



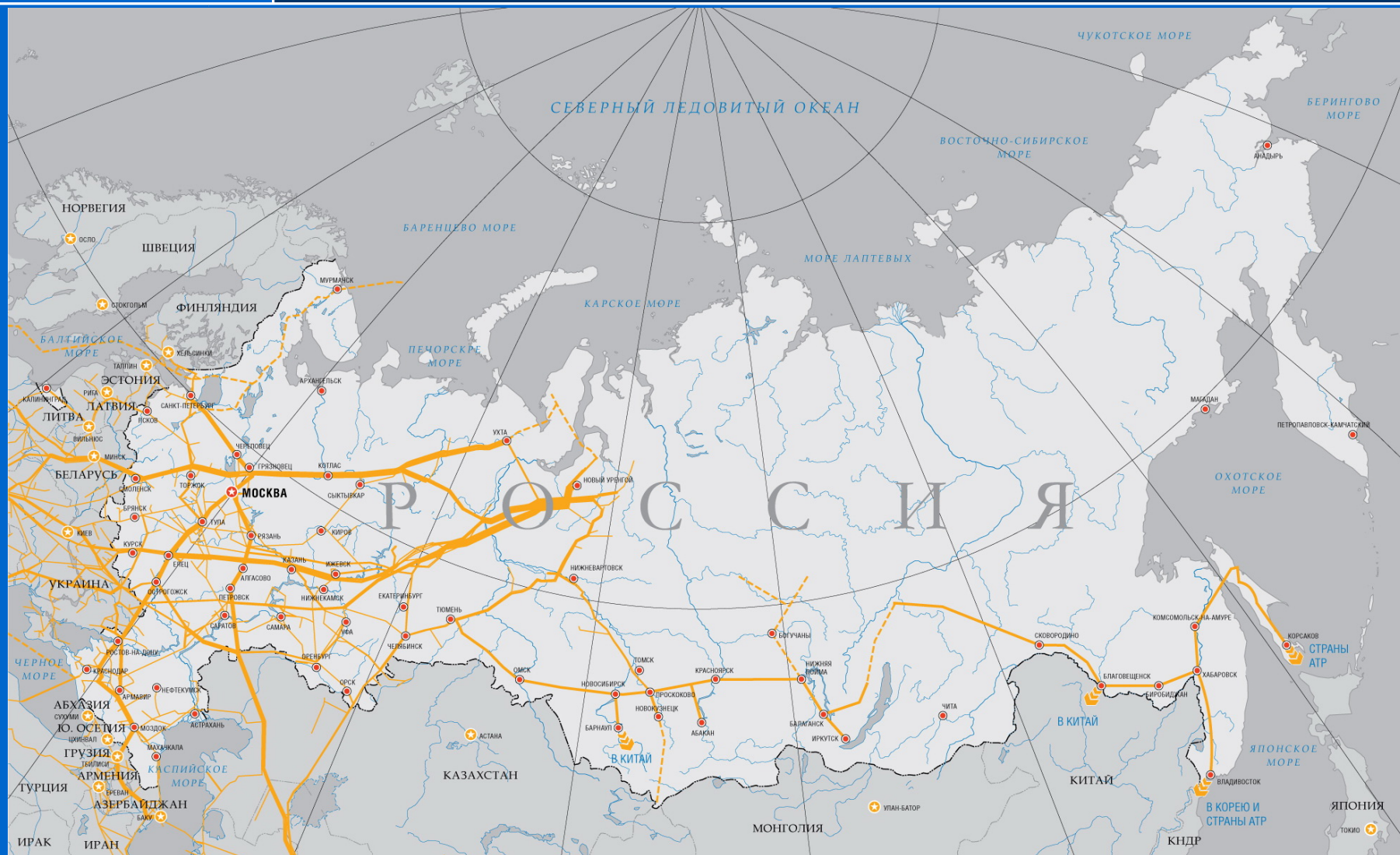
Investment and Construction Department of Gazprom

Department Head – Yaroslav Golko

Gazprom Investment Policy

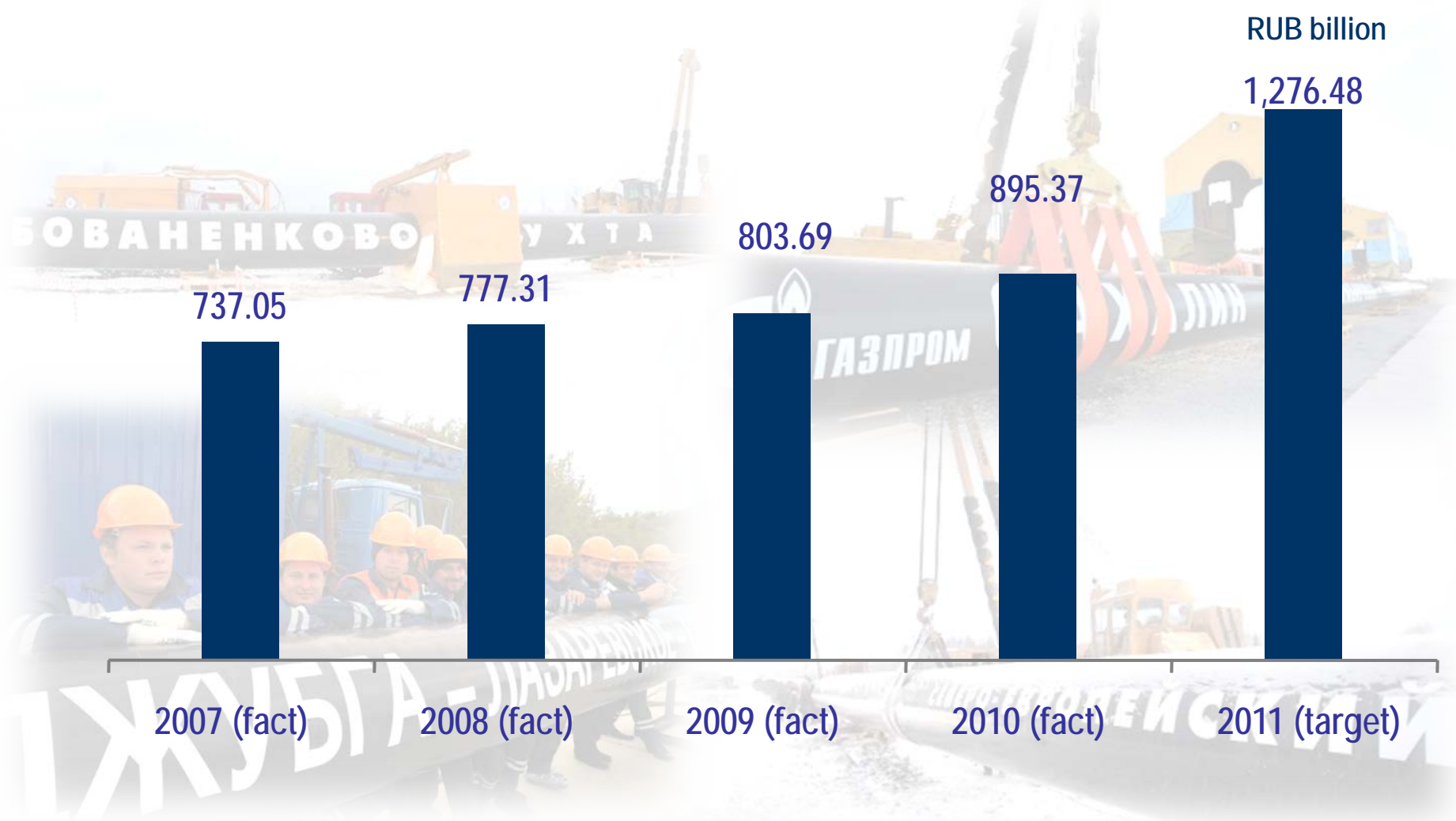
**Meeting of Gazprom's top executives with chief editors
of Russian regional mass media, 12.12.2011**





- **ensuring gas production targets;**
- **ensuring reliable gas supplies to Russian consumers and performance under export contracts;**
- **ensuring reliable and safe operation of Unified Gas Supply System;**
- **boosting gas chemistry product range, increasing extraction of valuable components from gas, more products of deep processing;**
- **ensuring compliance with social obligations.**

Investment Performance of Gazprom in 2007-2011



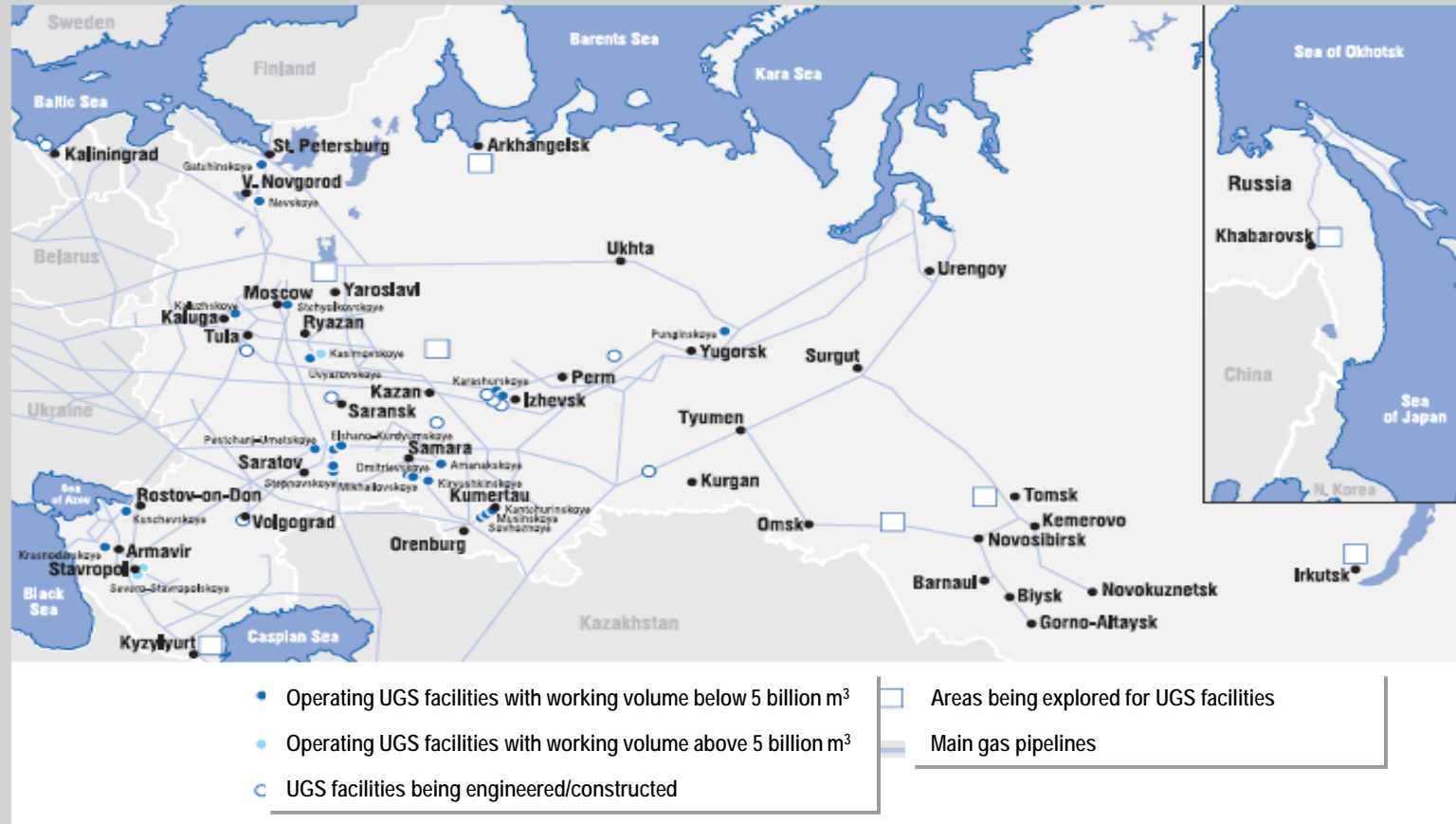
Main Production Assets Commissioned from 2007 to 2011

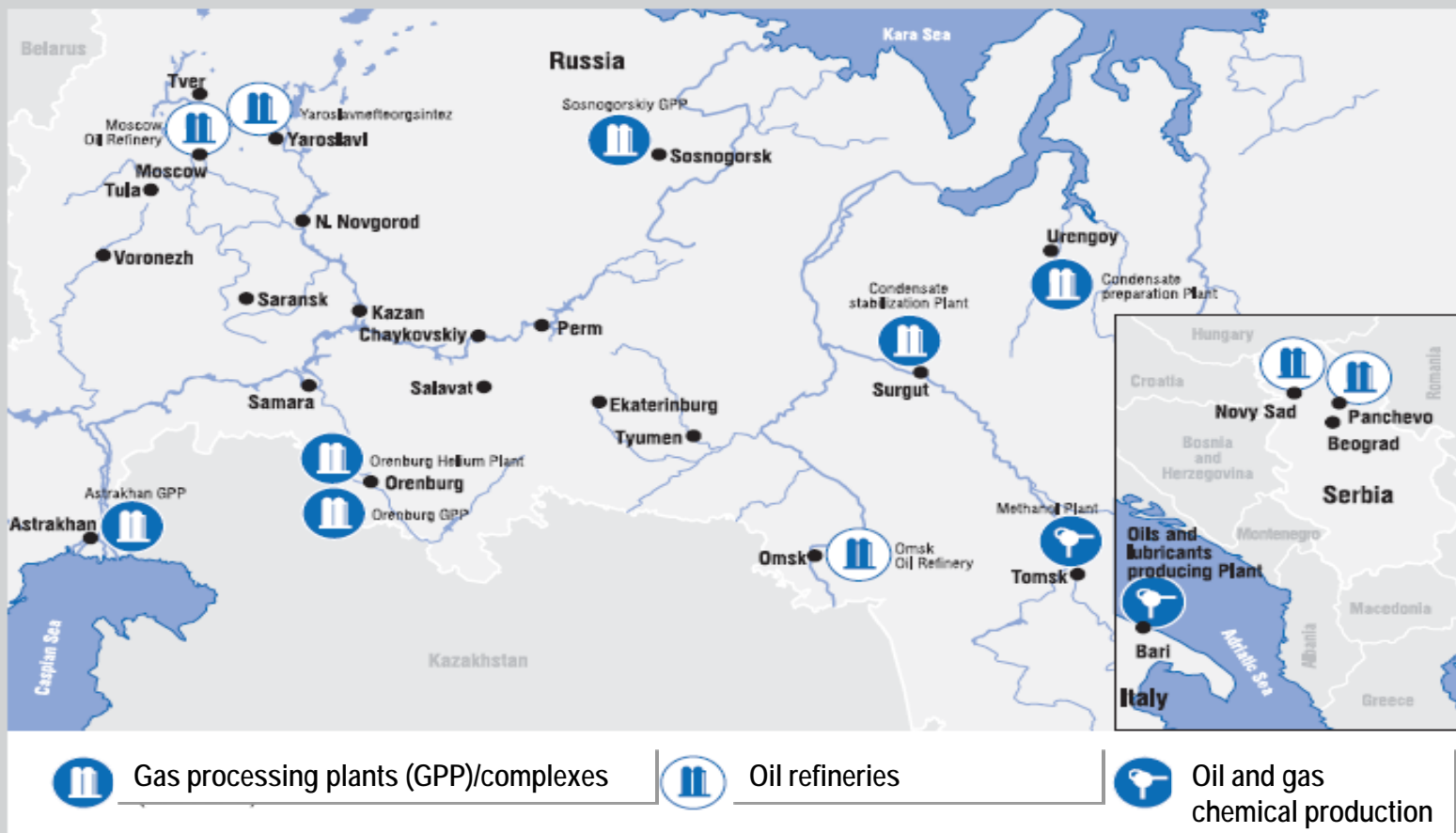
Description of production assets	2007 (fact)	2008 (fact)	2009 (fact)	2010 (fact)	2011 (target)
Gas trunklines and branches, km	1,156.49	1,380.98	864.8	1,549.49	2,337.84
Compressor stations, unit/1,000 KW	4 / 355	7 / 528	2 / 252	2 / 72	9 / 1020
Compressor stations at UGS, unit/1,000 KW	1 / 68	- / 20	-	-	2 / 36
Active capacity of UGS, billion m ³	0.35	0.25	-	0.22	1.38
Wells connected to UGS, units	15	10	4	17	17
Booster compressor stations, unit/1,000 KW	1 / 80	2 / 160	2 / 48	-	1 / 94
Gas treatment units, unit/billion m ³ /year	1 / 8.2	1 / 0.018	1 / 3.48	2 / 6.67	1 / 2.58
Production gas wells, units	91	89	22	119	120
Production oil wells, units	2	-	8	9	10

- **Pre-development of Bovanenkovo field on Yamal Peninsula**
(gas reserves – 4.9 trillion m³, designed output – 115 billion m³ annually)
- **Bovanenkovo – Ukhta and Ukhta – Torzhok gas trunkline systems**
(total length > 2,600 km, diameter – 1,420 mm, pressure – 11.8 MPa)
- **Gryazovets – Vyborg gas pipeline**
(length – 917 km, diameter – 1,420 mm, pressure – 9.8 MPa)
- **Pochinki – Gryazovets gas pipeline**
(length ~ 650 km, diameter – 1,420, pressure – 7.4 MPa)
- **SRT0 – Torzhok gas pipeline**
(three additional compressor stations with total capacity of 240 MW commissioned)

- **Sakhalin – Khabarovsk – Vladivostok gas trunkline**
(total length to exceed 1,800 km)
- **Construction of Kshukskoye and Nizhne-Kvakchikskoye gas and condensate fields**
(with total estimated gas output of 750 million m³ per year)
- **Pre-development of Kirinskoye gas and condensate field** (reserves amount to 100 billion m³ of gas, and 11.4 million t of gas condensate)
- **OPF of Kirinsky GCF – Sakhalin MCS gas pipeline**
(length ~ 140 km, diameter – 1,020 mm)

Gazprom's Existing and Planned Underground Gas Storage (UGS) Facilities in Russia





СОЧИ 2014



Gazprom to Children Program



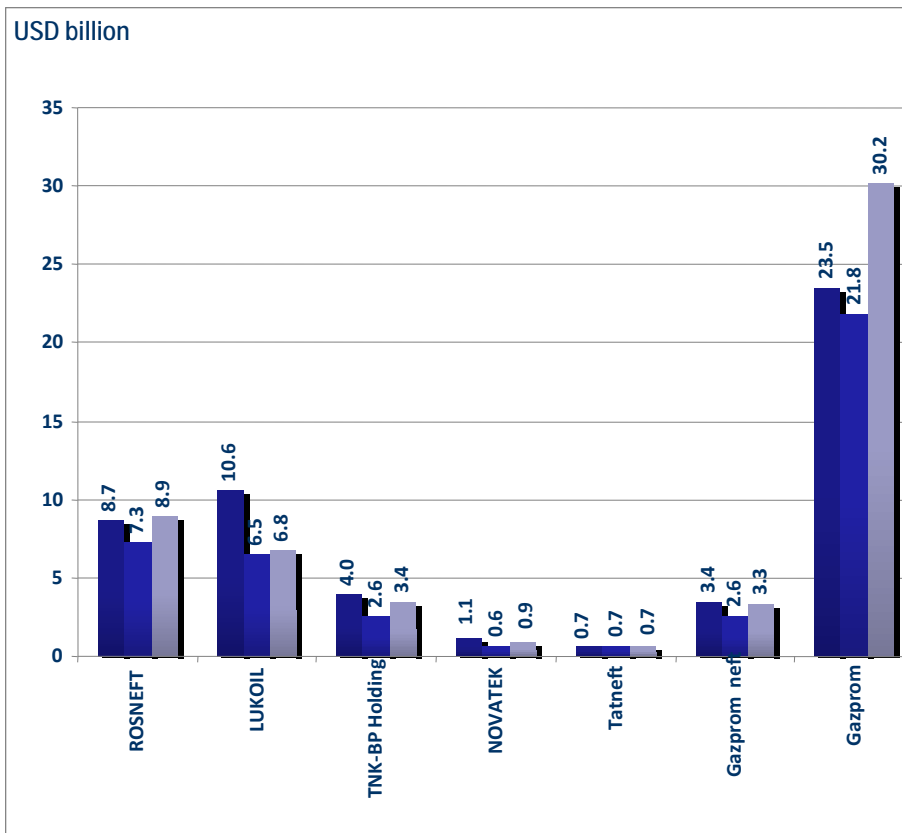
Number of commissioned and retrofitted facilities reaches 659, whereof:

- 579 sports grounds, tennis lawns and football fields;**
- 33 sports and recreation centers and stadiums;**
- 47 children's sports centers, recreation bases, swimming pools.**

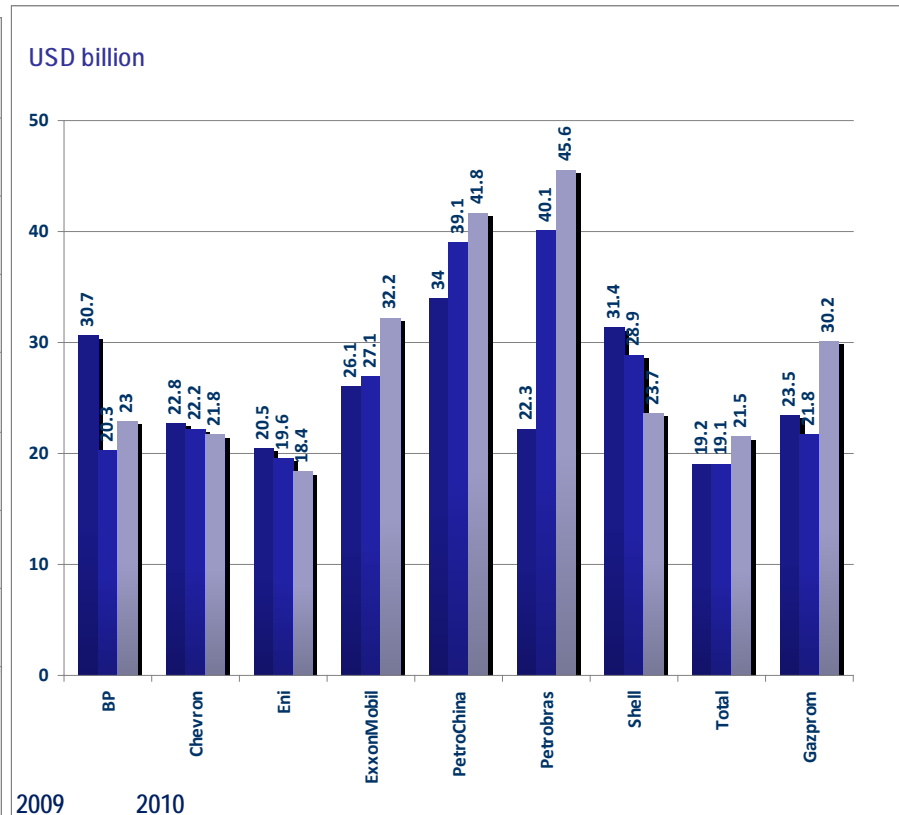


Total Capital Investment of Gazprom Compared to Major Oil and Gas Companies

Russian companies

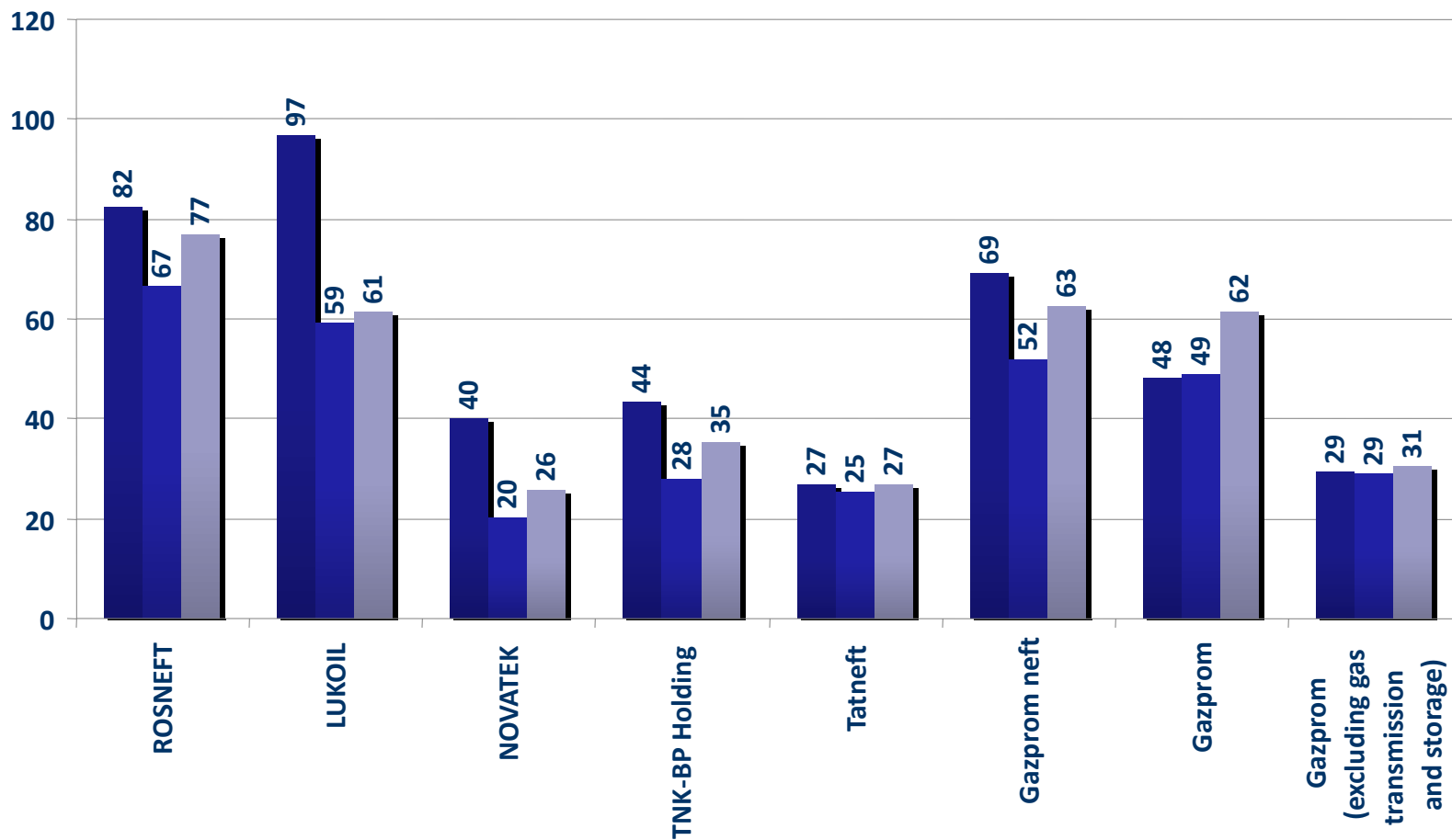


International companies and Gazprom

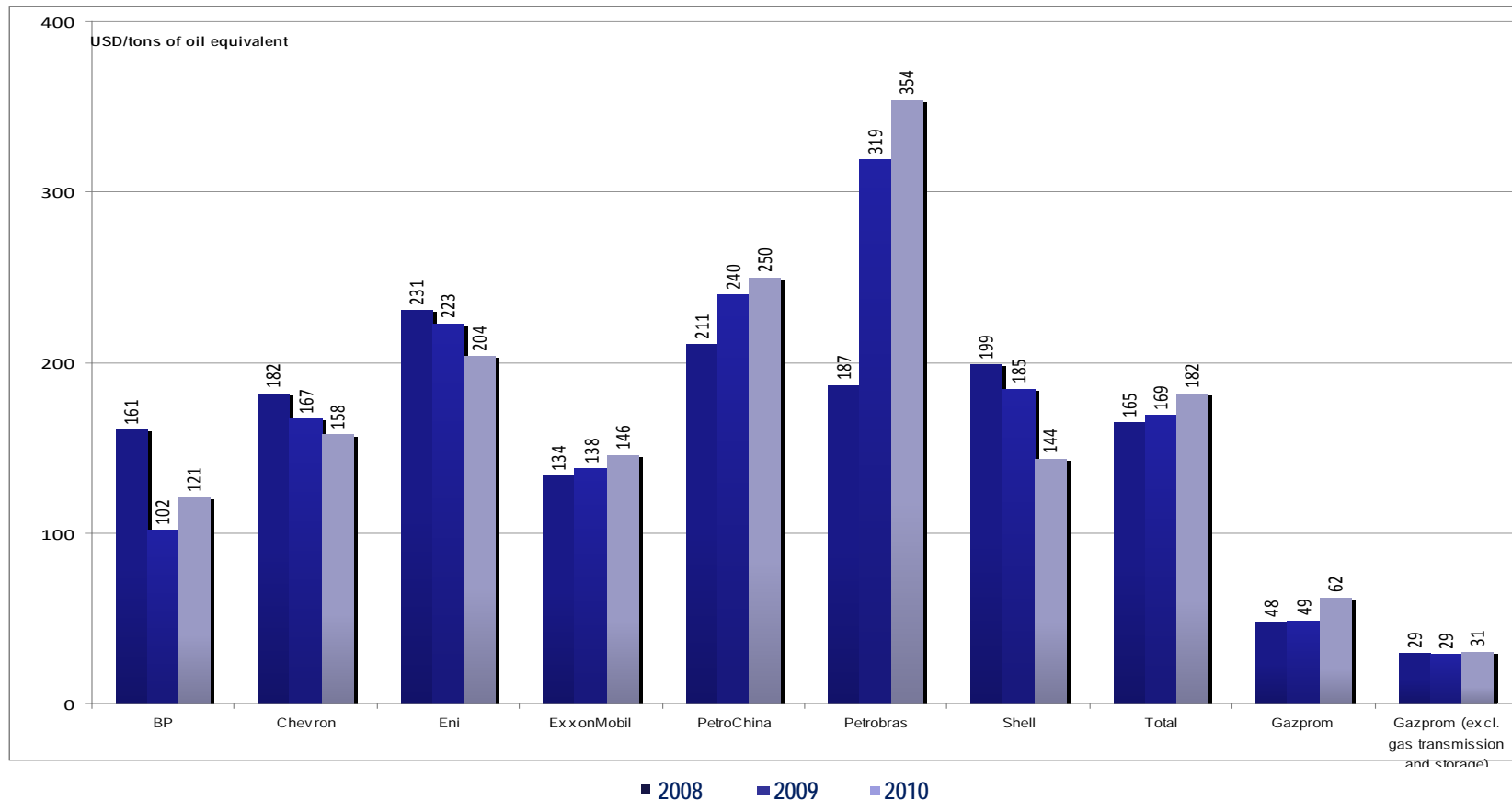


Information on capital expenditure of foreign oil and gas companies is taken from their annual reports. Most international companies file reports to the US SEC (Securities and Exchange Committee) using Forms 20-F and 10-K, this ensures the uniformity of data to be compared.

USD/tons of oil equivalent



Foreign companies and Gazprom



Gazprom's figures are 2-3 times lower than in BP, Chevron, Eni, Shell, Total, ExxonMobil, and 4.0 and 5.7 times lower than those of PetroChina and Petrobras, respectively

- Optimizing capacities commissioning plans
- Raising economic efficiency of Gazprom's investment projects through optimization of engineering and cost parameters of construction facilities at stage of project documentation review in Company
- Cutting investment projects costs through optimized prices of vital logistic supplies, bidding procedures and works, and services and monitoring of investment projects to control their compliance with engineering and economic indicators in project documentation
- Continuing interaction with federal executive bodies to bring gas prices to a level ensuring mobilization of internal sources of investments
- Wider use of project financing methods in investment projects
- Switching to government-assisted financing for social programs



Our strategic goal is to establish OAO Gazprom
as a leader among global energy providers



Thank You for Your Attention!

