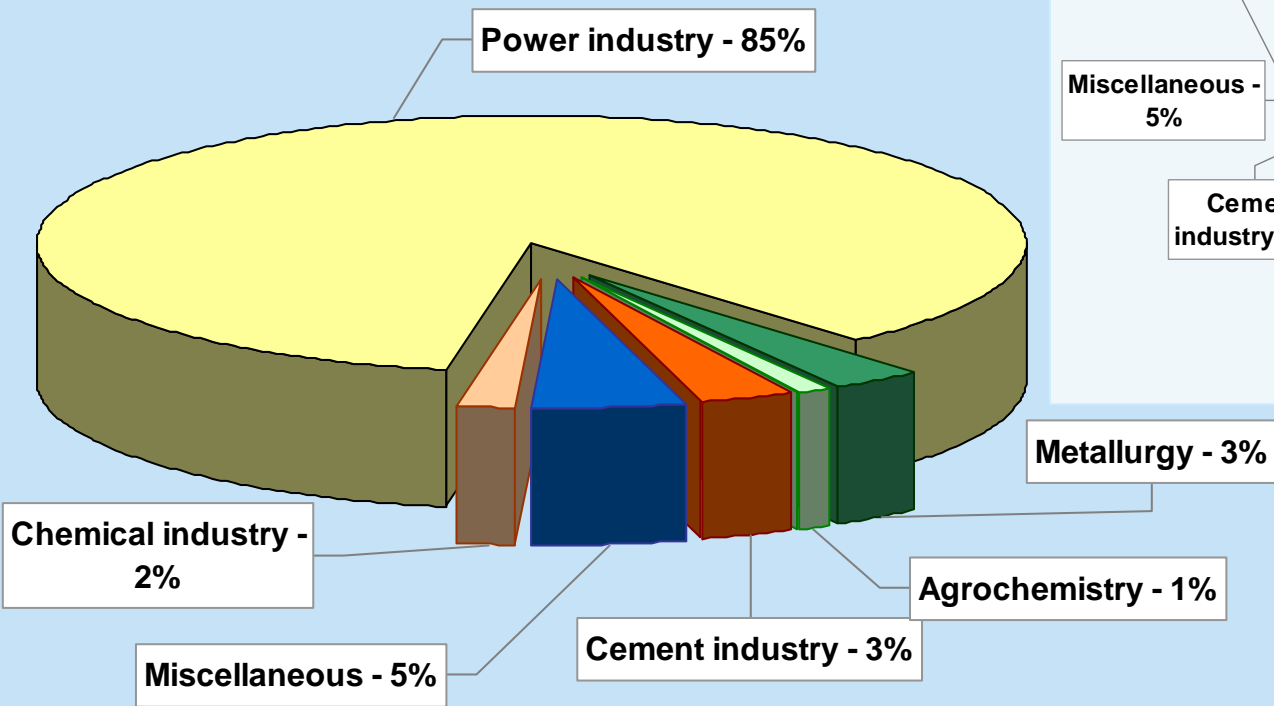


AVERAGE GDS PRICE VS AVERAGE FTS PRICE

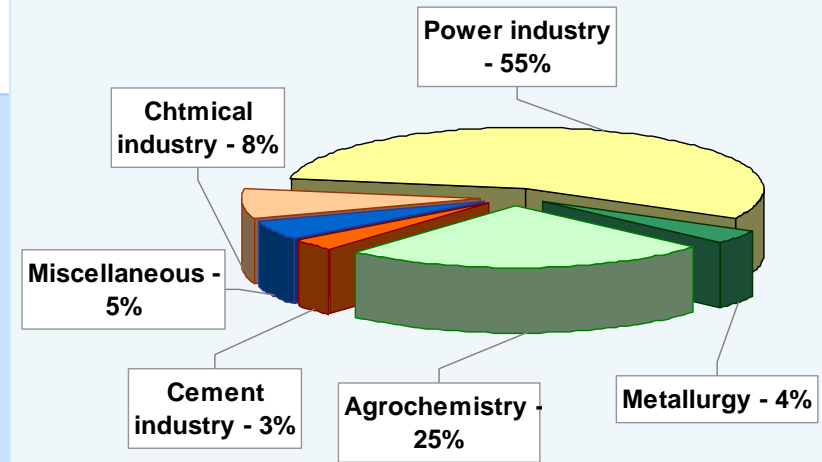


ETP GAS BUYERS CLASSIFICATION BY INDUSTRY

2008



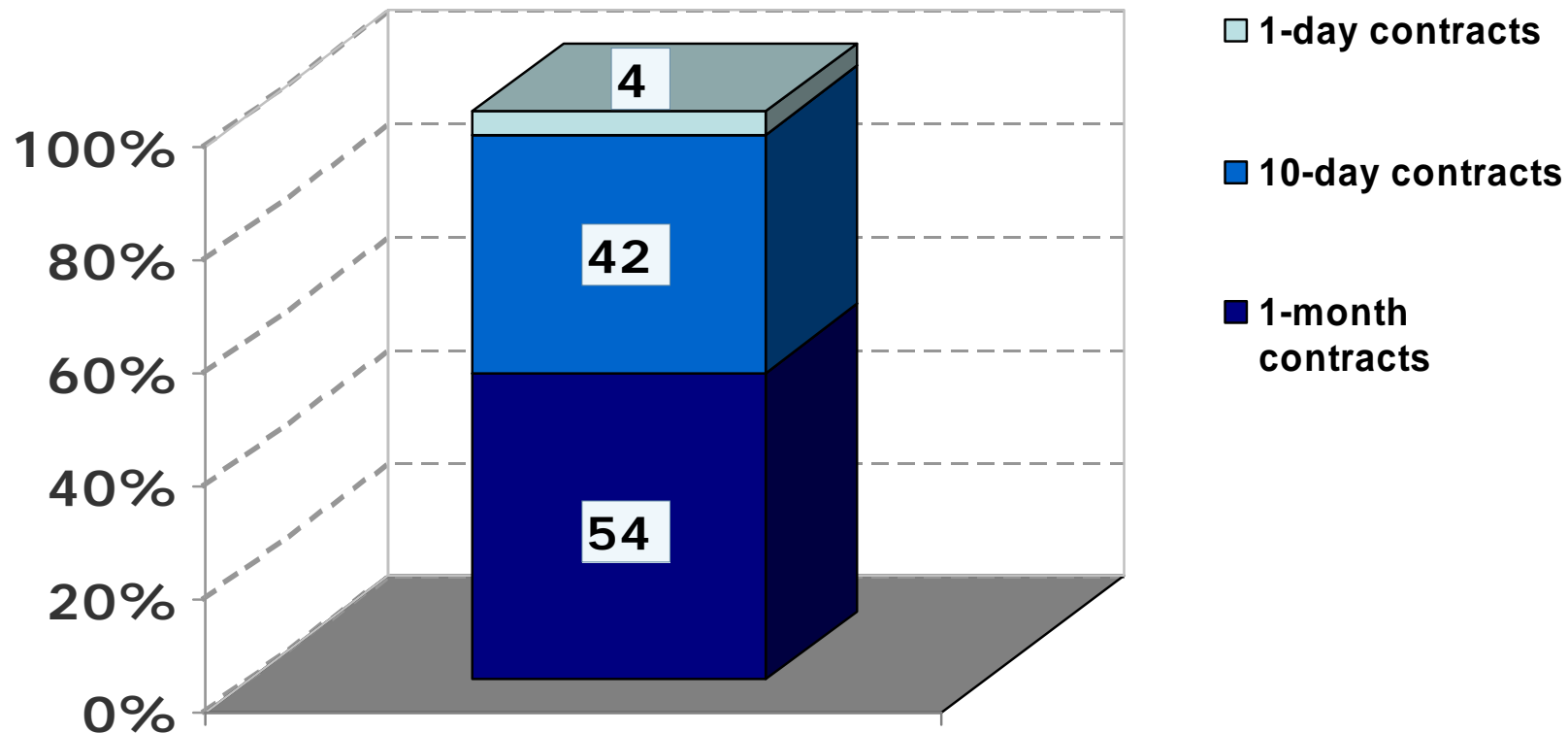
2007



REGIONAL CLASSIFICATION OF ETP GAS BUYERS

		Million cubic meters	Percentage of the total	Versus 2007
1	Tatarstan	1227.5	20.2	+12.2
2	Bashkortostan	899.0	14.8	+1.8
3	Sverdlovsk Oblast	517.0	8.5	+6.5
4	Moscow Oblast	411.0	6.7	+1.7
5	Nizhniy Novgorod Oblast	358.8	5.9	+1.9
6	Kostroma Oblast	340.5	5.6	+5.4
7	Orenburg Oblast	334.4	5.5	+4.3
8	Perm Krai	329.3	5.4	+2.1
9	Samara Oblast	312.3	5.1	-14.9
10	Ulyanovsk Oblast	245.1	4.0	+2.0
11	Chelyabinsk Oblast	188.3	3.1	+0.8
12	Yaroslavl Oblast	137.0	2.2	+1.6
	Other (21 regions)	791.2	13.0	-
Total:		6091.4	100	

ETP GAS DELIVERIES STRUCTURE IN 2008 (%)



NATURAL GAS EXCHANGE READINESS FOR STARTUP

Trading software & hardware system

Joint testing of the clearing company's hardware & software system completed

Natural Gas Exchange Charter

Articles of Incorporation

Natural Gas Exchange Membership Rules

Clearing Rules

Trading Rules

A package of 16 agreements

Ready for approval

2008 HIGHLIGHTS

1. Gazprom fully performed its obligations as per the Russian Federation Government Directive dated 10.12.2007 #851 “On Continuing the Experiment on Gas Sales via the Electronic Trading Platform in 2008”.
2. The Mezhtregiongaz ETP offered the Express Delivery system providing for daily gas delivery.
3. An integrated hardware & software system of the Mezhtregiongaz ETP and Gazenergoprombank was developed. The system reduces the “trading – payment – delivery notice” cycle from 10 days to 3 hours.
4. A draft Russian Federation Government directive on moving over from the experiment on electronic gas sales to continuous trading was prepared and submitted to the Russian Energy Ministry.
5. Specific features were defined for the Natural Gas Exchange being set up. A focus is placed on selling the financial instruments related to natural gas.
6. The first version of the hardware & software system was developed and tested for exchange trading in futures at the Natural Gas Exchange, regulatory documents were prepared.
7. The market players are ready to further develop exchange and electronic trading.

MAJOR GOALS IN 2009

1. Change over from a month ahead and a week ahead trading to the Express Delivery system.
2. Increase the number of trading sessions and balancing points for gas trading.
3. Establish regional electronic trading platforms.
4. Have the Russian Federation Government Directive “On Gas Sales through Application of Exchange Trading Technologies” adopted.
5. Coordinate regulatory documents for the Natural Gas Exchange with market players.
6. Introduce the Natural Gas Exchange hardware & software systems and the clearing system.
7. Get the Natural Gas Exchange participants ready for trading.
8. Take measures to improve the gas market.

RUSSIAN FEDERATION REGIONS GASIFICATION PROGRAM IN 2008

Adjusted investments amount to
RUB **24.18 billion**

Another **6 regions** involved in the Gasification Program:

Krasnoyarsk Krai;

Khabarovsk Krai;

Republic of Sakha (Yakutia);

Khanty-Mansiysk Autonomous Okrug;

Sakhalin Oblast;

Republic of North Ossetia – Alania.

Total number of the Program participants – **64 regions**

PROGRAM ADJUSTMENT IN 2008

Main indicators	2008 Gasification Program (RUB billion)	Adjusted amount (RUB billion)
Total amount of investments	23.05	24.18
Construction of gas distribution networks	18.804	21.389
General Schemes development	1.55	2.19
Engineering and research activities	2.696 (including reserve funds)	0.601

The respective amounts are allocated and utilized in full

DEVELOPMENT OF GENERAL SCHEMES FOR GAS SUPPLY TO AND GASIFICATION OF RUSSIAN REGIONS IN 2008

<ul style="list-style-type: none"> ■ Kamchatka Krai ■ Krasnoyarsk Krai ■ Primorie Krai ■ Khabarovsk Krai ■ Amur Oblast ■ Jewish Autonomous Okrug ■ Magadan Oblast ■ Sakhalin Oblast ■ Chita Oblast 	<ul style="list-style-type: none"> ■ Republic of Buryatia ■ Republic of Sakha (Yakutia) ■ Khanty-Mansiysk AO – Yugra ■ Kabardino-Balkarian Republic ■ Karachayevo-Cherkessian Republic ■ Chechen Republic ■ Republic of Adygeya ■ Republic of Ingushetia ■ Republic of North Ossetia
Adjusted General Schemes	
<ul style="list-style-type: none"> ■ Altai Krai ■ Krasnodar Krai 	<ul style="list-style-type: none"> ■ St. Petersburg together with Leningrad Oblast

2008 PROGRAM ADJUSTMENT

Additional investments were allocated to:

- Adjust the General Scheme for gas supply to and gasification of the Krasnodar Krai to get the Olympic facilities involved;
- Develop the General Scheme for gas supply to and gasification of St. Petersburg and the Leningrad Oblast;
- Develop the General Scheme for gas supply to and gasification of the Chechen Republic;
- Execute construction projects in 2009 in the Chechen Republic and the Republic of Dagestan;
- Start up new facilities construction in the regions that have caught up with the backlog in preparation of consumers for gas supply;
- Accelerate construction work in the regions that are successfully preparing consumers for gas supply.

2008 PROGRAM EXECUTION RESULTS

**Gazprom fully performed its obligations
in 2008**

153 gasification facilities accomplished
with a total length of 2700 kilometers
in **47 regions**

327 settlements gasified

SOCIAL IMPACT IMPOSED BY 2008 PROGRAM

Gazprom constructed:

**2.5 thousand kilometers of street-level
gas distribution networks;**

Gazprom connected:

60 thousand households;

300 boiler houses in rural areas.

FULFILLMENT OF OBLIGATIONS BY REGIONAL ADMINISTRATIONS TO PREPARE CONSUMERS FOR GAS SUPPLY IN 2008

Consumers in **36** regions were successfully prepared for gas supply

The most successful regions in terms of the project schedule implementation are (9 regions):

- Republic of Bashkiria
- Bryansk Oblast
- Vladimir Oblast
- Kirov Oblast
- Kursk Oblast
- Orenburg Oblast
- Smolensk Oblast
- Tyumen Oblast
- Yaroslavl Oblast

FULFILLMENT OF PROGRAM EXECUTION COMMITMENTS BY REGIONAL ADMINISTRATIONS IN 2008

	Obligations for 2008 (10 regions)	Obligations for prior years (12 regions)
Considerable schedule slippage	<ul style="list-style-type: none"> ▪ Komi Republic ▪ Volgograd Oblast ▪ Voronezh Oblast ▪ Leningrad Oblast ▪ Oryol Oblast ▪ Samara Oblast ▪ Kurgan Oblast ▪ Lipetsk Oblast ▪ Ryazan Oblast ▪ Tyumen Oblast 	<ul style="list-style-type: none"> ▪ Republic of Karelia ▪ Komi Republic ▪ Arkhangelsk Oblast ▪ Volgograd Oblast ▪ Ivanovo Oblast ▪ Kaliningrad Oblast ▪ Kaluga Oblast ▪ Kostroma Oblast ▪ Kurgan Oblast ▪ Lipetsk Oblast ▪ Ryazan Oblast ▪ Tver Oblast

RUSSIAN FEDERATION REGIONS GASIFICATION PROGRAM FOR 2009

A provision is made to invest
RUB **18.5** billion

Another **5** regions involved in the Gasification Program:

- Kamchatka Krai;
- Chechen Republic;
- Primorie Krai;
- Republic of Ingushetia;
- Jewish Autonomous District.

Total number of the Program participants – **69** regions



THANK YOU FOR YOUR ATTENTION!