

Press Conference Background:

GAZPROM'S FINANCIAL AND ECONOMIC POLICY

(25.06.2009)

On April 29, 2009 the Company published its consolidated financial statements for 2008 prepared in accordance with the International Financial Reporting Standards (IFRS). Since the statements were published on the same day with the briefing on Gazprom's Financial and Economic Policy, all the financial indicators mentioned in Sections 1, 2, 3 and 4 of this Background are taken from the Gazprom Group financial statements prepared in compliance with IFRS.

1. RECEIPTS FROM SALES OF GOODS, PRODUCT, WORK AND SERVICES

In 2008 receipts from sales of goods, product, work and services (net of excise duties, VAT and customs payments) totaled RUB 3 518 960 million, which is RUB 1 095 715 million (45 per cent) more than in 2007.

The receipts growth was mainly driven by the following factors:

- a RUB 557 090 million, or 64 per cent, increase in net receipts from gas sales to Europe and other countries if compared to 2007;
- a RUB 101 673 million, or 40 per cent, increase in net receipts from gas sales to the former Soviet Union if compared to 2007;
- a RUB 79 935 million, or 20 per cent, increase in net receipts from gas sales in the Russian Federation if compared to 2007;
- a RUB 127 740 million, or 24 per cent, increase in net receipts from oil and gas processing product sales if compared to 2007;
- a RUB 47 197 million, or 28 per cent, increase in net receipts from crude oil and gas condensate sales if compared to 2007 mainly related to the activities carried out by Gazprom neft;

- a RUB 147 674 million, or 298 per cent, increase in net receipts from electric and heat power sales if compared to 2007 mainly related to the activities carried out by Gazprom Germania Group, as well as to consolidation of Mosenergo, OGK-2 and OGK-6 as subsidiaries.

In 2008 net receipts from gas sales grew by RUB 738 698 million, or 48 per cent, versus 2007, which was mainly stipulated by an increase in the volume of gas sales to Europe and other countries, as well as in gas prices in every geographic segment.

2. PROFIT ON SALES, EBITDA AND NET PROFIT

In 2008 profit on sales grew by RUB 558 528 million, or 80 per cent, versus 2007 and totaled RUB 1 260 306 million.

In 2008 EBITDA grew by RUB 572 090 million, or 64 per cent, if compared to 2007 and equated to RUB 1 463 805 million.

In 2008 Gazprom shareholders' net profit increased by RUB 84 890 million, or 13 per cent, versus 2007 and totaled RUB 742 928 million.

3. OPERATING EXPENSES

Over 2008 operating expenses increased by RUB 445 931 million, or 26 per cent, if compared to 2007 and amounted to RUB 2 159 690 million.

The operating expenses growth was mainly driven by the following factors:

- Purchased oil and gas. A RUB 314 220 million, or 82 per cent, increase versus 2007 mainly related to an upsurge in world oil prices and in the amount of gas purchase and sale deals on the European market leading to a respective rise in the volume of gas purchased.
- Cost of goods for resale including petroleum derivatives. A RUB 76 158 million, or 82 per cent, increase versus 2007 mainly resulting from Gazprom Germania Group activities (electric energy purchase and sale).

- Repair, operation and maintenance costs. A RUB 34 176 million, or 20 per cent, increase versus 2007.
- Transit of gas, oil and their derivatives. A RUB 33 176 million, or 22 per cent, increase versus 2007.
- Taxes, except for the profit tax. A RUB 29 200 million, or 13 per cent, increase versus 2007.
- Depreciation of capital and intangible assets. A RUB 11 439 million, or 6 per cent, increase versus 2007.

Thus, in 2008 operating expenses were mainly driven by an increase in the cost of oil and gas, as well as goods for resale including petroleum derivatives.

4. DEBT AND DEBT BURDEN

As of December 31, 2008, Gazprom Group's gross debt (defined as short-term loans and current liabilities under long-term loans, short-term bills of exchange payable, long-term loans, long-term bills of exchange payable) accounted for RUB 1 365 764 million having decreased by RUB 144 902 million, or 10 per cent, from RUB 1 510 666 million over 2008.

Gazprom Group's net debt (defined as the sum of net debt less cash and cash equivalents, as well as cash and cash equivalents restricted under some loans and other contractual obligations) decreased by RUB 210 237 million, or 17 per cent, from RUB 1 228 583 million as of December 31, 2007 to RUB 1 018 346 million as of December 31, 2008.

A drop in the amounts of the gross and net debt can mainly be explained by exclusion of Gazprombank Group from the consolidated financial statements starting from June 2008.

The gross debt to EBITDA ratio reduced from 1.69 in 2007 to 0.93 in 2008. It should be noted that the Company considers the gross debt to EBITDA ratio of 1.6 – 1.7 to be the acceptable debt burden level.

The gross debt to equity ratio reduced from 35 per cent as of December 31, 2007 to 28 per cent as of December 31, 2008. The debt to equity ratio is a strategic indicator of the Company’s development which is assumed to be within 40 per cent as provided for by the Gazprom Board of Directors.

5. CREDIT RATINGS

On April 1, 2008 Fitch Ratings upgraded the credit rating of Gazprom from BBB- to BBB while the forecast changed from positive to stable.

On July 16, 2008 Moody’s Investors Service changed the forecast for Gazprom’s credit rating from stable to positive while the credit rating remained at the same level (A3).

On October 24, 2008 Standard & Poor’s changed its forecast for Gazprom’s credit rating from stable to negative while the credit rating remained at the same level (BBB).

On December 15, 2008 Moody’s Investors Service changed the forecast for Gazprom’s credit rating from positive to stable while the credit rating remained at the same level (A3).

On February 4, 2009 Fitch Ratings changed its forecast for Gazprom’s credit rating from stable to negative while the credit rating remained at the same level (BBB).

On April 3, 2009 Moody’s Investors Service downgraded the credit rating of Gazprom from A3 to Baa1 while the forecast remained unchanged (stable).

Gazprom Credit Rating as of June 25, 2009:

| Rating agency | Date of the latest rating assignment/forecast | Rating | Forecast |
|-------------------|---|--------|----------|
| Standard & Poor’s | 24.10.2008 | BBB | negative |
| Moody’s | 03.04.2009 | Baa1 | stable |
| Fitch | 04.02.2009 | BBB | negative |

Recent adjustments in the forecasts for Gazprom's credit ratings made by Standard & Poor's and Fitch were linked to respective changes in Russia's sovereign credit rating. Moody's downgraded the credit rating due to an increase in correlation among the risk factors influencing the sovereign and credit quality of Gazprom.

Currently, the credit ratings assigned to Gazprom by all the said international rating agencies are above the investment level. This allows the Company to diversify the borrowing sources and reduce the borrowing costs.

6. SHARE MARKET

In 2008 Gazprom's capitalization and the prices for the Company's shares and ADRs significantly decreased. According to the year-end results, the Company's ordinary shares traded on the Moscow Interbank Currency Exchange (MICEX) 68.3 per cent lower, the price of ADRs for Gazprom's shares dropped by 74.9 per cent on the London Stock Exchange (LSE).

Value of Gazprom's shares and ADRs:

| Closing price | 2007 | 2008 | Change, % |
|--|-------------------------------|--------|-----------|
| | Price per share on MICEX, RUB | | |
| Year end | 342.88 | 108.60 | -68.33 |
| | Price per ADR* on LSE, USD | | |
| Year end | 56.70 | 14.25 | -74.87 |
| * 1 ADR entitles the holder to 4 Gazprom's ordinary shares | | | |

In 2008 ADRs for Gazprom's shares were mainly traded on LSE. The average daily trading volume amounted to USD 578 million in 2008 which is 81 per cent more than in 2007. Major trades in Gazprom's ordinary shares and ADRs were held on MICEX and LSE. In 2008 the Russian Trading System, Saint Petersburg Currency Exchange and Frankfurt Stock Exchange together accounted for only 0.9 per cent of the total amount of stock exchange trading in Gazprom's shares and ADRs.

Over 2008 the average capitalization of Gazprom decreased by 7 per cent to USD 241.1 billion versus USD 259.0 billion in 2007. Despite the 2008 capitalization

drop, Gazprom retained its position of a leading European company and was among top ten energy companies of the world in terms of market capitalization.

7. DIVIDENDS

From 2002 through to 2007 Gazprom has been constantly increasing the amount of dividend payments (dividend per share grew more than 6 times over this period).

Pursuant to the Russian Federation Government Directive, the Company's Board of Directors recommended the Shareholders Meeting to approve the provision on the annual dividend payment in the amount of 5 per cent of the net profit, which is RUB 0.36 per share, based on the Year 2008 results. The dividend payment period expires on December 31, 2009.

Under the unstable environment of financial markets and declining prices for energy carriers, the funds allocated as a result of the dividend payment amount reduction may be used for timely execution of the Company's investment plans aimed at field development and transmission infrastructure construction.