

R E A C H I N G N E W H O R I Z O N S



ANNUAL REPORT 2011



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Notes

The term OAO Gazprom used in the Annual Report refers to the parent company of *Gazprom Group*, i.e., to Open Joint Stock Company Gazprom. *Gazprom Group*, the *Group* or *Gazprom* imply OAO Gazprom and its subsidiaries taken as a whole. For the purposes of the Annual Report, the lists of subsidiaries was prepared on the basis used in the preparation of OAO Gazprom's combined accounting (financial) statements in accordance with the requirements of the Russian legislation.

Similarly, the *Gazprom Neft Group* and *Gazprom Neft* refer to OAO Gazprom Neft and its subsidiaries, *Gazprom energoholding* refers to OOO Gazprom energoholding and its subsidiaries.

The Annual Report also contains information related to *Gazprom Group's* business activities in the future, based on the forecast and estimates of *Gazprom's* management derived from the current situation. Actual results may differ from the said forecast and estimates, due to the effect of various objective factors.

In the report, a number of *Gazprom's* operating and financial results are stated in compliance with the principles for preparing *Gazprom Group's* consolidated accounting (financial) statements in accordance with the Russian legislation (consolidated financial statements of *Gazprom Group*). At the same time, some results of OAO Gazprom and its subsidiaries are stated in compliance with the principles for preparing management accounting. Figures calculated using these methods may differ due to differences in methodologies for preparing consolidated financial statements and management accounting.

ADDRESS BY THE CHAIRMAN OF THE BOARD OF DIRECTORS AND CHAIRMAN OF THE MANAGEMENT COMMITTEE TO THE SHAREHOLDERS OF ОАО ГАЗПРОМ

Dear Shareholders!

In 2011, *Gazprom* reached an impressive operational and financial success, which is in line with its clear and coherent long-term strategy that consistently brings *Gazprom* closer to its ultimate objective – to become the strongest company in the world's energy sector. This strategy is the only appropriate one in the current economic environment as only robust, vertically-integrated global companies are able to win the competition in the global energy market.

In its operations, *Gazprom* is driven by the market. We are consumer-oriented, i.e. are guided by the current and long-term fuel consumption plans of our clients. The company works to ensure production and reliable delivery of various types of energy as required by the consumer.

This is why *Gazprom's* strategy is based on the principle of diversification, which is applied in three key areas: products, transportation routes and sales markets. *Gazprom* continued to actively develop along these three tracks in 2011.

Our core product is natural gas. This is the main component of the fuel balance both in Russia and in Europe. 2011 marked the record-high increase in gas reserves due to geological exploration – 719.8 bcm, which is 40.3 % higher than the production volume. In the reporting year the production amounted to 513.2 bcm of gas, and for the first time ever *Gazprom* produced stranded Turonian gas at the Yuzhno-Russkoe Field and fed it to the Unified Gas Supply System of Russia.

Building on the principle of product diversification, *Gazprom* is actively developing the production of both pipeline and liquefied natural gas. This type of fuel was the main driver of the Company's expanded presence in the international markets. Today *Gazprom* is the only LNG producer in Russia; its LNG plant under the Sakhalin-2 project has been exporting about 10 mln tons of LNG per annum for two years now. *Gazprom* has also introduced the gas-to-liquids fuel technology.

We were successful in oil business too. In 2011, necessary prerequisites were put in place to launch a new stage in the development of the Russian fuel and energy complex, i.e. the exploitation of the Arctic shelf. An offshore production platform was deployed at the Prirazlomnoye oil field in the Pechora Sea.

Gazprom set another record in the domestic power sector. In 2011, the company built in Russia 1.9 GW of combined heat and power generation units – more than installed by RAO UES of Russia through its history.

As regards gas transportation, our permanent objective is to enhance reliability of exports. To attain that, in 2011 we took a number of fundamental steps to diversify the transportation routs. First of all, Nord Stream was commissioned – the first gas route to directly connect the Russian and the European gas transportation systems. To ensure uninterrupted exports, it is planned to commence another strategic construction, the South Stream, in 2012. Also, in 2011, *Gazprom* became the sole owner of Beltransgaz,

thus gaining full control over gas transportation to the Western borders of Belarus. Therefore, we steadily reduce the zones of transit risks between Russia and Europe.

Gazprom's efforts to diversify its markets are aimed at safeguarding sustainable long-term sales.

The Russian gas market is now becoming the main rival to the exports and the number one market for *Gazprom* – both in terms of sales and profit. The company provides gasification of the Russian regions, thus building a new gas-consumer base and significantly improving the quality of life, primarily of the rural residents. In 2011, the investments made to gasification reached the record high of over RR 29 bln. However, there is a new record envisaged in 2012 – RR 37.66 bln.

In the new regions of *Gazprom's* presence, in the Eastern Russia, we are laying down stable grounds for gas supplies – the company has started to build the gas transportation infrastructure practically from scratch. In 2011, *Gazprom* commissioned the first gas trunk pipeline in the East of Russia, Sakhalin-Khabarovsk-Vladivostok, which will bring by a large-scale gasification of the region.

In 2011, *Gazprom* finalized the construction of the first offshore gas pipeline for domestic supplies, Dzhubga-Lazarevskoye-Sochi. This pipeline will be the main means of energy supply for the 2014 Winter Olympic Games.

Gazprom projects are unparalleled in their scale, as well as in efforts and investments required. But the company is able to consistently implement them while meeting strict deadlines. This confidence rests on a high level of financial stability. In 2011, *Gazprom* showed record-high financial performance: sales revenues, currency earnings, EBITDA and net profit hit the company's historical high. That's why the Board of Directors recommended to the Shareholders Meeting to approve the highest dividend payout in the history of *Gazprom*.

Chairman
of the Board of Directors



Victor A. Zubkov

Chairman
of the Management Company

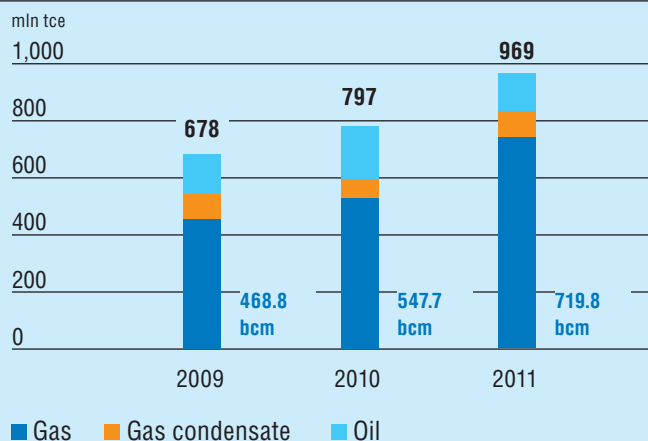


Alexey B. Miller

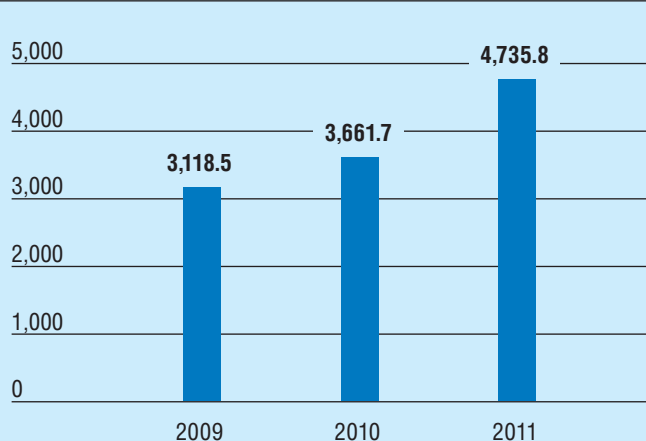
MAJOR RESULTS

Gazprom Group's Results

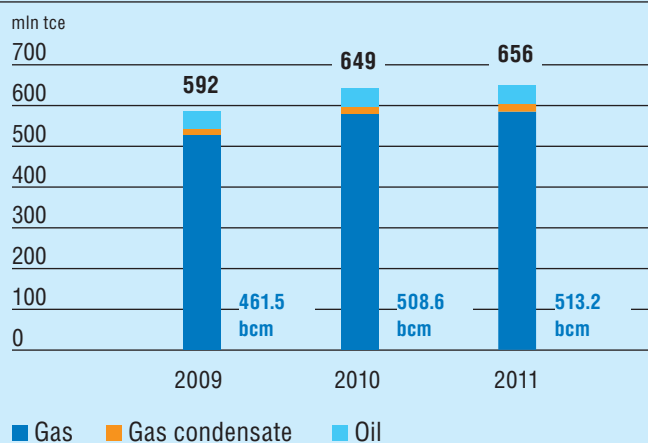
**INCREASE IN HYDROCARBONS RESERVES
DUE TO THE GEOLOGIC EXPLORATION**



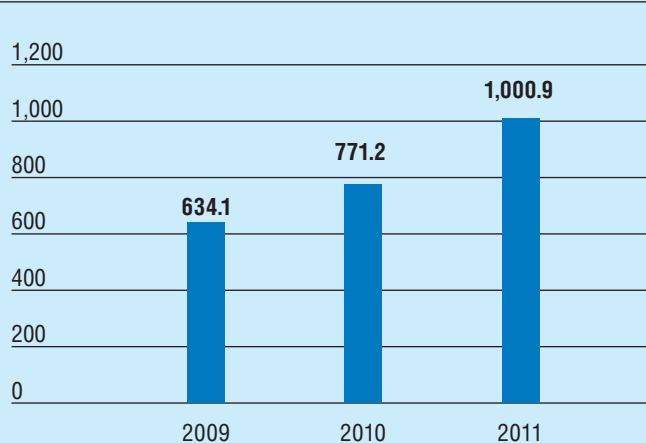
SALES, RR BLN



HYDROCARBONS PRODUCTION



NET PROFIT, RR BLN



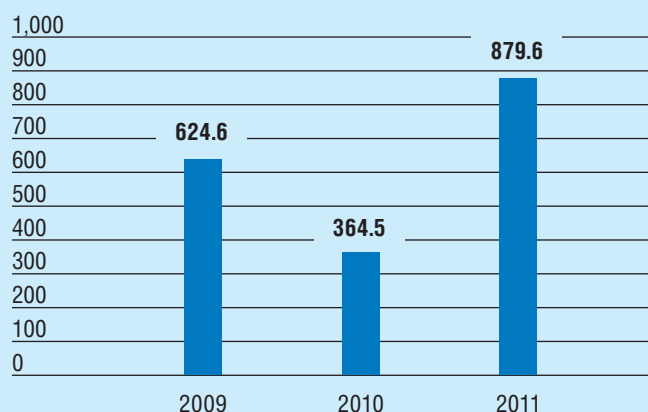
| OPERATING RESULTS | | | | |
|--|-------|-------|-------|---------------------|
| | 2009 | 2010 | 2011 | Change 2011/2010 |
| Gas production in Russia | | | | |
| <i>Gazprom Group's</i> production, bcm | 461.5 | 508.6 | 513.2 | 0.9 % |
| Associated companies' production attributable to <i>Gazprom Group's</i> interest, bcm | 7.4 | 10.5 | 11.3 | 7.6 % |
| Gas Condensate production in Russia | | | | |
| <i>Gazprom Group's</i> production, mln tons | 10.1 | 11.3 | 12.1 | 7.1 % |
| Associated companies' production attributable to <i>Gazprom Group's</i> interest, mln tons | 0.7 | 0.9 | 1.0 | 11.1 % |
| Crude oil production in Russia | | | | |
| <i>Gazprom Group's</i> production, mln tons | 31.6 | 32.0 | 32.3 | 0.9 % |
| Associated companies' production attributable to <i>Gazprom Group's</i> interest, mln tons | 19.1 | 20.7 | 20.5 | −1.0 % |
| Hydrocarbons refining | | | | |
| Natural and associated gas refining, bcm | 30.4 | 33.6 | 33.2 | −1.2 % |
| Oil and gas condensate refining, mln tons | 44.3 | 50.2 | 53.5 | 6.6 % |
| Sales of Gas | | | | |
| Sales of gas in Russia, bcm | 262.6 | 262.1 | 265.3 | 1.2 % |
| Sales of gas in Far Abroad countries, bcm | 148.3 | 148.1 | 156.6 | 5.7 % |
| Sales of gas in FSU countries, bcm | 67.7 | 70.2 | 81.7 | 16.4 % |

| FINANCIAL RESULTS | | | | |
|------------------------------|-----------|-----------|-----------|---------------------|
| | 2009 | 2010* | 2011 | Change 2011/2010 |
| Sales, RR mln | 3,118,462 | 3,661,699 | 4,735,822 | 29.3 % |
| Profit from sales, RR mln | 844,499 | 1,161,832 | 1,622,289 | 39.6 % |
| Net profit, RR mln | 634,119 | 771,242 | 1,000,900 | 29.8 % |
| Capital expenditures, RR mln | 634,976 | 883,310 | 1,327,699 | 50.3 % |

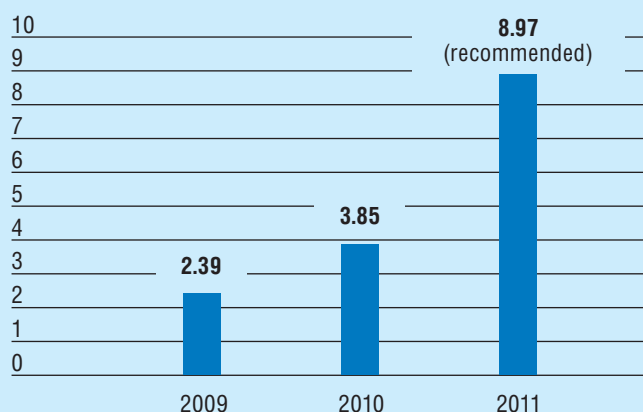
* Figures for 2010 may differ from the respective figures in the Annual Report for 2010 due to the restatement of comparable data in the 2011 financial statements.

ОАО Gazprom's Results

NET PROFIT, RR BLN



DIVIDENDS PER SHARE, RR



FINANCIAL RESULTS

| | 2009 | 2010* | 2011 | Change 2011/2010 |
|--|-----------|-----------|-----------|---------------------|
| Net sales of goods, products, work, and services (net of VAT, excise taxes and other similar payments), RR mln | 2,486,941 | 2,879,390 | 3,534,341 | 22.7 % |
| Profit from sales, RR mln | 553,269 | 821,981 | 1,188,515 | 44.6 % |
| Net profit, RR mln | 624,613 | 364,478 | 879,602 | 141.3 % |
| Net assets**, RR mln | 5,879,933 | 6,187,890 | 7,540,012 | 21.9 % |
| Net assets per share, RR | 248 | 261 | 318 | 21.8 % |
| Earnings per share, RR | 26.38 | 15.40 | 37.16 | 141.3 % |
| Dividends per share***, RR | 2.39 | 3.85 | 8.97*** | 133.0 % |

* Figures for 2010 may differ from the respective figures in the Annual Report for 2010 due to the restatement of comparable data in the 2011 financial statements.

** Net assets in the column "2010" are shown based on the data in the column "At the beginning of reporting year", while those in the column "2011" are shown based on the data in the column "At the end of reporting year" in OAO Gazprom's balance sheet as of December 31, 2011.

*** It is recommended that the dividends payable in 2012 based on operating results in 2011 should amount to RR 212,351.4 mln.

Net profit increase in 2011 was mainly influenced by change in sales, other income and income from participation in other organizations. Increase of sales was mainly due to increase of gas sales volumes and prices. A significant increase of other incomes was mainly due to increase of issuers' stock quotes, primarily quotes of OAO Gazprom Neft, which was resulted in reflection by OAO Gazprom the amount of RR 92 bln of income from revaluation of financial investments at the current market value as of December 31, 2011.

CREDIT RATINGS OF OAO GAZPROM

| Rating agency | Long-term credit rating as of 31.12.2011 | Date of the last rating change/outlook |
|-------------------|---|---|
| Standard & Poor's | «BBB» (outlook: stable) | 18.08.2010 |
| Fitch Ratings | «BBB» (outlook: stable) | 22.01.2010 |
| Moody's | «Baa1» (outlook: stable) | 03.04.2009 |

FINANCIAL RATIOS AND MARKET INDICATORS

| | 2009* | 2010** | 2011 |
|--|---------|---------|---------|
| Return ratios*** | | | |
| Return on equity | 10.62 % | 5.89 % | 11.67 % |
| Return on assets | 8.40 % | 4.66 % | 9.24 % |
| Liquidity ratios*** | | | |
| Current liquidity ratio | 2.59 | 2.60 | 2.54 |
| Quick ratio | 2.06 | 2.18 | 2.22 |
| Financial stability ratios | | | |
| Debt to capital ratio | 18.42 % | 16.04 % | 16.57 % |
| Market indicators | | | |
| P/E ratio**** (domestic OAO Gazprom's share market) | 6.95 | 12.57 | 4.61 |
| Average market capitalization, US \$ bln***** | 116.5 | 131.7 | 155.2 |

* Figures for 2009 may differ from the respective figures in the Annual Report for 2009 due to the restatement of comparable data in the 2010 financial statements.

** Figures for 2010 may differ from the respective figures in the Annual Report for 2010 due to the restatement of comparable data in the 2011 financial statements.

*** Calculated in accordance with the Regulation on Information Disclosure by Securities Issuers, approved by the order of the Russian Federal Financial Market Service No. 11-46/pz-n dated 04.10.2011.

**** Price at MICEX as of the end of the year.

***** Calculated as the average annual closing price at MICEX at the average annual exchange rate of the Central Bank of Russia, multiplied by the total number of OAO Gazprom's shares issued.

Increase of return ratios in 2011 compared to 2010 was mainly due to an increase of OAO Gazprom's net profit in 2011.

More than double increase in earnings per share compared to 2010 was reflected in the P/E ratio that decreased in 2011 up to 4.61.

MAJOR EVENTS



Detailed information is presented in the “Exploration and Production” and “Gas transportation, Storage and Distribution” sections.

Development of Hydrocarbon Resources at the Yamal Peninsula

- The Group was completing preparation for development of a largest Bovanenkovskoye field in Yamal megaproject. By the end of 2011 90 % of the first line of Bovanenkovskoye-Ukhta gas transportation system of a new generation had been welded. First gas from Bovanenkovskoye field will be fed into the UGSS of Russia ahead of schedule, in Q2 2012.



Detailed information is presented in the “Exploration and Production” section.

Preparation for Development of Russian Arctic Shelf

- Gazprom completed construction, towed off and mounted at Prirazlomnoye oil field its first offshore ice-resistant fixed platform, designed and built in Russia. Start of oil production at Prirazlomnoye will open the era of Russian Arctic shelf development.



Detailed information is presented in the “Gas transportation, Storage and Distribution” section.

Implementation of the Nord Stream Project

- Commercial deliveries to European consumers started via the first line of Nord Stream gas pipeline – Russian and European gas transportation systems connected directly for the first time.



Detailed information is presented in the “Gas transportation, Storage and Distribution” section.

Work within the South Stream Project

- Shareholder Agreement for South Stream offshore part was signed. According to the document, German Wintershall Holding and French EDF each got 15 % with 30 % reduction of ENI stake.
- Comprehensive feasibility study for South Stream approved.
- A largest Southeast-European underground gas storage Banatski Dvor, the first facility under South Stream project, is commissioned.
- The permit for South Stream construction in the exclusive economic zone of Turkey is received.
- Decision is made to start construction of South Stream gas pipeline in December 2012 with maximum capacity – 63 bcm per year.



Detailed information is presented in the “Exploration and Production” and “Gas transportation, Storage and Distribution” sections.

Gas Industry Development in the Russian East

- The first launch complex of Sakhalin – Khabarovsk – Vladivostok gas transportation system is commissioned, the complex is a key facility of the UGSS, constructed in the country’s East. The launch of the GTS gave start to large-scale gasification of regions of the Far East, creating conditions for gas supplies to APR countries.
- License for Kovyktinskoye field in Irkutsk region is received.
- Development of Kirinskoye gas condensate field on Sakhalin’s shelf is started.



Detailed information is presented in the “Exploration and Production” section.

Development of Gas Production Capacity in Traditional Production Areas

- Gas production started at Nydinsky block of Medvezhie field, gas is produced from Valanginian deposits of Zapolyarnoye field and Turonian deposits of Yuzhno-Russkoye field. Comprehensive approach to development of hard-to-get horizons in traditional production areas allows *Gazprom* to successfully increase production capacity.



Detailed information is presented in the “Gas transportation, Storage and Distribution” section.

Development of Cooperation with APR Countries

- Memorandum of Understanding is signed by OAO *Gazprom* and the Ministry of Oil Industry of DPRK for construction of a gas pipeline to the Republic of Korea through the territory of DPRK.
- Roadmap signed with South-Korean Kogas for gas pipeline transportation project for Russian gas deliveries to the Republic of Korea through the territory of DPRK.



Detailed information is presented in the “Gas transportation, Storage and Distribution” section.

Developing Stronger Partnership Ties with Foreign Partners in Underground Gas Storage

- Phase 2 of Haidach underground gas storage, the largest in Austria and Central Europe’s second largest, was commissioned. The project is participated by *Gazprom*, RAG and Wingas.



Detailed information is presented in the “Gas Transportation, Storage and Distribution” and “Electric Power” sections.

Implementation of Socially Important Projects

- Implementation of *Gazprom*’s countrywide social project – regional gasification program is underway. Record investments allocated to the program in 2011: over RR 29 bln.
- Construction of power supply facilities for 2014 Winter Olympics continued. Dzhubga–Lazarevskoye–Sochi gas pipeline is commissioned to provide for reliable and continuous natural gas supply of the city of Sochi and Black Sea coastal resort area. Major construction activities are completed, equipment is mounted at Adler TPP – a key power supply facility of Sochi.
- Gas supply started to power generation facilities in Yuzhno-Sakhalinsk and Vladivostok.



Detailed information is presented in the “Exploration and Production”, “Gas Transportation, Storage and Distribution, and “Marketing”.

Oil Business Development

- Drilling started at Iraq’s Badra oilfield.
- Moscow and Omsk oil refineries started production of higher environmental classes of fuels.
- *Gazprom* acquired 113 gas stations in Novosibirsk, Chelyabinsk, Nizhny Novgorod and Krasnodar regions.



Detailed information is presented in the “Electric Power” section.

Development of Electric Power Business

- Over 2011 the Group built 1.9 GW of generating capacity.

ABOUT THE COMPANY

ОАО Gazprom's Mission

ОАО Gazprom views its mission in reliable, efficient and balanced supply of natural gas, other energy resources and refined products to consumers.

ОАО Gazprom's Strategic Goal

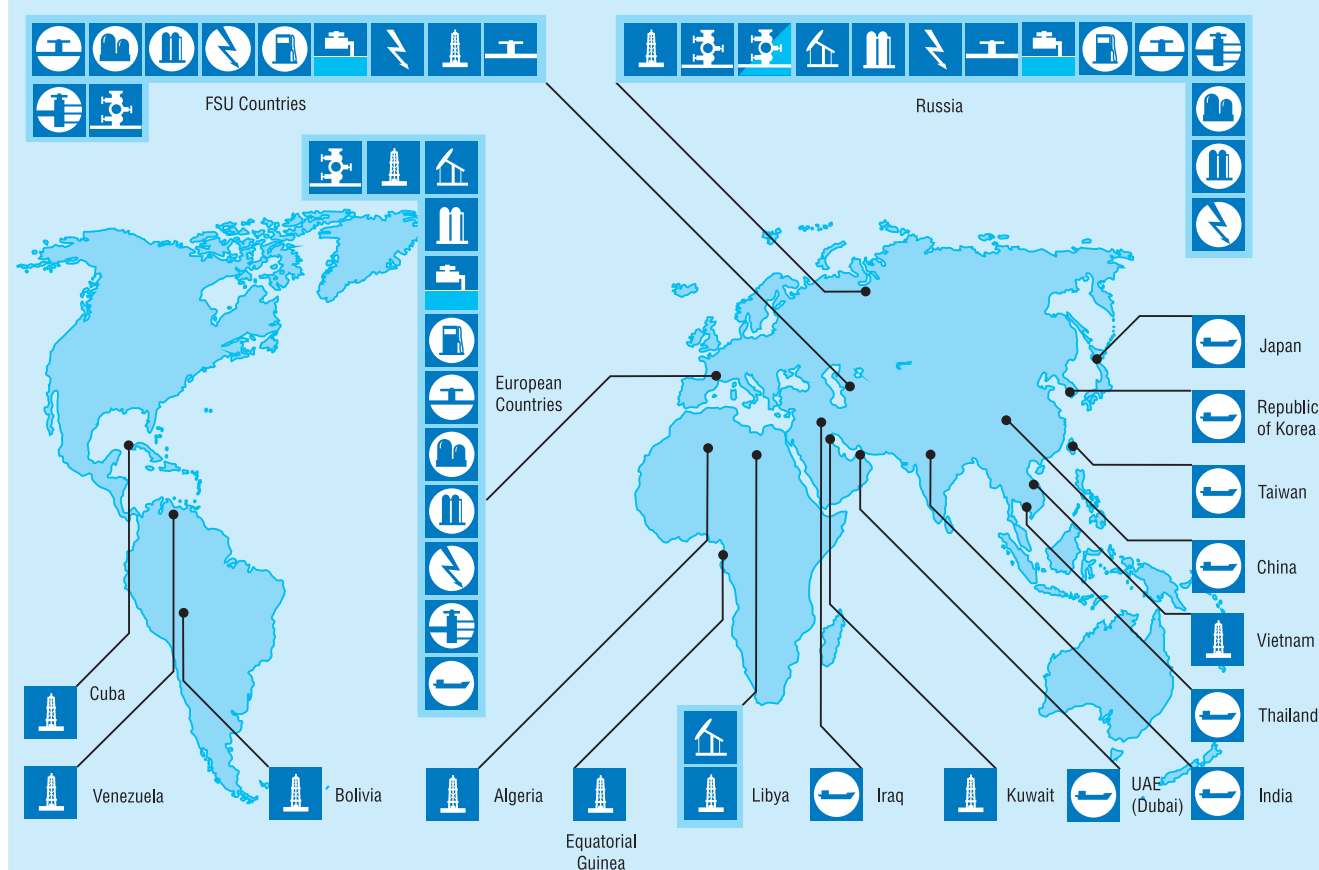
ОАО Gazprom's strategic goal is to establish itself as a leader among global energy companies by diversifying sales markets, ensuring reliable supplies, increasing operating efficiency and using scientific and technical potential.

Principles of ОАО Gazprom's Operations

- permanent raising of operating efficiency by using experience and scientific and technical potential;
- efficient management of available resources (natural, financial, technological and innovative);
- diversifying through high-performance projects to create products with high added value;
- increasing capitalization and credit ratings;
- meeting the interests of all ОАО Gazprom's shareholders;
- improving corporate governance;
- improving transparency of financial and business activities;
- establishing personal responsibility in its leadership for managerial decision-making;
- minimizing specific adverse environmental impact from technological causes.

Gazprom in 2011

GAZPROM GROUP ACTIVITY IN RUSSIA AND ABROAD IN 2011



- Hydrocarbons search and geological exploration
- Gas and gas condensate production
- Oil production
- Projects of methane production from coal beds
- Raw hydrocarbons processing

- Gas transportation
- Gas underground storage
- Electric power and heat generation
- Spot sales of LNG
- Sales of gas, supplied by gas trunk pipelines

- Gas sales to end-consumers
- Oil and gas condensate sales
- Refined products sales
- Electricity sales
- Oil products distribution through gasoline stations network

Exploration and Production

- The worldwide leader in terms of natural gas reserves and production
- Rapidly growing oil segment

| | | | |
|-------------|--------------------------------|--------------|---|
| 18 % | of world's gas reserves | 6,988 | operating gas-producing wells in Russia |
| 72 % | of Russian gas reserves | 2.34 | oil and gas condensate reserves replacement ratio |
| 1.4 | gas reserves replacement ratio | 9 % | of Russian oil and gas condensate production |
| 15 % | of world's gas production | 6,151 | operating oil-producing wells in Russia |
| 77 % | of Russian gas production | | |

Transportation and Storage

- The world's largest gas transportation system
- Developed infrastructure of UGSF in Russia and access to storage capacities abroad

| | | | |
|--------------------------|---|-----------------|--|
| 164.7 thousand km | length of <i>Gazprom's</i> gas trunk pipelines in Russia | 66.7 bcm | the aggregate active capacity of 25 underground gas storage facilities in Russia |
| 683.2 bcm | the volume of natural gas transported through gas transportation system in Russia | 3.0 bcm | access to active capacity of UGSF in Europe |

Refining

- Almost half of the total natural gas refining in Russia
- Leading position in oil and gas condensate refining among Russian companies

| | | | |
|------------------|--|----------------------|--|
| 1st place | among Russian companies in terms of gas refining volumes | 77 % | oil refining depth |
| 52.5 bcm | gas refining capacities | 75.4 mln tons | oil and gas condensate refining capacities |
| 15 % | of total oil refining in Russia | | |

Electric Power

■ Leader in the installed capacity and electric power generation in Russia

17 % of Russian electric power generation

37 GW installed capacity of 81 power stations in Russia

Marketing

- The major natural gas supplier to Russian and FSU consumers
- The largest natural gas exporter in the European market
- Access to end-consumers at foreign gas markets and growing sales of LNG
- A major player in international oil trade
- Increasing refined products sales, growing retail

Over 70 % share in the Russian gas market

27 % share in the European gas market

2.3 mln tons LNG sales (an increase of 24 % compared to 2010)

6 % of total Russian oil export to far abroad

55.4 mln tons refined products sales (an increase of 6% compared to 2010)

11 % share of oil products sales through a network of gasoline stations in total sales of refined products

Note. Unless otherwise stated, figures are shown as of / for the year ended December 31, 2011

Prospects for the Development

Global Energy Market: Current Situation and Development Trends

By 2030 the global energy consumption will grow by 40 %.

Despite the global economic crisis the population will continue to grow and the living standard will continue to improve, especially in the developing countries. This trend will promote the demand for energy in the long-term perspective. According to international energy agencies and organizations, by 2030 the global energy consumption will grow by 40%. And fossil fuels will account for 80% of the total energy consumption. Oil will continue to dominate among fossil fuels accounting for 30% of the energy consumption mix. The share of renewables may rise up to 15%. Gas consumption will grow rapidly: its share in the global energy balance may exceed 25%.

By 2030 the global demand for gas is expected to grow by 50% as compared with the 2010 level. And the gas consumption is expected to grow in all target markets of *Gazprom*.

Gas consumption in *Gazprom's* top-priority Russian market was 473.0 bcm in 2011 and in accordance with the Russian Energy Strategy for the period up to 2030 it may grow up to 539-564 bcm in 2020 and up to 605-641 bcm in 2030.

Gas consumption in Europe, *Gazprom's* main export market, will grow gradually. In the long-term perspective uncertainty will remain about the level of demand for natural gas in the region due to continued economic crisis in the Eurozone, increased regulatory pressure on the energy sector in EU countries, increased competition between the gas industry and renewables as well as adjustments to nuclear power development plans. Nevertheless, international organizations expect that after the crisis the annual growth of demand for natural gas will be 1.0% on the average. And in the long-term perspective the main demand for natural gas in Europe will come from the power sector. The demand for natural gas in Europe in 2030 is predicted in the range of 670 - 730 bcm.

CIS markets start to use energy efficiency arrangements. But, given the growth of economy in the region the demand for gas is expected to raise. According to expert estimates, in 2020 gas consumption in CIS countries (excluding Russia) may reach 240 bcm and in 2030 – 260 bcm.

Gazprom has already started to supply liquefied natural gas (LNG) to the Asian-Pacific Region (APR) and views it as a perspective export market for expanded LNG supplies and pipeline gas exports. In the last decade gas consumption in the region increased almost two times and reached half a trillion cubic meters in 2010. Main APR consumers include: the People's Republic of China, Japan, Thailand, the Republic of Korea and Indonesia. Major gas consumers in the Asian market also include India and Pakistan. According to international organizations, the future growth rate of gas consumption in this region is expected to be the highest in the world. By 2030 gas consumption in APR may increase by more than two times.

Development of LNG will allow *Gazprom* to deliver gas to other perspective regions of the world.

Major Development Areas of Gazprom Group

In Gas Business

The *Gazprom Group's* goal is to retain its leading position in the global gas industry in the long-term perspective. Therefore it is necessary to retain the *Group's* share in the domestic market, ensure meeting one third of the European demand for gas and obtain 10-15% of the North-East Asian market. The *Gazprom Group* plans to produce up to 15% of the global LNG volume.

In order to achieve these goals *Gazprom* plans to complete a number of strategic tasks.

The goals in the area of gas production include not only maintenance of production at existing fields but an active development of new gas production centers in the Yamal peninsula, offshore areas of arctic seas, in Eastern Siberia and Far East.

In the gas transportation area further development and modernization of the Unified Gas Supply System (the UGSS) will be executed in line with the gas production growth. The existing infrastructure is expected to be used to the maximum extent possible in order to ensure efficiency of supplies. The UGSS will continue to expand to the east of the country, it is planned to increase gas storage and LNG production capacities.

In the area of gas marketing the *Group* plans to expand its presence in the perspective gas markets including APR markets and to increase the share of LNG in *Gazprom's* export portfolio.

The main objective of the *Group's* development in gas processing and gas chemistry is to increase the rate of extraction of valuable components of natural and associated oil gas and their effective use for further refining to marketable products with high added value; upgrade the existing and build new gas processing and gas chemistry facilities, in particular in Eastern Siberia and Far East.

In Oil Business

The *Gazprom Group* intends to increase oil production, including results of its subsidiaries and its share in associated companies. The production and reserves balance is to be maintained at the current level. The number of fields is expected to grow through acquisition of plots from the non-licensed stock of areas and by buying assets in the Russian market. It is planned to expand the *Gazprom Group's* activities in the development of hydrocarbon reserves abroad.

In the area of oil refinery the *Group* plans to increase volumes and improve efficiency of oil refinery. To meet these goals *Gazprom* plans to expand its own refinery capacities both in Russia and abroad.

Improvement of oil refinery efficiency abroad is expected to be achieved through equity participation in refinery assets and long-term processing contracts. The growth of refinery abroad will depend on how quick oil production will increase. At the same time it is planned to implement the program of improving the quality of motor fuels, the depth of refining and equipment level of the *Group's* oil refinery plants in Russia.

In the area of oil product marketing the *Group's* strategic goal is to increase premium sales through small-scale wholesale and retail networks including by expanding the network of filling stations in Russia and abroad.

In Electric Power Business

Gazprom targets to increase operating efficiency of the *Gazprom Group's* generating entities by modernizing existing capacities and building new effective combined steamgas capacities that will increase production of electric power and heat. The *Group* is considering participation in potential electric power projects in a number of European and North-East Asia countries.

NEW TRANSPORTATION CHANNELS

The first stage of **Nord Stream** gas pipeline was commissioned. With its capacity of **27.5 bcm** p.a. it will enable to diversify supply channels and improve reliability of *Gazprom's* gas supply to European customers.



N E W H O R I Z O N S



ОАО GAZPROM'S BOARD OF DIRECTORS AND MANAGEMENT COMMITTEE

ОАО Gazprom's Board of Directors

Information About Members of ОАО Gazprom's Board of Directors as of December 31, 2011



Viktor Alekseevich Zubkov

Chairman of the Board of Directors

Born in 1941, graduated from Leningrad Agricultural Institute.

Employment history (last five years):

2007 – Head of the Federal Financial Monitoring Service of the Russian Federation

2007–2008 – Prime Minister of the Russian Federation

since 2008 – First Deputy Prime Minister of the Russian Federation

Year of first election to the Board of Directors of OAO Gazprom – 2008

Mr. Zubkov has no shareholding in OAO Gazprom



Alexey Borisovich Miller

Deputy Chairman of the Board of Directors

Born in 1962, graduated from N.A. Voznesensky Leningrad Finance and Economics Institute.

Employment history (last five years):

2007–2011 – Chairman of OAO Gazprom's Management Committee

Year of first election to the Board of Directors of OAO Gazprom – 2002

Mr. Miller holds a 0.00095828 % stake in OAO Gazprom



Andrey Igorevich Akimov

Born in 1953, graduated from Moscow Finance Institute

Employment history (last five years):

2007–2011 – Chairman of the Management Committee of Gazprombank (Open Joint-stock Company)

Year of first election to the Board of Directors of OAO Gazprom – 2011

Mr. Akimov has no shareholding in OAO Gazprom



Alexander Georgievich Ananenko

Born in 1952, graduated from Ufa Oil Institute and the Academy of National Economy of the Council of Ministers of the USSR.

Employment history (last five years):

2007–2011 – Deputy Chairman of OAO Gazprom's Management Committee

Year of first election to the Board of Directors of OAO Gazprom – 2002

Mr. Ananenko holds a 0.00693263 % stake in OAO Gazprom



Farit Rafikovich Gazizullin

Born in 1946, graduated from Gorky Institute of Water Transport Engineering.

Year of first election to the Board of Directors of OAO Gazprom – 1998

2011 – member of the Audit Committee of OAO Gazprom's Board of Directors

Mr. Gazizullin has no shareholding in OAO Gazprom



Elena Evgenyevna Karpel

Born in 1944, graduated from D.S. Korotchenko Kiev Institute of National Economy.

Employment history (last five years):

2007–2011 – Head of the Economic Appraisal and Pricing Department of OAO Gazprom

Year of first election to the Board of Directors of OAO Gazprom – 2004

Ms. Karpel holds a 0.00074825 % stake in OAO Gazprom



Timur Askarovich Kulibaev

Born in 1966, graduated from M.V. Lomonosov Moscow State University.

Employment history (last five years):

2007– Deputy Chairman of the Management Board, AO Samruk Kazakh Holding for State Assets Management

2008–2011 Deputy Chairman of the Management Board, AO Samruk-Kazyna National Welfare Fund

2011 – Member of the Board of Directors, Chairman of the Management Board, Samruk-Kazyna National Welfare Fund

Year of first election to the Board of Directors of OAO Gazprom – 2011

Mr. Kulibaev has no shareholding in OAO Gazprom



Vladimir Alexandrovich Mau

Born in 1959, graduated from G.V. Plekhanov Moscow Institute of National Economy

Employment history (last five years):

2007–2010 – Rector of the Academy of National Economy under the Government of the Russian Federation

2010 – Rector of the Federal Budget Institution of Higher Professional Education “Russian Presidential Academy of National Economy and Public Administration”

Year of first election to the Board of Directors of OAO Gazprom – 2011

Mr. Mau has no shareholding in OAO Gazprom



Valery Abramovich Musin

Born in 1939, graduated from A.A. Zhdanov Leningrad State University.

Employment history (last five years):

2007–2011 – Head of the Civil Procedure Department of the Faculty of Law, St. Petersburg State University

Year of the first election to the Board of Directors of OAO Gazprom – 2009

2011 – Chairman of the Audit Committee of OAO Gazprom’s Board of Directors

Mr. Musin has no shareholding in OAO Gazprom



Mikhail Leonidovich Sereda

Born in 1970, graduated from St. Petersburg State Economics and Finance University.

Employment history (last five years):

2007–2011 – Deputy Chairman of OAO Gazprom’s Management Committee – Head of the Administration of OAO Gazprom’s Management Committee

Year of first election to the Board of Directors of OAO Gazprom – 2002

2011 – member of the Audit Committee of OAO Gazprom’s Board of Directors

Mr. Sereda holds a 0.00026379 % stake in OAO Gazprom



Igor Khanukovich Yusufov

Born in 1956, graduated from Novocherkassk Polytechnic Institute, All-Union Foreign Trade Academy.

Employment history (last five years):

2007–2011 – Special Envoy of the President of the Russian Federation for International Energy Cooperation and Ambassador at Large of the Ministry of Foreign Affairs of the Russian Federation

Year of first election to the Board of Directors of OAO Gazprom – 2003

Mr. Yusufov has no shareholding in OAO Gazprom

Changes in the Board of Directors in 2011

Members of the Board of Directors Who Were Elected in 2011

Andrey Igorevich Akimov – Member of the Board of Directors of OAO Gazprom (since June 30, 2011)

Timur Askarovich Kulibaev – Member of the Board of Directors of OAO Gazprom (since June 30, 2011)

Vladimir Alexandrovich Mau – Member of the Board of Directors of OAO Gazprom (since June 30, 2011)

Members of the Board of Directors Whose Powers Were Terminated in 2011

Burckhard Bergmann – Member of the Board of Directors of OAO Gazprom (until June 30, 2011)

Elvira Sakhipzadovna Nabiullina – Member of the Board of Directors of OAO Gazprom (until June 30, 2011)

Sergey Ivanovich Shmatko – Member of the Board of Directors of OAO Gazprom (until June 30, 2011)

ОАО Gazprom's Management Committee

Information About Members of ОАО Gazprom's Management Committee as of December 31, 2011

Chairman of the Management Committee:



Alexey Borisovich Miller

Born in 1962, graduated from N.A. Voznesensky Leningrad Finance and Economics Institute.

Employment history (last five years):

2007–2011 – Chairman of ОАО Gazprom's Management Committee

Mr. Miller holds a 0.00095828 % stake in ОАО Gazprom

Members of the Management Committee:



Elena Alexandrovna Vasilieva

Born in 1959, graduated from N.A. Voznesensky Leningrad Finance and Economics Institute.

Employment history (last five years):

2007–2011 – Deputy Chairwoman of the Management Committee – Chief Accountant of ОАО Gazprom

Ms. Vasilieva holds a 0.00028135 % stake in ОАО Gazprom



Valeriy Alexandrovich Golubev

Born in 1952, graduated from V. I. Ulyanov (Lenin) Leningrad Electrotechnical Institute.

Employment history (last five years):

2007–2011 – Deputy Chairman of ОАО Gazprom's Management Committee

Mr. Golubev holds a 0.00074256 % stake in ОАО Gazprom



Alexander Nikolaevich Kozlov

Born in 1952, graduated from Moscow State Institute for International Relations.

Employment history (last five years):

2006–2010 – Deputy Chairman of OAO Gazprom's Management Committee

Mr. Kozlov holds a 0.00004722 % stake in OAO Gazprom



Andrey Vyacheslavovich Kruglov

Born in 1969, graduated from St. Petersburg Technological Institute of the Refrigeration Industry.

Employment history (last five years):

2007–2011 – Deputy Chairman of OAO Gazprom's Management Committee, Head of the Department for Finance and Economics of OAO Gazprom

Mr. Kruglov holds a 0.00032174 % stake in OAO Gazprom



Alexander Ivanovich Medvedev

Born in 1955, graduated from Moscow Physics and Technology Institute.

Employment history (last five years):

2007–2011 – Deputy Chairman of OAO Gazprom's Management Committee, General Director of OOO Gazprom Export

Mr. Medvedev holds a 0.00019869 % stake in OAO Gazprom



Sergey Fyodorovich Khomyakov

Born in 1953, graduated from Leningrad Electrotechnical Institute.

Employment history (last five years):

2007 – First Deputy General Director of OAO Gazprom's Security service

2007–2008 – Deputy Chairman of OAO Gazprom's Management Committee, General Director of OAO Gazprom's security service

since 2008 – Deputy Chairman of OAO Gazprom's Management Committee, General Director of the subsidiary of OAO Gazprom's Corporate Protection Service in Moscow

Mr. Khomyakov holds a 0.00019901 % stake in OAO Gazprom



Oleg Evgenyevich Aksyutin

Born in 1967, graduated from Academician S.P. Korolyev Aviation Institute.

Employment history (last five years):

2007 – Chief Engineer and First Deputy General Director of ООО Kavkaztransgaz

2007–2008 – General Director of ООО Nadymgazprom

2008 – General Director of ООО Gazprom dobycha Nadym

since 2008 – Head of OAO Gazprom's Department for Gas Transportation, Underground Storage and Utilization

Mr. Aksyutin holds a 0.00021785 % stake in OAO Gazprom



Yaroslav Yaroslavovich Golko

Born in 1961, graduated from Leningrad Mining Institute.

Employment history (last five years):

2007–2011 – Head of OAO Gazprom's Investment and Construction Department

Mr. Golko holds a 0.00007708 % stake in OAO Gazprom



Nikolai Nikolaevich Dubik

Born in 1971, graduated from M.V. Lomonosov Moscow State University.

Employment history (last five years):

2007–2008 – Deputy Head of OAO Gazprom's Legal Department

2008 – First Deputy Head of OAO Gazprom's Legal Department

since 2008 – Head of OAO Gazprom's Legal Department

Mr. Dubik holds a 0.00095448 % stake in OAO Gazprom



Viktor Vasilyevich Ilyushin

Born in 1947, graduated from Urals Polytechnic Institute and the Academy of Social Sciences of the Communist Party Central Committee of Soviet Union.

Employment history (last five years):

2007–2010 – Head of OAO Gazprom's Department for Relations with Regional Authorities of the Russian Federation

2010–2011 – Head of OAO Gazprom's Department for Relations with Authorities of the Russian Federation

Mr. Ilyushin holds a 0.00015285 % stake in OAO Gazprom



Olga Petrovna Pavlova

Born in 1953, graduated from the Far East State University.

Employment history (last five years):

2007–2011 – Head of OAO Gazprom's Department for Property Management and Corporate Relations

Ms. Pavlova holds a 0.00003013 % stake in OAO Gazprom



Vlada Vilorikovna Rusakova

Born in 1953, graduated from I. M. Gubkin Moscow Petrochemical and Gas Industry Institute.

Employment history (last five years):

2007–2011 – Head of OAO Gazprom's Strategic Development Department

Ms. Rusakova holds a 0.00002513 % stake in OAO Gazprom



Kirill Gennadyevich Seleznev

Born in 1974, graduated from D.F. Ustinov Baltic State Technical University and St. Petersburg State University.

Employment history (last five years):

2007–2010 – Head of OAO Gazprom's Department for Marketing and Processing of Gas and Liquid Hydrocarbons, General Director of OOO Mezhregiongaz

since 2010 – Head of OAO Gazprom's Department for Marketing and Processing of Gas and Liquid Hydrocarbons, General Director of OOO Gazprom Mezhregiongaz

Mr. Seleznev holds a 0.00013844 % stake in OAO Gazprom



Igor Yuryevich Fedorov

Born in 1965, graduated from A.A. Zhdanov Leningrad State University, St. Petersburg State Academy of Service and Economics.

Employment history (last five years):

2007–2009 – General Director of OOO Gazkomplektimpex

since 2009 – General Director of OOO Gazprom Komplektatsiya

Mr. Fedorov holds a 0.00013608 % stake in OAO Gazprom



Vsevolod Vladimirovich Cherepanov

Born in 1966, graduated from M.V. Lomonosov Moscow State University.

Employment history (last five years):

2007–2008 – Chief Geologist of the Nadym Oil and Gas Production Directorate,
OOO Nadymgazprom

2008 – Chief Geologist of the Nadym Oil and Gas Production Directorate,
OOO Gazprom dobycha Nadym

2008–2010 – Deputy Director General, Chief Geologist of Administration of
OOO Gazprom dobycha Nadym

since 2010 – Head of OAO Gazprom's Gas, Gas Condensate and Oil Production
Department

Mr. Cherepanov holds a 0.00001267 % stake in OAO Gazprom

Changes in the Management Committee's Composition in 2011

Members of the Management Committee Whose Powers Were Terminated in 2011

Alexander Georgievich Ananenko

Deputy Chairman of OAO Gazprom's Management Committee

(Powers as the Member of the Management Committee were terminated due to expiration of the term of powers, determined by resolution No. 929 of the Board of Directors dated December 19, 2006)

BOARD OF DIRECTORS' REPORT ON OAO GAZPROM'S DEVELOPMENT IN PRIORITY AREAS OF OPERATION

In 2011, OAO Gazprom's Board of Directors held 101 meetings (12 of them formal meetings and 89 of them absentee ballots) and resolved 214 issues concerning the company's key areas of operation (54 resolutions were adopted at formal meetings and 160 resolutions were adopted through an absentee ballot).

OAO Gazprom's Strategic Development

In the reporting year, the Board of Directors focused on the issues of OAO Gazprom's comprehensive strategic development.

OAO Gazprom's strategic area of focus is implementation of the Program for Development of Unified Gas Production, Transportation and Supply System in Eastern Siberia and the Far East with a View to Prospective Gas Exports to Markets of China and other APR Countries (hereinafter – Eastern Gas Program).

The Board of Directors charged the Chairman of OAO Gazprom's Management Committee with the following:

- organize further work to implement the following top-priority investment projects and activities under Eastern Gas Program:
 - “Sakhalin – Khabarovsk – Vladivostok gas trunk pipeline”,
 - “Kirinskoye gas condensate field development”, “Gas pipeline “Onshore Processing Facilities of Kirinskoye gas condensate field – main CS of Sakhalin”,
 - geological exploration work at Kirinsky block on the shelf of Sakhalin,
 - “Natural gas supply to the Kamchatka region. The first stage, natural gas supply to the city of Petropavlovsk-Kamchatsky. Development of Kshuuskoye and Nizhne-Kvakchikskoye fields in Kamchatka region ” (facilities of II and III launch complexes),
 - Comprehensive geological exploration work at Chayandinskoye oil, gas and condensate field, development of Chayandinskoye oil, gas and condensate field for test production period;
- provide for preparation and submission for review by the Board of Directors in Q4 2011 of a list of prospective production facilities of OAO Gazprom in Russia's East under Eastern Gas Program revision activities, pursuant to Paragraph 6 of the Minutes No. VP-P9-16pr of the meeting with the Prime-Minister of the Russian Federation on March 19, 2011, and also provide for submission of proposals to create favorable conditions for development of gas sector in Eastern Siberia and in the Far East;
- make provisions under OAO Gazprom's investment program projects for funds to conduct geological exploration and for implementation of investment projects in Russia's East.

The Board of Directors approved participation of OAO Gazprom in OOO Kovyktaneftegaz via acquisition of 100 % stake in registered capital of the company, which together with property, acquired from OAO Kompaniya RUSIA Petroleum, enabled OAO Gazprom to get license for subsoil use for Kovykta gas and condensate field re-registered in the name of *Gazprom* and significantly increase its resource base.



Detailed procedures for approval of transactions involving assets by OAO Gazprom's Board of Directors are presented in “Corporate Governance” section.

Upon consideration of ways to increase efficiency of OAO Gazprom's investment program, the Board of Directors approved key areas to increase efficiency of OAO Gazprom's investment program:

- optimization of plans to commission OAO Gazprom's capacity;
- increase in economic efficiency of OAO Gazprom's investment projects via optimization of technology and cost parameters of construction sites during due diligence of project documentation at OAO Gazprom;
- reduction of investment project implementation costs via optimization of prices for key materials and equipment and competitive procurement of goods, products and services, and also via monitoring of investment project implementation in line with approved project documentation;
- further federal government relations activities to adjust gas prices to a level, securing equity capital to finance investments, required to support operations and development of gas sector and also equal margins from gas delivery to external and domestic markets;
- broader use of project financing methods under implementation of OAO Gazprom's investment projects;
- transition to financing social programs with government support.

In terms of foreign trade, in order to strengthen *Gazprom Group's* positions in the global energy market, to diversify its export routes and sales markets, as well as to ensure safe and reliable supply of natural gas in accordance with OAO Gazprom's Strategy in the field of LNG production and supply. The Board of Directors continuously reviewed "South Stream" Combined Feasibility Study preparation process.

Upon consideration of information on Russia-Ukraine gas relationships status and prospects of cooperation with Ukraine, the Board of Directors charged the Chairman of OAO Gazprom's Management Committee with the following activities: provide for further operations under Natural Gas Sale and Purchase Agreement for 2009–2019, dated January 19, 2009 and under Volumes and Conditions of Natural Gas Transit via Ukraine Contract for 2009–2019, dated January 19, 2009; manage further internal Ukrainian market operations via *Gazprom Group* companies, and also manage activities to create joint ventures for hydrocarbons production in Ukrainian territory.

The Board of Directors approved acquisition of the second stake in OAO Beltransgaz, resulting in OAO Gazprom's complete control over the company.

Financial, Economic and Investment Activities

Key parameters of OAO Gazprom's operations for 2011 are approved by the Board of Directors and outlined in OAO Gazprom's budget (financial plan), OAO Gazprom's Investment program, and program for optimizing (decreasing) costs for 2011.

The Board of Directors paid close attention to the company's current financial status, specifically focusing on cost reduction issues.

Upon consideration of cost reduction program for specific operations areas of *Gazprom Group*, the Board of Directors charged the Chairman of OAO Gazprom's Management Committee with continuation of activities to reduce costs in 2012 and report of results of such activities to the Board of Directors in Q1 2013; organize preparation of information regarding results of implementation of the Regulation on the Purchase of Goods, Works and Services by *Gazprom Group*, approved by the resolution of the Board of Directors of OAO Gazprom No. 1662 dated October 27, 2010, and present materials on the issue by the end of 2011 for consideration at a meeting of the Board of Directors of OAO Gazprom.

To provide for transparency of procurement activities of OAO Gazprom and its subsidiaries and to secure transition to electronic procurement, the Board of Directors charged the Chairman of OAO Gazprom's Management Committee to provide for:

- further work to secure transparency of procurement of goods, works and services for needs of OAO Gazprom and its subsidiaries via publication of procurement information, including mass media (including electronic mass media), to a degree, sufficient for potential procurement participants and also to avoid discrimination and unreasonable limitation of procurement participants number;
- electronic purchases, including electronic auctions, starting from July 1, 2011;
- determination of the range of goods (works, services) by the end of 2011, for placement of delivery (execution, performance) orders to be auctioned;
- presentation of quarterly results no later than 30-th day of any month, following a reporting period, starting with Q1 2012 results, to OAO Gazprom's Board of Directors, and presentation of half year results (starting with results of the first half of 2012) – to the Ministry of Economic Development of Russia and the Federal Anti-Monopoly Service of Russia on procurement activities of OAO Gazprom with parameters, showing numbers of e-auctions held (of the total number of auctions), the total amount for conducted e-auctions (of the total volume), savings ratio for conducted e-auctions, savings ratio for other purchases, ratio of failed e-auctions;
- organization of activities to review contracts, made by OAO Gazprom in 2010 upon results of competitive procedures, and submission of results of such activities for consideration at the May 2011 meeting of the Board of Directors of OAO Gazprom.

Significant attention was paid to the gasification program for regions of the Russian Federation and overall regional development. The Board of Directors found it feasible for OAO Gazprom to participate in “Increasing economy's energy efficiency – key to development of agricultural sector of the region” pilot project by Tambov Region Administration, and authorized the Chairman of OAO Gazprom's Management Committee to conduct a review of the pilot project and to prepare a feasibility study for Tambov Region gasification project with adjustments to the general layout of the region's gas supply system to increase gas utilization efficiency by agricultural enterprises of Tambov region and report to the Board of Directors on the work done by Q1 2012.

The Board of Directors considered information on activities to increase efficiency of participation of OAO Gazprom and its subsidiaries in equity capital of banking and financial sector companies, information of a number of subsidiaries on efficiency of capital investments for major investment sites.

Improving Management Efficiency

The Board of Directors considered the issue of managing property and other assets of OAO Gazprom and its subsidiaries in 2010 and authorized the Chairman of OAO Gazprom's Management Committee to conduct further activities to improve property management system for OAO Gazprom and its subsidiaries to secure implementation of activities to increase operating efficiency of OAO Gazprom.

SALE OF NON-CORE ASSETS

In line with Resolutions of OAO Gazprom's Board of Directors No. 1691, dated December 8, 2010 and No. 1883, dated September 27, 2011, it is planned to receive RR 11.9 bln in revenues from sale of non-core/inefficient assets of OAO Gazprom and its subsidiaries (including inter-company transactions). Real revenues of OAO Gazprom and its subsidiaries in 2011 amounted to RR 12.3 bln (103.4 %), including revenue from inter-company transactions – RR 4.1 bln.

In 2011 participation was discontinued in 11 sites of long-term financial investments (ООО Gazprom Burenie (RR 4,050 mln), ООО SMU-7 (RR 28.5 mln), OAO TISMA (RR 188.1 mln), ООО VTGSM (RR 68.3 mln) etc. Were sold poorly performing assets, low market value assets, which have been prepared for sale for several years, these include: ООО Ditangaz (68 %) – RR 3.8 mln, ЗАО IK Gorizont (35 %) – RR 3.03 mln, ЗАО Yubileynoye (7.82 %) – RR 4.2 mln and others.

To secure organizational provisions for OAO Gazprom' Gas Sales Strategy, it was resolved to approve participation of OAO Gazprom in South Stream AG, ООО Piter Gaz, opening an OAO Gazprom office in the Kingdom of Belgium.

OVERVIEW OF OPERATING RESULTS

Exploration and Production



The difference between Russian classification and PRMS standards is presented in the Factbook "Gazprom in Figures 2007–2011".

Significant Resource Potential of Gazprom Group is One of the Key Competitive Advantages of the Company.

License blocks of *Gazprom*, located predominantly in Russia, account for about 18 % of global and about 72 % Russian gas reserves. As of December 31, 2011, hydrocarbon reserves of *Gazprom Group* abroad were less than 1% of the *Group's* reserves in Russia (categories A+B+C₁).

An audit of *Gazprom Group's* hydrocarbon reserves, carried out by DeGolyer & MacNaughton in accordance with the international PRMS standards estimated the *Group's* proved and probable hydrocarbon reserves as of December 31, 2011 at 29.2 bln tce with present value of US \$ 299.2 bln, with 11 % or US \$ 29.6 bln increase versus the estimate for December 31, 2010. The assessment covered 90 % of gas reserves, 83 % of condensate and 89 % of oil (categories A+B+C₁).

GAZPROM GROUP'S HYDROCARBONS RESERVES IN ACCORDANCE WITH THE INTERNATIONAL PRMS STANDARDS AS OF DECEMBER 31, 2011

| | Natural gas, bcm | Gas Condensate*, mln tons | Oil, mln tons | Total, mln tce |
|------------------------------|---------------------|---------------------------------|------------------|-------------------|
| Proved reserves | 19,212.6 | 605.2 | 723.9 | 24,071.9 |
| Probable reserves | 3,631.5 | 152.6 | 492.2 | 5,112.9 |
| Proved and probable reserves | 22,844.1 | 757.8 | 1,216.1 | 29,184.8 |

* Gas condensate reserves of *Gazprom Neft* are included in Oil Column.

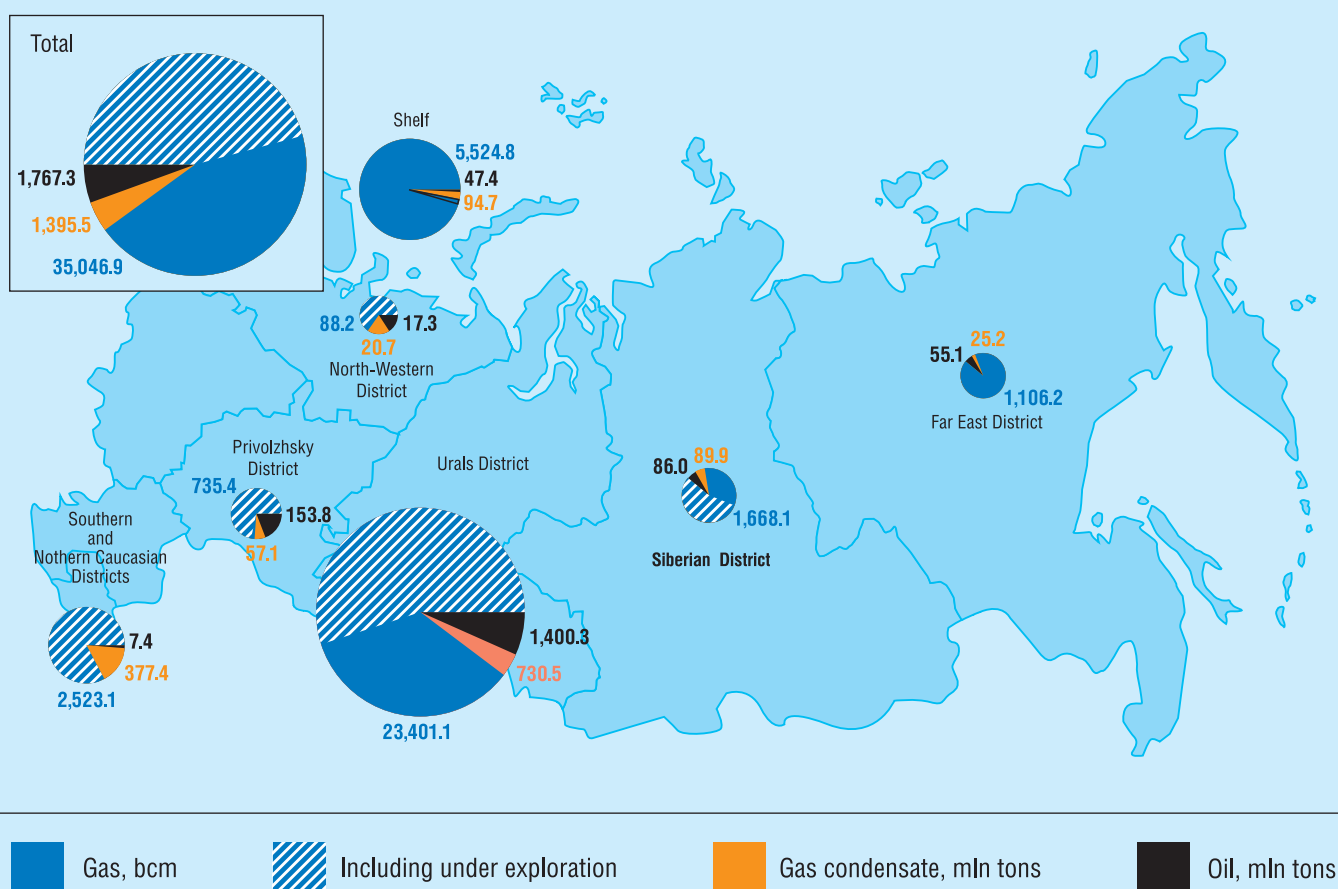
An increase in *Gazprom's* proved and probable hydrocarbon reserves versus the estimate for December 31, 2010 by 0.5 bln tce was mostly due to new fields, included in the audit (Malyginskoye, Zapadno-Tambeyskoye and Tasiyskoye), adjustment of geological models of Chayandinskoye, Myldzhinskoye, Yuzhno-Russkoye, Gubkinskoye, Kamennomysskoye-more fields, and also development parameters for Orneburgskoye field.

Operations in Russia

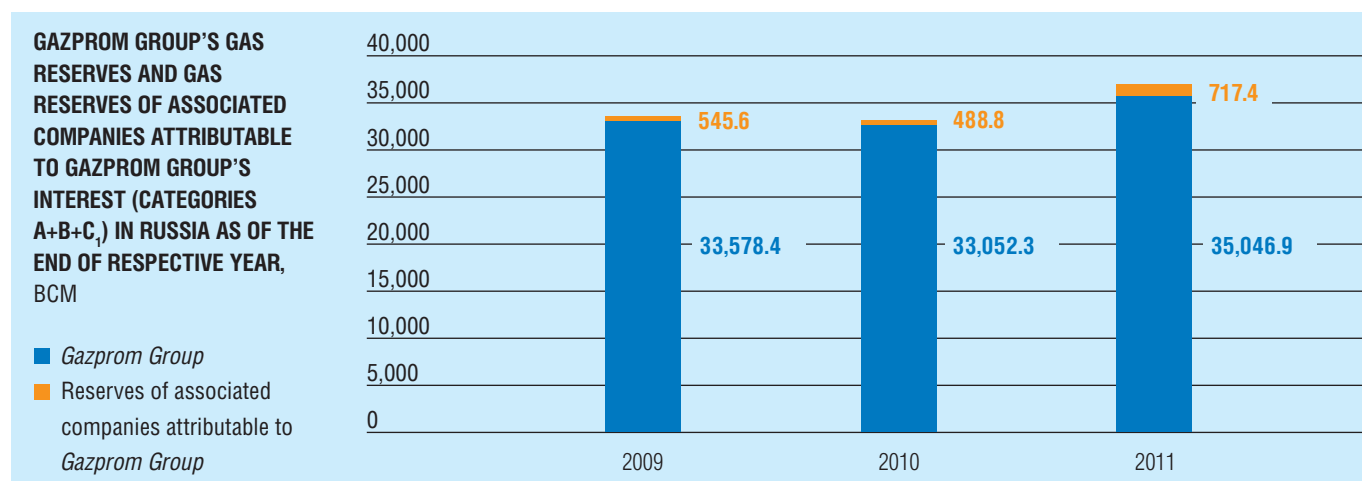
As of December 31, 2011 the Group developed 124 hydrocarbon fields. Over a half (55 %) of Gazprom's discovered gas reserves in Russia and about 85 % of its production are covered by the Group's major gas production subsidiaries – ООО Gazprom Dobycha Yamburg, ООО Gazprom Dobycha Urengoy, ООО Gazprom Dobycha Nadym, and ООО Gazprom Dobycha Noyabrsk operating in Yamalo-Nenets Autonomous Area. The operations related to the development of the Group's oil reserves are consolidated within Gazprom Neft and are mainly carried out in Yamalo-Nenets and Khanty-Mansi Autonomous Areas, as well as Tomsk, Omsk, Orenburg and Irkutsk regions. Moreover, as of December 31, 2011 Gazprom Group also had shareholdings in associated companies, which were qualified as subsoil users: gas producing company ZAO Nortgaz (51 %), oil producing ОАО NGK Slavneft (49.85 %), ZAO Messoyakhaneftegaz (50 %) and ОАО Tomskneft VNK (50 %), Salym Petroleum Development N.V. (50 %), in Sakhalin Energy (50 %) – “Sakhalin-2” project operator.

The Group also has 50% in ООО Yamal Razvitiye, which in turn has 51 % in the registered capital of ООО SeverEnergiya. Its subsidiaries hold hydrocarbon exploration and production licenses at oil-gas condensate fields in Yamalo-Nenets Autonomous Area.

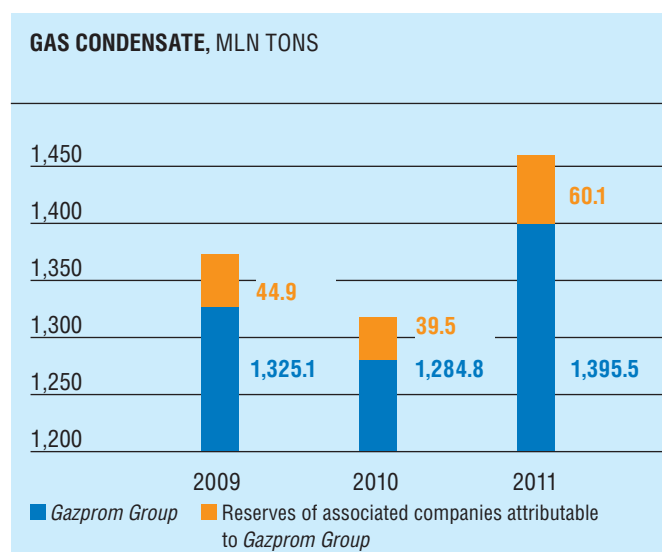
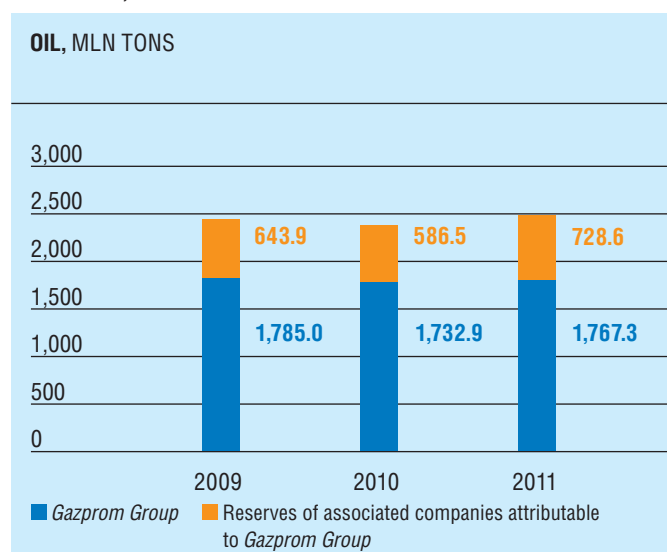
**DISTRIBUTION OF EXPLORED HYDROCARBONS A+B+C,
RESERVES BY RUSSIAN REGIONS**



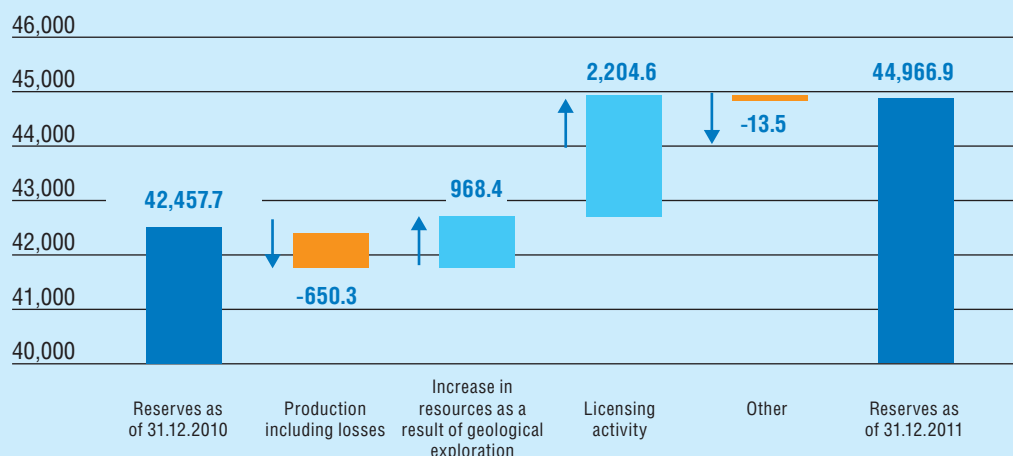
The share of minority shareholders in reserves of *Gazprom Group* (categories A+B+C₁) as of December 31, 2011 amounted to 595.9 bcm of gas, 0.3 mln tons of gas condensate and 53.4 mln tons of oil.



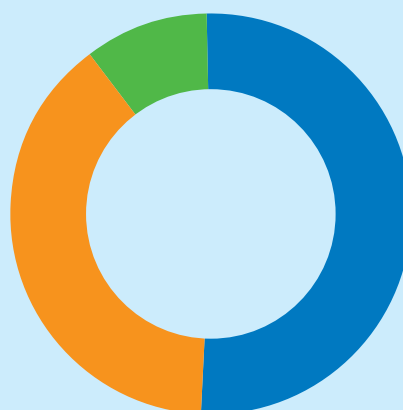
GAZPROM GROUP'S LIQUID HYDROCARBON RESERVES AND LIQUID HYDROCARBON RESERVES OF ASSOCIATED COMPANIES ATTRIBUTABLE TO GAZPROM GROUP'S INTEREST (CATEGORIES A+B+C₁) IN RUSSIA, AS OF THE END OF RESPECTIVE YEAR



**CHANGE IN GAZPROM GROUP'S
HYDROCARBON RESERVES
(CATEGORIES A+B+ C₁)
IN RUSSIA, MLN TCE**



**STRUCTURE OF GAZPROM GROUP'S
DISCOVERED GAS RESERVES IN RUSSIA,
AS OF DECEMBER 31, 2011.**



| | |
|------------------------|------|
| In operation* | 51 % |
| Prepared for operation | 39 % |
| Under exploration | 10 % |

* Operating fields may include unoperating deposits.

Geological Exploration

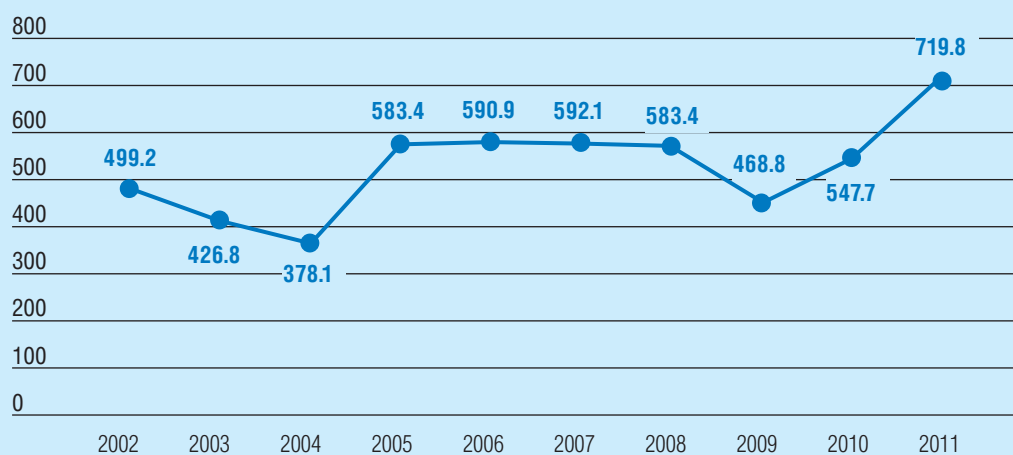
| Changes in reserves as result of: | Natural gas, bcm | Condensate, mln tons | Oil, mln tons | Total, mln tce |
|--|---------------------|-------------------------|------------------|-------------------|
| Geological Exploration | 719.8 | 38.4 | 58.0 | 968.4 |
| Transfer of reserves explored in 2011 into the Russian unallocated mineral reserve fund*, transfer to other companies' balance, acquisitions from other companies' balance | -16.9 | -1.6 | -0.8 | -22.9 |

* In accordance with Russian law, a subsoil user has no absolute right to develop the reserves they discovered in the areas licensed for exploration and beyond the boundaries of the licensed areas. Such reserves are to be transferred into the unallocated mineral reserve fund of the Russian Federation. Later on, the subsoil user enjoys a preferential right to the license for their development.

To provide for sustainable mid- and long-term production growth, *Gazprom Group* pays special attention to geological exploration.

In 2011 *Gazprom's* geological exploration activities secured a record increase in its reserves, amounting to 65 % of gas reserves growth due to exploration in Russia.

**GAZPROM GROUP'S GAS
RESERVES GROWTH
DUE TO GEOLOGICAL
EXPLORATION, BCM**



***Gazprom's*
geological
exploration secured
record reserve
growth in the past
ten years.**

In 2011 geological and geophysical exploration activities were carried out in all Russia's oil and gas provinces: Western and Eastern Siberia, in the Far East, Orenburg region, Krasnodar territory, the Republic of Komi, Kara and Okhotsk Sea shelf.

In order to identify and detail the geological structures, *Gazprom* performed comprehensive geological exploration activities: 157.7 thousand meters of earth material drilled, 2.8 thousand kilometers of 2D seismic survey performed, 8.8 thousand sq. km of 3D seismic survey carried out. 60 prospecting evaluation and exploratory wells, including 45 productive wells, were completed.

Arctic and Sakhalin shelf resource base of the Group amounts to 6.8 bln tce.

GEOLOGICAL EXPLORATION ON RUSSIA'S CONTINENTAL SHELF

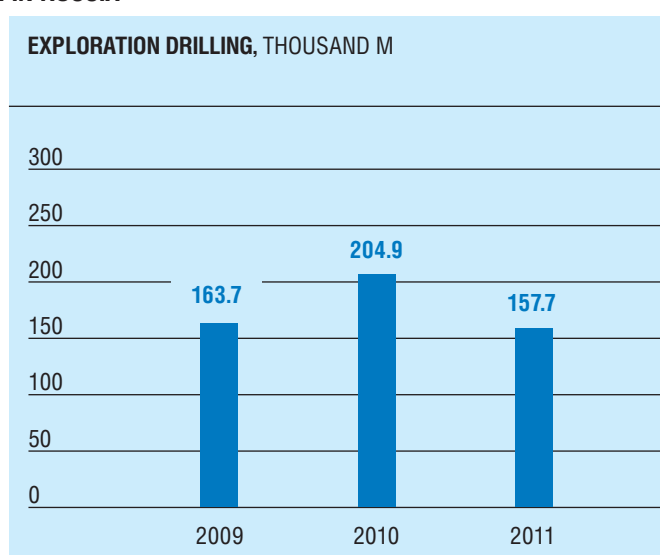
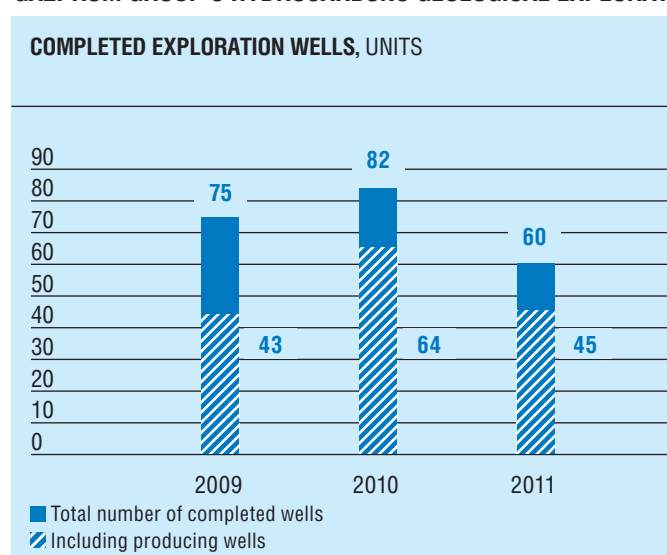
As of December 31, 2011 *Gazprom Group* held licenses for 15 offshore fields (of these, four fields expand onshore), most of which are prepared for commercial development, and also holds licenses for three prospect blocks of the Far Eastern shelf.

In 2011 OAO Gazprom approved adjusted Program for Developing Hydrocarbon Resources on the Continental Shelf of the Russian Federation for the period until 2030, the Program is a strategic document, determining areas of OAO Gazprom's activities on Russian shelf. The Program envisions utilization of a comprehensive approach, providing for the most efficient use of infrastructure and technology for shelf project implementation. Particularly, *Gazprom* plans comprehensive development of Shtokmanovskoye field and its satellites in Barents Sea, joint development of Prirazlomnoye and Dolginskoye oil fields in Pechora Sea. Development of Severo - Kamennomysskoye and Kamennomysskoye-more fields in Obiskaya and Tazovskaya bays will lay foundation for comprehensive development of a whole group of neighboring fields. Comprehensive development of fields is also planned at *Gazprom's* Sakhalin shelf licensed blocks under "Sakhalin-3" project.

As of December 31, 2011, the *Group* created a strong reserve base of 6.8 bln tce at Arctic and Sakhalin shelves, of these gas comprises 6.3 tcm for commercially viable categories ($C_1 + C_2$). By 2030 geological exploration activities of *Gazprom Group* at Russian shelf are expected to increase reserves by more than 11 bln tce (over 2005–2011 the increase of the company's shelf reserves amounted to more than 2.2 bln tce). Implementation of the Program will let *Gazprom* annually produce over 200 bcm of gas and about 10 mln tons of oil at Russian shelf by 2030.

In 2011 geological exploration activities in Russia were funded for RR 50.7 bln (VAT included).

GAZPROM GROUP'S HYDROCARBONS GEOLOGICAL EXPLORATION IN RUSSIA



2011 geological exploration activities resulted in discovery of five fields: Mynginskoye at Okhotsk Sea shelf, Novotatishevskoye in Orenburg region, Severo-Trassovoye and Mynginskoye in Tomsk region, and also Ignyalinskoye field in Irkutsk region.

The major incremental growth was achieved at the fields discovered earlier – came from Yuzhno-Kirinskoye and Kirinskoye fields at Sakhalin shelf (156.3 bcm), and also at Chayandinskoye field in the Republic of Sakha (Yakutia) (178.2 bcm) and at Yuzhno-Russkoye field at Yamalo-Nenets Autonomous Area (139.8 bcm).

In 2011 the gas reserve replacement ratio amounted to 140 %, liquid hydrocarbons – 234 %. Performance efficiency of geological and geophysical exploration activities – 6,142 tce/m.

Licenses

| Changes in reserves as result of: | Natural gas, bcm | Condensate, mln tons | Oil, mln tons | Total, mln tce |
|-----------------------------------|---------------------|-------------------------|------------------|-------------------|
| Licenses received including: | 1,803.7 | 82.5 | 3.6 | 2,204.6 |
| Licenses returned | – | – | – | – |

As of December 31, 2011 *Gazprom Group* held 261 licenses in Russia for use of subsoil resources with the purpose of geological surveys, exploration and production of hydrocarbons. The total area of the *Group's* licensed blocks in Russia as of December 31, 2011 amounted to 318.8 thousand sq. km, including 61.8 thousand sq. km of shelf.

In 2011 due to resolution of the Government of Russian Federation *Gazprom* received four licenses for use of subsoil resources of Verkhnevilyuchanskoye, Sobolokh-Nedzhelinskoye, a portion of Srednetyunginskoye and Tas-Yuriakhskoye fields in the Republic of Sakha (Yakutia). The total gas reserves of C₁+C₂ categories are estimated at 550.6 bcm. Acquisition costs amounted to RR 7.3 bln.

OAo *Gazprom* was re-issued a license, formerly held by OAo “Kompaniya “RUSIA Petroleum”, for Kovyktinskoye gas condensate field, due to OAo *Gazprom's* acquisition of property of bankrupt OAo “Kompaniya “RUSIA Petroleum” in line with procedures of the Federal Law “On insolvency (bankruptcy)”. The reserves of Kovyktinskoye field are estimated at 1.5 tcm of gas and 77 mln tons of C₁+C₂ categories condensate, as of December 31, 2011.

In 2011 *Gazprom* returned 16 licenses for use of subsoil resources: 7 of these expired, 9 were returned due to inexpedience of further work. Licenses for 18 blocks were extended.

Asset Transactions

| Changes in reserves as result of: | Natural gas, bcm | Condensate, mln tons | Oil, mln tons | Total, mln tce |
|-----------------------------------|---------------------|-------------------------|------------------|-------------------|
| Acquisition of assets | – | – | 9.1 | 13.0 |
| Disposal of assets | –0.02 | – | –3.1 | –4.4 |

Gazprom Neft Group started business consolidation in a new region of its operations – Orenburg region. The company acquired ZAO Tsentr Naukoyemkikh Tekhnologii, which holds a Tsarichanskoye field hydrocarbons exploration and production license with the reserves of 12.7 mln tons of $C_1 + C_2$ categories oil, as of December 31, 2011, and also the 87.5 % interest in ZAO Yuzhuralneftegaz, which holds a license for Kapitonovskoye field, located 30 km off Tsarichanskoye field. The field's reserves are estimated at 5.2 mln tons of $C_1 + C_2$ categories oil.

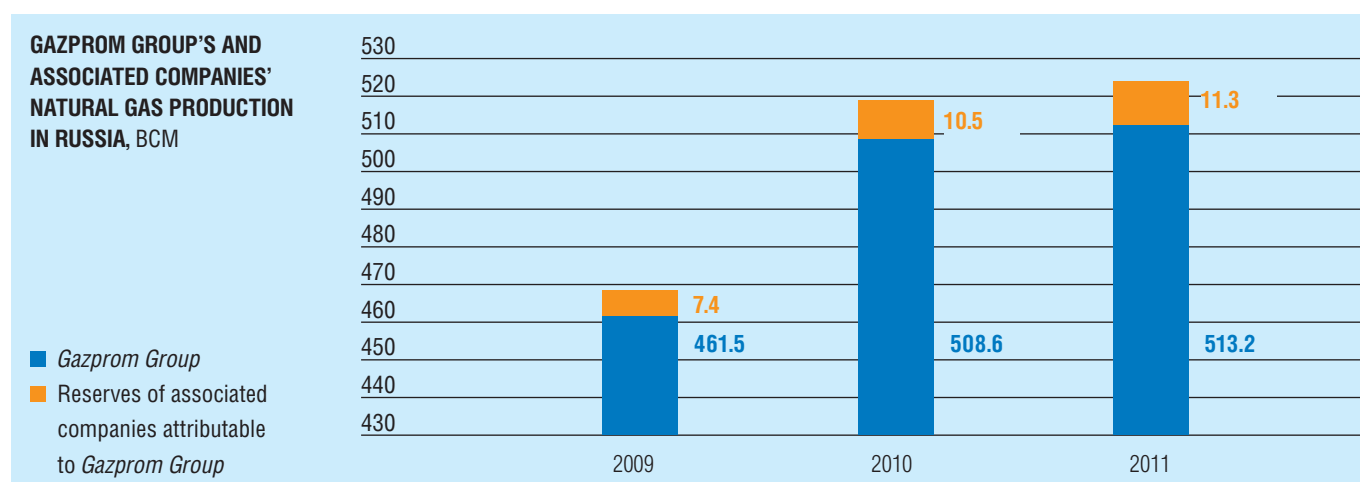
Revaluation

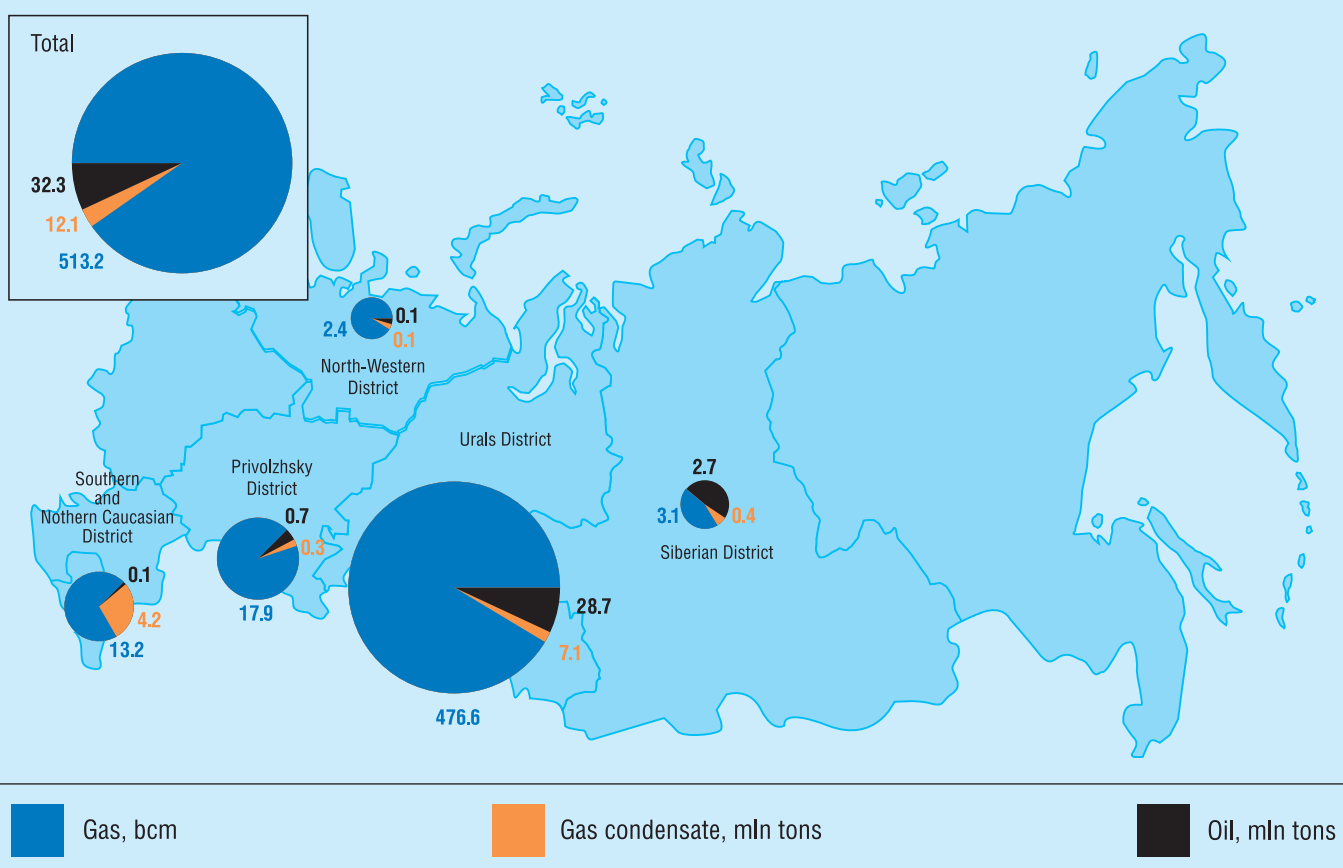
| Changes in reserves as result of: | Natural gas, bcm | Condensate, mln tons | Oil, mln tons | Total, mln tce |
|-----------------------------------|---------------------|-------------------------|------------------|-------------------|
| Revaluation | 0.5 | 0.1 | 0.1 | 0.8 |

In 2011 natural gas reserves were revalued due to a change in calculation parameters for Taldinskoye coalbed methane and Gubkinskoye gas fields.

Production

Gas. In 2011 *Gazprom* produced 513.2 bcm of natural gas in the territory of the Russian Federation, which amounts to 77 % of the overall Russian gas production.



**DISTRIBUTION OF GAZPROM GROUP'S HYDROCARBONS
PRODUCTION BY RUSSIAN REGIONS**


The Management Committee of OAO Gazprom decided to supply first Yamal gas to UGSS ahead of schedule – in June 2012.

Natural decline in gas production at Cenomanian deposits of Urengoiyskoye, Yamburgskoye, Medvezhye fields of *Gazprom Group* was balanced by commissioned new capacity.

Capital investments into gas production, including exploratory drilling and geological exploration, amounted to RR 237.4 bln, which is 17.3 % more than in 2010. The major portion of capital investments was allocated to development of Bovanenkovskoye field at Yamal Peninsula and construction of Obiskaya – Bovanenkovo railway, development of Kirinskoye and Zapolyarnoye fields, maintaining current production levels at Medvezhie, Urengoiyskoye and Yamburgskoye fields, development of Nydinsky block of Medvezhie field, Russia's Far East fields – Kshuyskoye and Nizhne-Kvakchikskoye.

2011 saw commissioning of the following facilities:

- 30MW boosting compressor station installed at CGPU-5V (Section 1) of Urengoiyskoye oil and gas condensate field;
- installation of 2.0 bcm annual output gas processing unit at Nydinsky block of Medvezhie gas condensate field;
- 187 gas producing wells.

Capacity of boosting compressor stations at Cenomanian deposits of Yety-Purovskoye and Vyngayakhinskoye fields was increased by 48 MW, Komsomolskoye gas field boosting compressor station – by 16 MW.

A total of 476.8 thousand m of gas-producing wells were drilled.

R E A C H I N G

Russia

South Korea



NEW SALES MARKETS

Gazprom is increasing its LNG supplies to Japan and South Korea. In 2011, total supplies amounted to **over 2 mln tons**.

N E W H O R I Z O N S



Japan

COMPREHENSIVE PROGRAM FOR RECONSTRUCTION AND RE-EQUIPMENT OF GAS PRODUCTION FACILITIES

In 2011 the Management Committee of OAO Gazprom approved its Comprehensive Program for Reconstruction and Re-Equipment of Gas Production Facilities for 2011–2015. Implementation of the Program is aimed at achieving the strategic goal of OAO Gazprom – securing reliable natural gas supply to domestic consumers and performing export commitments.

Implementation of the Program will prevent reduction of gas output at fields, included in the Program, for 414.5 bcm over 10-year period. Reduction of operational costs is expected to reach up to RR 29.9 bln. The total volume of investment under the Program amounts to RR 265.2 bln.

Gazprom is systemically commissioning new production capacity in Yamalo-Nenets Autonomous Area and is efficiently utilizing potential of productive fields of Nadym-Pur-Tazovsky region by tapping into deposits that are deeper than traditional Cenomanian.

Gazprom started production of gas and gas condensate at Nydinsky block of Medvezhie field from Aptian-Albian deposits. Upon commissioning seven wells, in 2012 the block will achieve its planned production level of 2.3 bcm of gas and over 5 thousand tons of gas condensate per year.

In April 2011 *Gazprom* started production of gas and gas condensate from Valanginian deposits of Zapolyaroye oil and gas condensate field.

The reporting year also saw commissioning of two Cenomanian gas deposits at Muravlenkovskoye and Novogodneye fields of *Gazprom Neft*.

A test dual lateral producing well was put into test production at Yuzhno-Russkoye oil and gas condensate field, yielding first Turonian gas, supplied into UGSS of Russia. The well's daily output is 200 mcm. The launch of the well became *Gazprom Group's* first experience in producing gas from Turonian deposits at the depth of 810–840 m, such deposits are characterized by heterogeneity and fluidity of sedimentary types, low reservoir permeability.

DEVELOPMENT OF COOPERATION WITH FOREIGN PARTNERS

In October 2011 OAO Gazprom and Wintershall signed in Germany a framework asset swap agreement, providing for joint development of two blocks of Achimovsky deposits of Urengoiskeye field and *Gazprom's* participation in oil and gas projects of Wintershall for geological exploration and production in the North Sea.

To improve the resource base of Sakhalin – Khabarovsk – Vladivostok GTS, in 2011 *Gazprom* started development of Kirinskoye gas condensate field at Sakhalin shelf, it is planned to commission the field in 2012.

Gazprom continued development fields at the West coast of Kamchatka: Nizhne-Kvachikskoye field was commissioned and Kshuiskoye field reached its design output of 175 mmcm per year.

DEVELOPING METHANE RESOURCES CONTAINED IN COAL BEDS

Russian Federation has major reserves of unconventional gas and *Gazprom* is developing technologies for production of such gas.

In 2011 *Gazprom* continued its development of coalbed methane production under its Methane of Kuzbass project and conducted geological exploration at Taldinskaya and Naryksko-Ostashkinskaya areas. Test production of one test and seven exploratory wells continued at Taldinskaya area. The total gas output amounted to 20 mcm per day. The gas is marketed to consumers via NGV refill stations and is also used for power generation for internal needs.

Associated petroleum gas (APG) makes up for about 1 % of gas, produced by *Gazprom Group* in 2011. 2011 APG utilization level for *Gazprom Group* demonstrated an upward trend and reached up to 68.4 %.

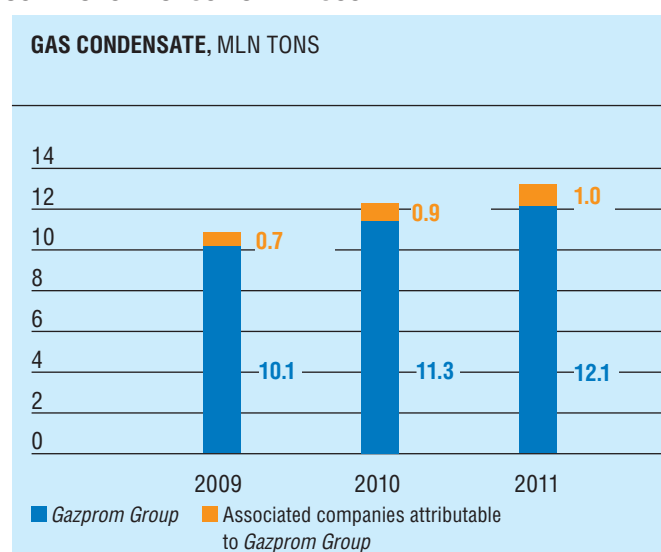
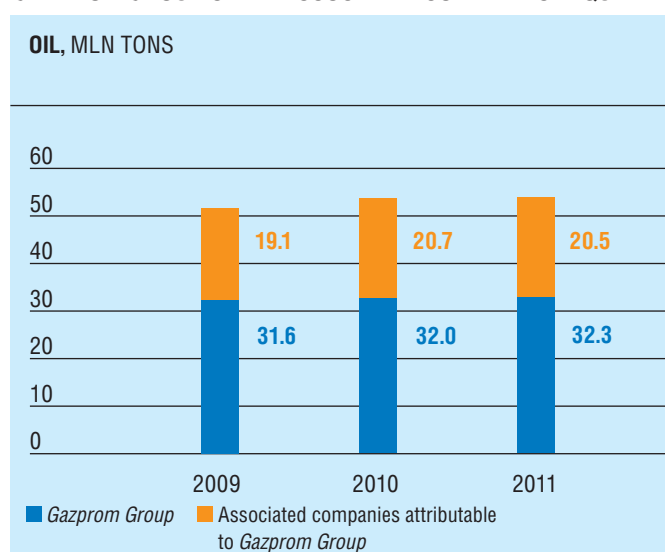
GAZPROM GROUP'S APG UTILIZATION IN RUSSIA

| | 2009 | 2010 | 2011 |
|---------------------------|------|------|------|
| APG available, bcm | 6.3 | 6.7 | 6.9 |
| APG utilization, % | 59.1 | 64.1 | 68.4 |
| Including Gazprom Neft, % | 48.1 | 55.3 | 58.8 |

Gazprom Neft Group in 2011 continued implementation of its mid-term investment program "APG Utilization Improvement", providing for synchronous expansion of existing gas transportation capacity of *Gazprom Neft's* subsidiaries and regional gas processing facilities of ZAO SIBUR Holding. *Gazprom Neft* plans to achieve 95 % utilization of APG by 2014.

Oil and Gas Condensate. In 2011 *Gazprom Group* produced 32.3 mln tons of oil and 12.1 mln tons of gas condensate.

GAZPROM GROUP'S AND ASSOCIATED COMPANIES' LIQUID HYDROCARBONS PRODUCTION IN RUSSIA



Capital investments of *Gazprom Group* into oil and gas condensate exploration and production amounted to RR 72.4 bln, with most of the investment going into development of Priobskoye and Prirazlomnoye fields and Messoyakhsky project implementation.

DEVELOPMENT OF PRIRAZLOMNOYE FIELD

Prirazlomnoye oil field is located in Pechora Sea, its $C_1 + C_2$ category reserves amount to 72 mln tons of oil. The maximum oil production level at the field will go over 6 mln tons per year.

An offshore ice-resistant fixed platform “Prirazlomnaya” was built for development of the field. This is the first platform of this class, designed and built in Russia. The platform is designed for operating in harsh climate conditions and is capable of withstanding maximum ice loads with specific focus on environmental safety issues.

In August 2011 the platform was towed off to Prirazlomnoye field and mounted in October.

755 new oil producing wells were commissioned and a total of 2,288.1 thousand meters of oil-producing wells were drilled in 2011.

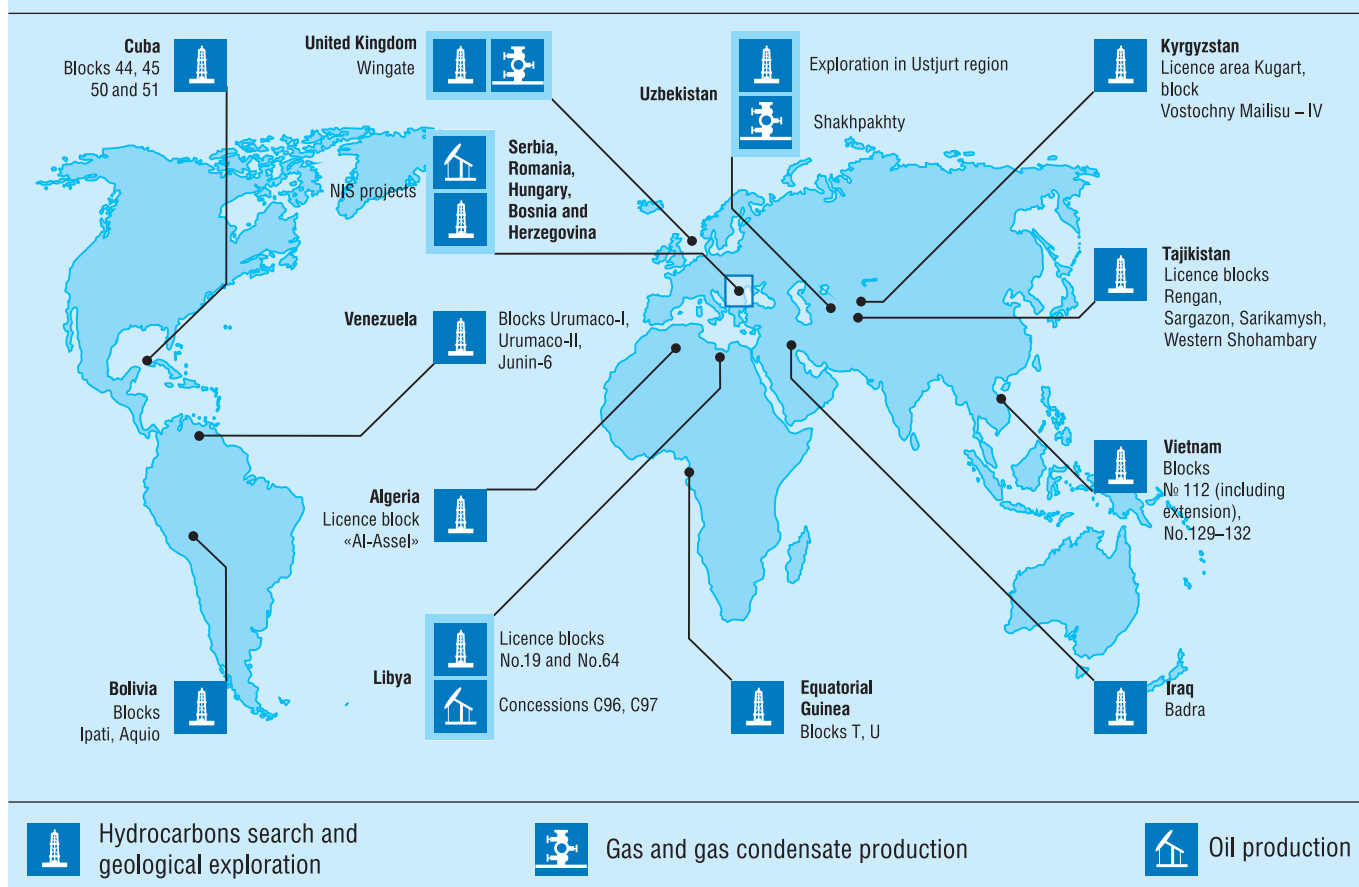
Developing Hydrocarbon Resources in Foreign Countries

Geological Exploration

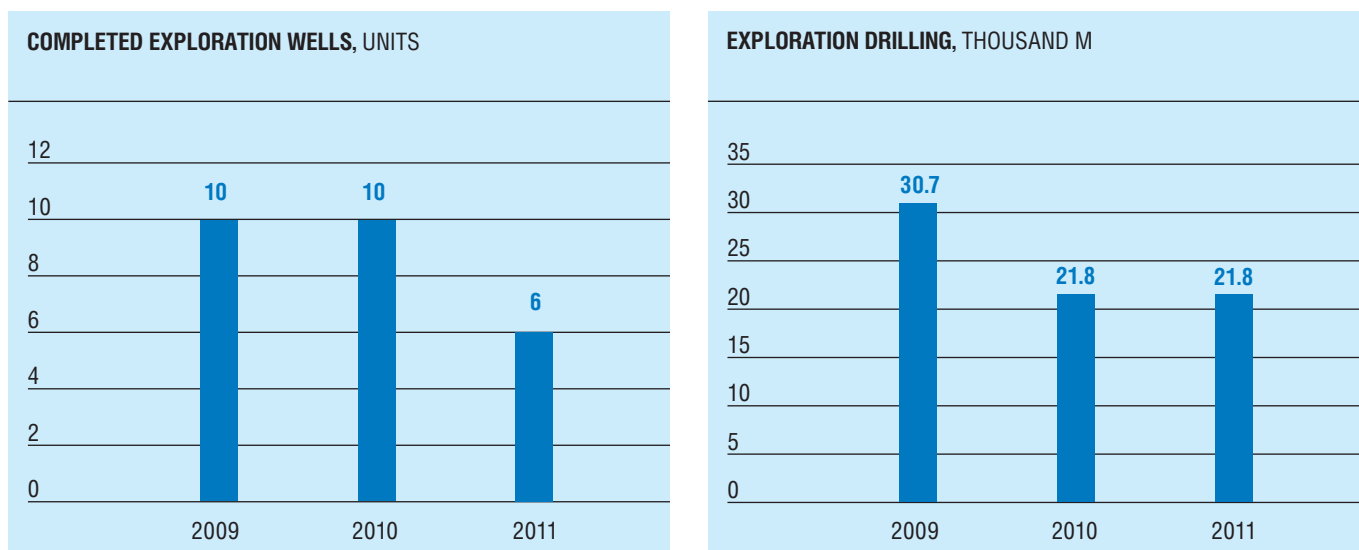
In 2011 *Gazprom* continued to implement its hydrocarbon exploration and production projects abroad in line with its contractual commitments.

The volume of financing geological exploration under foreign projects amounted to RR 8.2 bln in 2011.

GAZPROM GROUP'S MAJOR HYDROCARBON EXPLORATION AND PRODUCTION PROJECTS ABROAD



GAZPROM GROUP'S HYDROCARBONS GEOLOGICAL EXPLORATION WORKS IN FOREIGN COUNTRIES



Gazprom conducted 1.3 thousand km of 2D seismic survey and 0.7 thousand sq. km of 3D seismic survey under prospective foreign projects.

Entering the project in the exclusive economic zone of the Republic of Cuba will enable Gazprom to expand its experience in development of deep-sea fields.

The major volume of geological exploration was carried out in Uzbekistan and Tajikistan (CIS countries) and in Vietnam, Algeria and Equatorial Guinea. *Gazprom* completed construction of a well at Akio Block in Bolivia and started commercial production. In February 2011 the drastic change of the situation in Libya caused declaration of force-majeure conditions for all contracts and suspension of pre-drilling activities at license blocks No. 19 and 64.

Gazprom conducted pre-investment surveys of oil-and-gas promising areas in Turkmenistan, at Malta, Sri-Lanka, in Great Britain (Wintershall Holding GmbH assets) and in Venezuela.

In 2011 OAO *Gazprom* and PdVSA signed a Memorandum of Understanding on establishment of a joint venture to develop Robalo gas field in the Gulf of Venezuela.

In July 2011 OAO *Gazprom Neft* entered the project to develop four hydrocarbons areas in the exclusive economic zone of the Republic of Cuba in the Gulf of Mexico, signing a deed of conveyance for a project stake (30 %) and a cooperation agreement with Petronas.

Production of Hydrocarbon Resources Abroad

In 2011 Serbian NIS concern of the *Group* produced 1.1 mln tons of oil and 0.6 bcm of gas. October of 2011 saw start of natural gas production at Wingate field of the North Sea shelf (44/24b and 44/19f blocks), *Gazprom* has a 20 % stake in the project. Since the start of production in 2011 the *Group's* share in production amounted to 23.8 mmcm of gas and 38.6 tons of condensate.

In February 2011 affiliate of Wintershall AG (operator) suspended production of hydrocarbons under C96 and C97 oil concessions due to the destabilization of the situation in Libya. Production was resumed in October 2011 after termination of hostilities. At year-end the *Group's* share in Libyan hydrocarbons productions amounted to 0.7 mln tons of oil and 67 mmcm of gas.

Development Prospects

Gazprom Group focuses on efficient replacement and extended reproduction of its commercial category reserves. The key document, determining resource base development strategy in the territory of the Russian Federation, is the Program for Development of Gas Industry Raw Materials Base up to the year of 2035, which provides for replacement by increasing reserves increment in existing gas production areas or regions close to UGSS, organizing new centers in Eastern Siberia and the Far East, developing and expanding shelf resource base. It is anticipated that implementation of the Program will increase hydrocarbons reserves in 2011–2035 by 20.3 bln tce.



Additional information on key exploration and production projects of *Gazprom Group* is presented in the Factbook “*Gazprom in Figures 2007–2011*”.

AVERAGE ANNUAL INDICATORS OF THE PROGRAM FOR 2011–2035

- Reserves increment – 813.3 mln tce
- Scope of drilling – 149.9 thousand m
- Geological exploration costs – RR 54.4 bln
- Reserve replacement ratio – 1.1, onshore – 0.6, shelf – 3.4

It is planned to secure required mid-term gas production rates by expanding development of existing fields and commissioning of new fields of Nadym-Pur-Tazovsky region, Yamal Peninsula and Sakhalin-3 Project fields.

PRIORITY MID-TERM PROJECTS

- Zapolyarnoye field
- Kharvutinskaya area of Yamburgskoye field
- Early Cretaceous deposits of Pestsovoye field
- Achimovsky deposits of Urengoyevskoye field
- Cenomanian-Aptian deposits of Bovanenkovskoye field (Yamal Peninsula)
- Kirinskoye field

The strategic regions for long-term gas production are Yamal Peninsula, offshore areas of Northern and Far-Eastern seas of Russia, fields of Eastern Siberia and the Far East.

PRIORITY LONG-TERM PROJECTS

- Yamal Peninsula fields (primarily Kharasaveyskoye field)
- Obstkaya and Tazaovskaya bay fields (primarily Severo-Kamennomysskoye field)
- Barents Sea shelf (Shtokman field)
- Chayandinskoye field
- Kovyktinskoye field

Gazprom Neft is the basis for development of the *Group's* oil business. The company plans to increase hydrocarbon production volumes with development in the following priority areas: establishment of a new production center in the north of Yamalo-Nenets Autonomous Area by development of fields of OOO SeverEnergiya subsidiaries, Novoportovskoye field and fields of Messoyakhskaya group; improvement of business processes and large projects management; resource base increment, including new acquisitions.

It is planned to continue implementation of foreign projects in exploration and production to expand resource base of the *Group* outside Russia, and also to go on with expansion to new markets, securing long-term presence and sustainable positioning at global oil and gas markets.

Gas Transportation, Storage and Distribution

Gas Transportation Assets

The Unified Gas Supply System (UGSS) is a common centralized system for treatment, transportation and storage of natural gas. UGSS includes the world's largest GTS composed of over 160 thousand km of high-pressure trunk gas pipelines.



Additional information about UGSS features is presented in the Factbook "Gazprom in Figures 2007–2011".

Gazprom's system of trunk pipelines provides highly secure and continuous gas supply to customers based on strong integration and use of parallel multiline large-diameter pipeline sections (1,420, 1,220 and 1,020 mm) and connecting lines, and also use of underground storage facilities. Trunk pipeline transportation of gas is secured by 211 compressor stations (CS), equipped with 3,630 gas pumping units (GPU) with the total capacity of 41.74 thousand MW. The *Group* also owns assets in Russia's Far East, with

1,354 km Sakhalin – Khabarovsk – Vladivostok trunk pipeline being the largest.

The total length of *Gazprom's* trunk pipelines and branches in Russia at the end of 2011 amounted to 164.7 thousand km.

The major foreign gas transportation asset of the *Group* is OAO Beltransgaz, where OAO Gazprom's control was secured in December 2011.

KEY SPECIFICATIONS OF OAO BELTRANSGAZ TRANSPORTATION ASSETS AS OF 31.12.2011

- 7.5 thousand km of gas trunk pipelines (including branches)
- 5 linear CS
- 76 GPU with 0.318 thousand MW in installed capacity

Gazprom also owns a 575 km section of Yamal-Europe GTS in the territory of the Republic of Belarus, including another 5 linear CS, and GTS in the territory of the Republic of Armenia, including 1.9 thousand km of trunk gas pipelines.

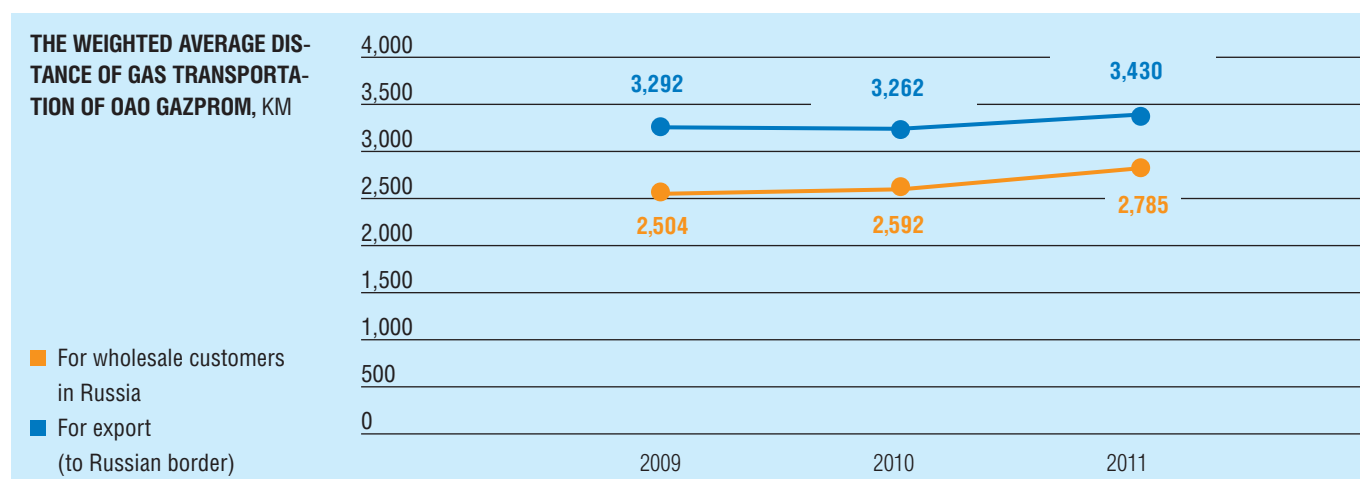
CONTROL OVER OAO BELTRANSGAZ

In 2011 *Gazprom* signed a sale and purchase agreement for 50 % of OAO Beltransgaz shares, held by the Republic of Belarus, taking the share of OAO Gazprom in the equity capital of OAO Beltransgaz to 100 %, enabling mutually beneficial resolution of several objectives: secure seamless integration of Russian and Belorussian gas transportation systems, mitigate transit risks in the territory of the Republic, provide additional gas long-term marketing guarantees at a broad market. Integration of OAO Beltransgaz will let OAO Gazprom take an active part in gas infrastructure development in the Republic of Belarus, which is of special importance for synchronizing the system with Russian UGSS development plans.

At present OAO Gazprom is successfully implementing a set of measures in production, marketing and financial businesses of OAO Beltransgaz to improve performance of the company. Current plans envision technical audit of fixed assets of OAO Beltransgaz, preparation of proposals to improve performance of transportation and underground gas storage facilities, design of corporate development programs for three and ten years and the General Gas Supply Map of the Republic of Belarus. Along with these, corporate governance of OAO Beltransgaz is aligned with corporate governance standards of *Gazprom Group*.

Gas Transportation System Performance in 2011

All UGSS processes are under twenty-four-hour control of the Central Operations and Dispatch Department of OAO Gazprom. In 2011 UGSS performed seamlessly, providing continuous supply of gas to Russian and foreign customers.



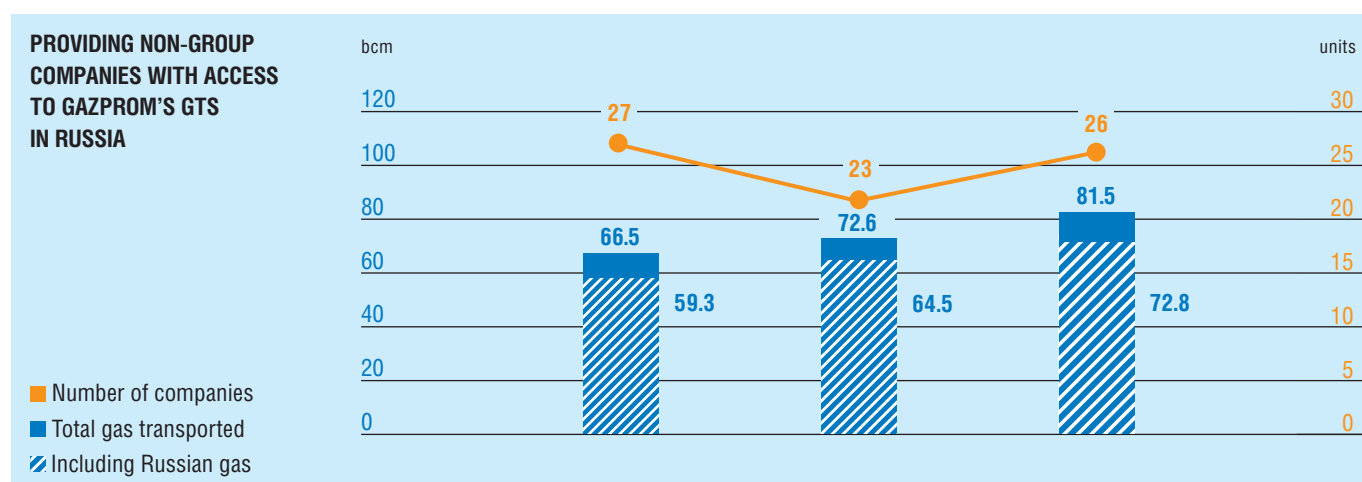
In 2011 *Gazprom's* GTS received 683.2 bcm of gas.

An increase in the mean range of gas transportation by OAO Gazprom for domestic and export market deliveries in 2011 versus 2010 is explained by recovery of GTS load in 2011 after the decrease of 2009–2010, which in its turn was caused by the gas demand slump due to the global economic crisis.

| GAS PUMPED INTO GAZPROM'S GTS IN RUSSIA, BCM | | |
|--|--------------|--------------|
| | 2010 | 2011 |
| Amount pumped into the system | 614.1 | 630.9 |
| including Central Asian gas | 35.3 | 31.8 |
| including Azerbaijanian gas | 0.8 | 1.5 |
| Gas withdrawn from UGSS in Russia | 40.8 | 47.1 |
| Decrease in the amount of gas within GTS | 6.3 | 5.2 |
| Total | 661.2 | 683.2 |

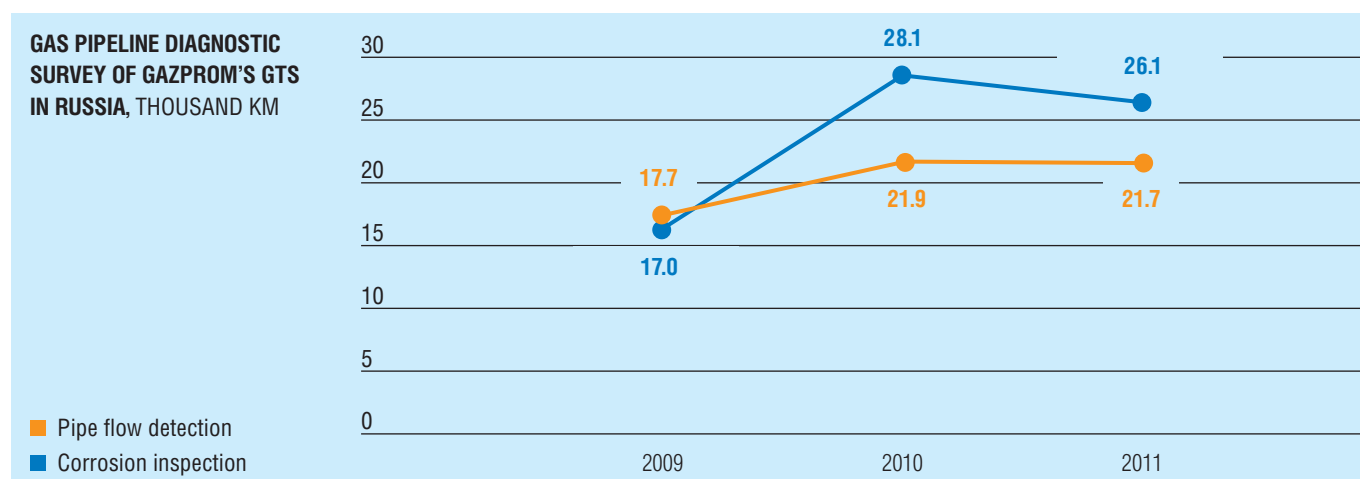
| GAS DISTRIBUTED THROUGH GAZPROM'S GTS IN RUSSIA, BCM | | |
|--|--------------|--------------|
| | 2010 | 2011 |
| Domestic supplies | 354.9 | 365.6 |
| including Central Asian gas | 0.1 | 0.1 |
| Foreign supplies | 209.3 | 217.7 |
| including Central Asian gas | 35.2 | 31.8 |
| including Azerbaijanian gas | 0.8 | 1.5 |
| Gas pumped into UGSF in Russia | 47.7 | 48.2 |
| Technical needs of GTS and UGSF | 43.6 | 45.8 |
| Increase in the amount of gas within the gas transportation system | 5.7 | 5.9 |
| Total | 661.2 | 683.2 |

ОАО Газпром as the owner of UGSS, provides pipeline access to independent companies if it has available capacity and if such companies have gas production licenses and purchase contracts with buyers of their gas, which has to meet technical specifications.

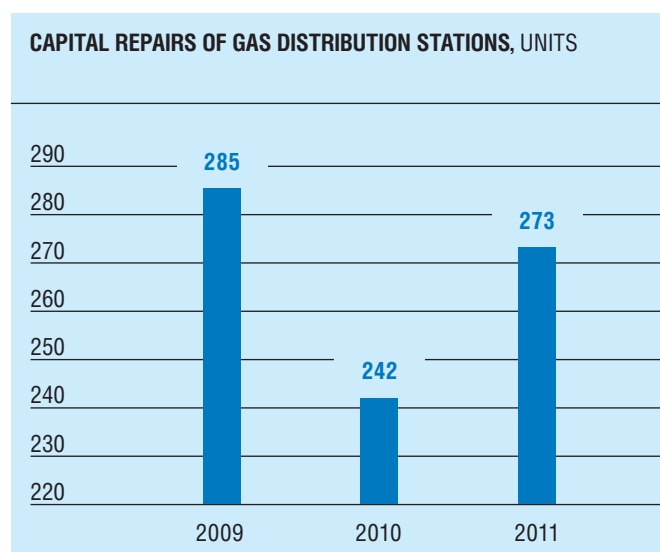
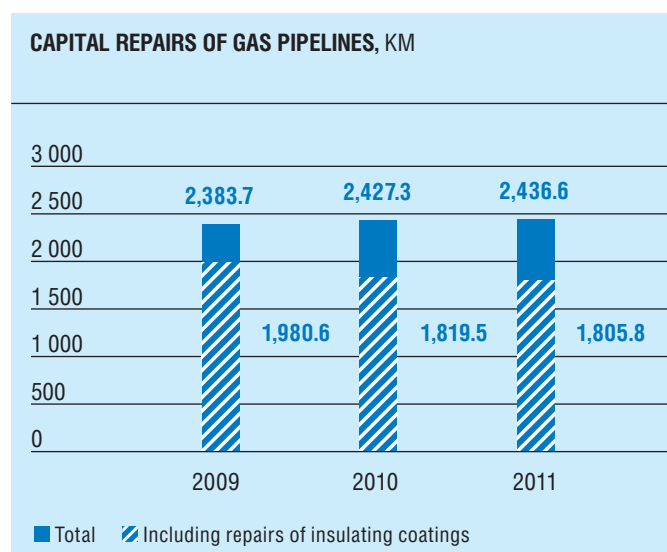


Ensuring Reliable and Safe Gas Transportation

In order to improve gas supply reliability, technical and environmental transportation safety and efficient distribution of gas flows, the *Group* performs annual capital repairs of the GTS and planned preventative maintenance.



CAPITAL REPAIRS OF GAZPROM'S GTS IN RUSSIA



In 2011 GTS trunk pipelines had 12 technical failures, making 0.072 failures per 1,000 km.

Gas Transportation System Development

In order to ensure reliable supply of natural gas to the domestic market and to fulfill its export contractual obligations, OAO Gazprom is implementing projects to build new gas transportation facilities. In 2011 the *Group* invested RR 740.9 bln into gas transportation development (81.8 % increase versus 2010).

Major capital investments of 2011 focused on implementation of the following projects in the territory of Russia.

Bovanenkovo–Ukhta. In 2011 planned construction of Bovanenkovo–Ukhta pipelines system was continued. By the end of the year *Gazprom* completed over 90 % out of over 1,200 km of the first pipeline.

Ukhta–Torzhok (Phase 1). The project envisions construction of one 1,371 km long pipeline and 8 CS with the overall capacity of 805 MW. In 2011 *Gazprom* completed 508 km of the pipeline. Phase 1 design capacity is about 45 bcm.

Phase 1 of the first launch complex of Sakhalin – Khabarovsk – Vladivostok 1,354 km long GTS is completed.

Phase 1 of Sakhalin – Khabarovsk – Vladivostok Trunk Pipeline Launch Complex. September of 2011 saw commissioning of Phase 1 of the first 1,354 km launch complex, including 32 MW CS with 5.5 bcm output per year. Commissioning of the GTS gave start to gas supply to Primorie region. The deadline for completion of the first launch complex – Q2 2012. The gas pipeline is one of the priorities under the Eastern Program. The design length of the project's pipeline is over 1,690 km. Gas transportation volumes from Sakhalin Island fields after their full development will amount to 28.5 bcm per year. The launch of the GTS gave start to large-scale gasification of Far East regions and created conditions for gas supply to APR countries.

In 2011 *Gazprom* started construction of gas pipeline from onshore processing facility of Kirinskoye gas condensate field to the main CS of Sakhalin for delivery of gas from Kirinskoye gas condensate field to Sakhalin – Khabarovsk – Vladivostok pipeline.

Pochinki–Gryazovets Gas Pipeline. In 2011 *Gazprom* commissioned the final 344.5 km section of Pochinki–Gryazovets gas pipeline. The purpose of the gas pipeline construction is supply of additional gas volumes to Gryazovets gas transportation hub and redistribution of gas flows after Yamal Peninsula fields are commissioned. *Gazprom* commissioned about 645 km of the linear part of the pipeline and three CS with the capacity of 272 MW. It is planned to commission a 64 MW CS in 2012.

Gryazovets-Vyborg Gas Pipeline. The project envisions construction of two gas lines and seven CS with the total capacity of 1,155 MW, including Portovaya CS on the shores of the Gulf of Finland. The pipeline route stretches for 917 km. Construction of the linear part of the first line is completed for the whole route, the second line is under construction. In 2011 first facilities of five CS were commissioned: Gryazovetskaya – 75 MW, Babayevskaya – 125 MW, Volkhovskaya – 64 MW, Yelizavetinskaya – 64 MW and Portovaya – 210 MW.

Dzhubga–Lazarevskoye–Sochi Gas Pipeline. Commissioned in June 2011. The pipeline will provide for reliable and continuous natural gas supply of the city of Sochi and Black Sea coastal resort area, active gasification of Sochi and Tuapse area of Krasnodar region, higher living standards of the local population and deliver a strong impetus to development of resort business in the region, making Black Sea resorts available all year round. The gas pipeline stretches for 171.6 km, of which 90 % are underwater, with transported gas volumes up to 3.8 bcm per year.

Overall in 2011 there were 2,469.5 km of trunk gas pipelines and branches commissioned in Russia, as well as nine linear CS with the total capacity of 1 thousand MW.

Along with construction of new gas transportation capacity in Russia, *Gazprom* undertakes reconstruction and upgrades of gas transportation facilities.

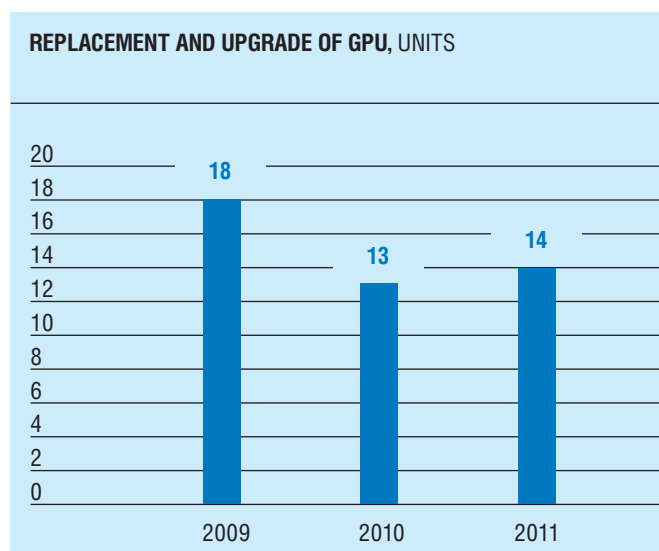
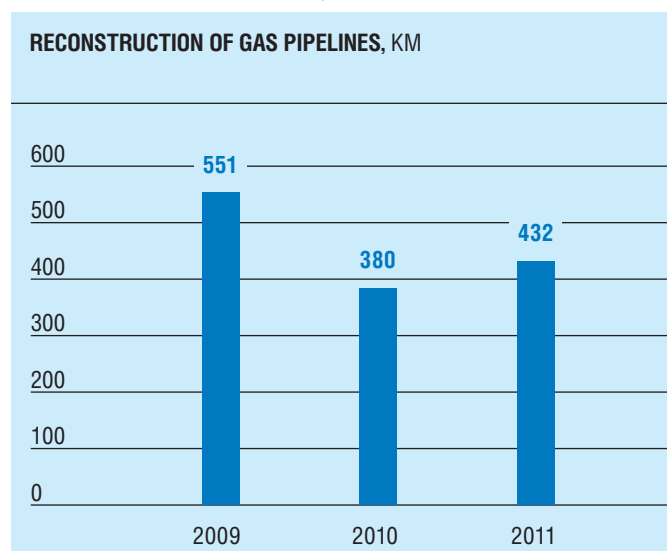
RECONSTRUCTION AND RE-EQUIPMENT PROGRAM FOR GAS TRANSPORTATION FACILITIES

In 2011 the Management Committee of OAO Gazprom approved the Comprehensive Reconstruction and Re-equipment Program for Gas Transportation Facilities for 2011–2015. Implementation of the Program will lead to:

- Reduce power consumption and improve energy efficiency by using cutting-edge gas compressor equipment;
- Reduce emissions of nitrogen and carbon oxides and by upgrading unit burners and using low-emission gas-turbine units for re-equipment of compressor units;
- Reduce process losses in gas transportation by construction, reconstruction and re-equipment of pressure groups at transportation facilities.

The volume of funds, invested for these purposes in 2011, amounted to RR 51.15 bln.

RECONSTRUCTION AND RE-EQUIPMENT OF GAZPROM'S GTS IN RUSSIA



In 2011 *Gazprom* completed acquisition of Kudar Pass - Tskhinval trunk pipeline in the Republic of South Ossetia.

The foreign priority projects of the *Group* are Nord Stream and South Stream gas transportation systems, securing diversification of gas export routes to Europe.

Gazprom is also considering options to participate in construction of gas pipelines to APR countries.

The first line of Nord Stream pipeline was commissioned in November 2011.

Nord Stream Gas Pipeline. In May 2011 construction of the first line of the pipeline was completed. In August the “gold” pipe joint connected OPAL (Ostsee Pipeline Anbindungs-Leitung) gas pipeline and the first line of Nord Stream in Greifswald, connecting Russian and European gas transportation systems directly for the first time. In November 2011 the first line of the pipeline was commissioned.

The capacity of the first line is 27.5 bcm per year, and this is just a half of the total design capacity of the gas pipeline. By the end of 2011 *Gazprom* had constructed over 900 km, or more than 76 %, of the second line to be commissioned in Q4 2012.

Natural gas supply via the first line is conducted in accordance with European customer contracts.

South Stream Gas Pipeline. In September 2011 the Shareholder Agreement of South Stream Transport AG for implementation of the offshore part of the project was signed. According to the document, OAO Gazprom’s stake in the offshore gas pipeline project is 50 %, Italian ENI has 20 %, German Wintershall Holding and French EDF –15 % each.

In October 2011 *Gazprom* completed development of a comprehensive feasibility study for South Stream, combining a feasibility study of the offshore section and studies of construction of national sections of the pipeline across territories of Southern and Central European countries.

In December 2011 *Gazprom* received a permit for South Stream construction in the exclusive economic zone of Turkey. A detailed action plan was approved and construction started in the end of 2012.



Additional information about major gas transportation projects of Gazprom Group is presented in the Factbook “Gazprom in Figures 2007–2011”.

Development of Cooperation with APR Countries. In September 2011 OAO Gazprom and Oil Industry Ministry of the Democratic People's Republic of Korea signed a Memorandum of Understanding on a construction project for gas pipeline through the territory of DPRK to the Republic of Korea. In September 2011 OAO Gazprom and South Korean Kogas also signed a roadmap on a project of Russian gas pipeline deliveries to the Republic of Korea through the territory of DPRK.

Underground Gas Storage

Underground gas storage facilities provide for adjusting seasonal fluctuations in gas consumption, reducing peak loads and ensuring flexible and reliable gas supply.

Underground gas storage facilities (UGSF) are located in key consumption areas and are an integral part of UGSS. UGSF network provides for up to 20 % of gas supply to Russian consumers during heating season, and this value may go up to 30 % on very cold days.

In 2011 *Gazprom* operated 25 gas storage sites in Russia (21 UGSF) – 17 in depleted gas fields and 8 in aquiferous structures. As of December 31, 2011 the total active UGSF capacity amounted to 66.7 bcm. UGSF operated 18 CSs, comprising 36 compressor units.

In 2011 the *Group* withdrew 47.1 bcm of gas from its Russian UGSF, with the maximum daily gas output registered on January 20 of the reporting year – 553.9 mmcm per day, and injected 48.2 bcm of gas.

Technical upgrades, reconstruction, expansion of existing storage facilities and arrangement of new UGSF are one of the strategic goals of *Gazprom*. It is planned to commission 17 CS and 17.9 bcm of active capacity in Russia by 2015.

Austria's largest and Central Europe's second largest UGSF Haidach is constructed by Gazprom, RAG and Wingas.

In 2011 capacity increase construction in Russia was carried out at Stepnovskoye (active capacity increase – 0.5 bcm), Sovkhoznoye (active capacity increase – 0.8 bcm), Nevskoye (12 operating wells brought online) and at other UGSF. Pre-investment surveys to expand a number of existing and construct new UGSF were carried out. *Gazprom* started construction of Bednodemyanovskoye UGSF and continued its search for new prospective UGSF construction areas.

Long-term objectives for development of Russian underground gas storage system are established in the General Gas Industry Development Map up to 2030 and focus on increasing daily UGSF withdrawal rate and operational gas reserve volumes. In 2011 *Gazprom* approved the UGSF Development Program in the Russian Federation for the period of 2011–2020 to increase daily output to 1.0 bcm.

To ensure reliable supply of gas under its export contracts, *Gazprom* utilizes capacity of UGSF in European countries: Haidach in Austria, Vitol's UGSF in United Kingdom, Rehden UGSF in Germany, Katharina and VNG's UGSF in Germany, Banatski Dvor UGSF in Serbia. From 2006 to 2011 *Gazprom's* European gas storage capacity had increased from 1.4 to 3.0 bcm, and the daily output rose from 18.2 to 35.7 mmcm. The Group also uses capacity of Inchukalnskoye UGSF in Latvia.

In 2011 UGSF of foreign countries were injected 4.9 bcm of gas (including buffer gas), the total gas withdrawal volume amounted to 3.7 bcm.

Acquisition of OAO Beltransgaz gave to *Gazprom* three UGSF in Belorussia – Pribugskoye, Osipovichskoye and Mozyrskoye facilities with the total active capacity of 960 mmcm. In the Republic of Armenia, *Gazprom* operates the Abovyanskaya UGSF with an active capacity of 135 mmcm.

In 2011 the following UGSF abroad, constructed with *Gazprom's* participation, were commissioned:

- phase 2 of UGSF Haidach (Austria). The volume of the facility is 2.8 bcm, withdrawal rate – 28 mmcm per day. *Gazprom's* active gas volume – 1.9 bcm, withdrawal rate – 19 mmcm per day. UGSF Haidach ensures reliability of Russian natural gas export supply to Baumgarten and to consumers in Slovenia, Croatia, Hungary, Austria, Germany, Slovakia, and Italy, enabling additional sales of gas at CEGH, a major European hub;
- UGSF Banatski Dvor (Serbia) ensures reliability of Russian natural gas export supply to Hungary, Serbia, Bosnia and Herzegovina. Phase 1 active volume – 450 mmcm of gas, output – 5 mmcm per day with possible increase to 800 mmcm of active gas and daily output to 9.8 mmcm. *Gazprom's* stake in the project is 51 %;
- UGSF Katharina. The project includes 12 salt caverns, construction of surface structures and gas link to JAGAL (Jamal-Gas-Anbindungs-Leitung) trunk gas pipeline. Active volume of the UGSF will be 629 mmcm. UGSF Katharina will be a peak storage facility with withdrawal rate of 13 mmcm per day. The project is planned to achieve its design capacity by 2025.

UGSF Bergemeer is constructed in the Netherlands. OAO *Gazprom* undertook to supply buffer gas for the storage in exchange for access to capacity of the UGSF – 1.9 bcm of active volume and daily withdrawal of 26.4 mmcm. Ensuring secure operations of Nord Stream gas pipeline, the UGSF will work in immediate proximity to major European trading hubs TTF and Zeebrugge Hub. Buffer gas was injected in 2011; commercial production of the UGSF is planned for 2014.

Gazprom Group's capital investments into UGSF amounted to RR 20.0 bln.

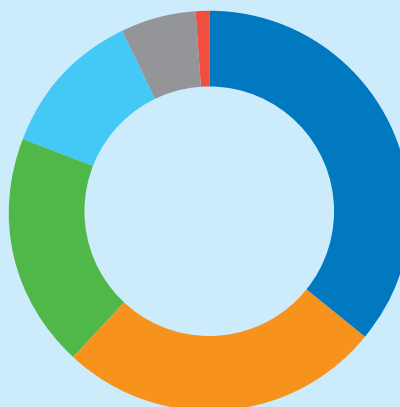
Gazprom Group investigates feasibility of its participation in joint UGSF projects in the UK (Saltfleetby), the Czech Republic, France, Romania, Turkey. In the Czech Republic *Gazprom* considers UGSF Dambořice construction project with active gas volume of about 450 mmcm.

Gazprom plans to increase its European gas storage capacity and bring it up to over 4.8 bcm of active gas by 2015.

UGSF Banatski Dvor is the first facility, commissioned under South Stream project.

DISTRIBUTION OF THE ACTIVE GAS STORAGE CAPACITY IN THE WORLD

| | |
|---------------------------------|------|
| USA | 36 % |
| European countries | 26 % |
| Russia (<i>Gazprom Group</i>) | 19 % |
| FSU countries | 12 % |
| Canada | 6 % |
| Asia and Pacific Region | 1 % |



Gas Distribution and Gasification

***Gazprom Group's* gas distribution subsidiaries (GDS) and associated organizations own and maintain over 80% of gas facilities in Russia.**

In 2011 gasification of Russian regions used over RR 29 bln in investments.

Being a gas distribution leader in the Russian Federation, *Gazprom* ensures safe and reliable operation of gas distribution systems, implements its unified technical policy and exercises corporate control over the compliance with industrial safety requirements. Gas distribution systems development activities are carried out in line with OAO *Gazprom's* Concept for participation in gasification of Russian regions.

Gazprom Group includes OAO *Gazprom Gazoraspredeleniye*, a holding company with 7 branches, 149 subsidiaries and 35 affiliated GDS, and OOO *Gazprom Transgaz Kazan*, an operator of trunk pipelines and gas distribution systems in the Republic of Tatarstan.

As of December 31, 2011 subsidiaries and affiliated GDS of *Gazprom Group* maintained 668.6 thousand km of gas distribution pipelines, securing transportation of 226.2 bcm of natural gas to end-consumers.

Gazprom Group's GDS in 2011 ran diagnostics of 4.3 thousand km of gas distribution pipelines for RR 0.3 bln, performed overhauls for RR 2.7 bln and reconstruction of gas distribution systems for RR 3.6 bln.

In 2011 *Gazprom* approved its Reconstruction and Re-Equipment Program for Gas Facilities, activities under the Program at the year's end amounted to RR 0.9 bln.

2011 activities to improve reliability of the system contributed to reduction of the number of incidents. The number of incidents per 100 km of gas distribution pipelines amounted to 0.01, which is 4.3 % lower than in 2010.

Gazprom carries out gasification of Russian regions to implement one of its most important projects of social significance. The regional gasification program is coordinated by OOO *Gazprom Mezhhregiongaz*.

Key pre-conditions of the *Group's* participation in gasification include commitment of administrations of constituent regions of the Russian Federation to preparation of their consumers for gas deliveries and adherence to payments discipline. To lock in commitments of OAO *Gazprom* and regional administrations under implementation of Russian regional gasification programs in 2011, the parties continued practices of countersigning schedules for synchronization of program implementation.

Investments into gasification of Russian regions in 2011 amounted to RR 29.07 bln.

During implementation of *Gazprom's* gasification program in 2011, *Gazprom* completed construction of 244 inter-community pipelines with the total length of about 2.5 thousand km, leading to provision of gas supply to 390 settlements in 49 Russian regions and in line with settlements of administrations of constituent regions of the Russian Federation to change 570 boiler plants over to gas, *Gazprom* brought gas to 74 thousand apartments and households.

In the reporting year *Gazprom* continued its activities in major strategically significant areas:

- gasification of Russian regions, aimed at achieving the economically viable gasification level, meeting consumer demand for gas, improvement of living conditions of the population and growth of economic potential of Russian regions;
- alignment of joint activities of OAO *Gazprom* and administrations of constituent regions of the Russian Federation, aimed at simultaneous development of “gas pipeline – consumer” combination and loading constructed facilities immediately after commissioning;
- gasification and gas supply to Far Eastern and southern regions of Russia, including in line with execution of federal programs for construction of gasification sites, required to support the 2012 Summit of Asian Pacific Economic Cooperation Forum and 2014 Olympics in Sochi.

Successful implementation of the gasification program is assisted by fine-tuned cooperation system of OAO *Gazprom* and regional Russian authorities. The system is based on cooperation agreements with executive agencies. *Gazprom* has contracts with 81 constituent regions of the Russian Federation.

Along with these, signing of gasification contracts is a requirement of OAO *Gazprom* for gasification of Russian regions. Upon expiry in 2011, new gasification contracts were drafted and sent for approval to Arkhangelsk, Lipetsk, Rostov, Sakhalin and Tomsk regions, Komi and Udmurtia republics, Primorie territory, Yamalo-Nenets Autonomous Area. Murmansk and Amur regions received their draft contracts for the first time.

In 2011 *Gazprom* signed gasification contracts with Belgorod, Nizhny Novgorod, Pskov and Chelyabinsk regions, Krasnodar and Khabarovsk territories, Republics of Adygea, Altai, Dagestan and Karelia. Overall, as of December 31, 2011 there were effective gasification contracts with 64 constituent regions of the Russian Federation.

Large-scale gasification of Russian regions will continue into 2012, and *Gazprom* plans to allocate for gasification a record investment volume of RR 37.66 bln.

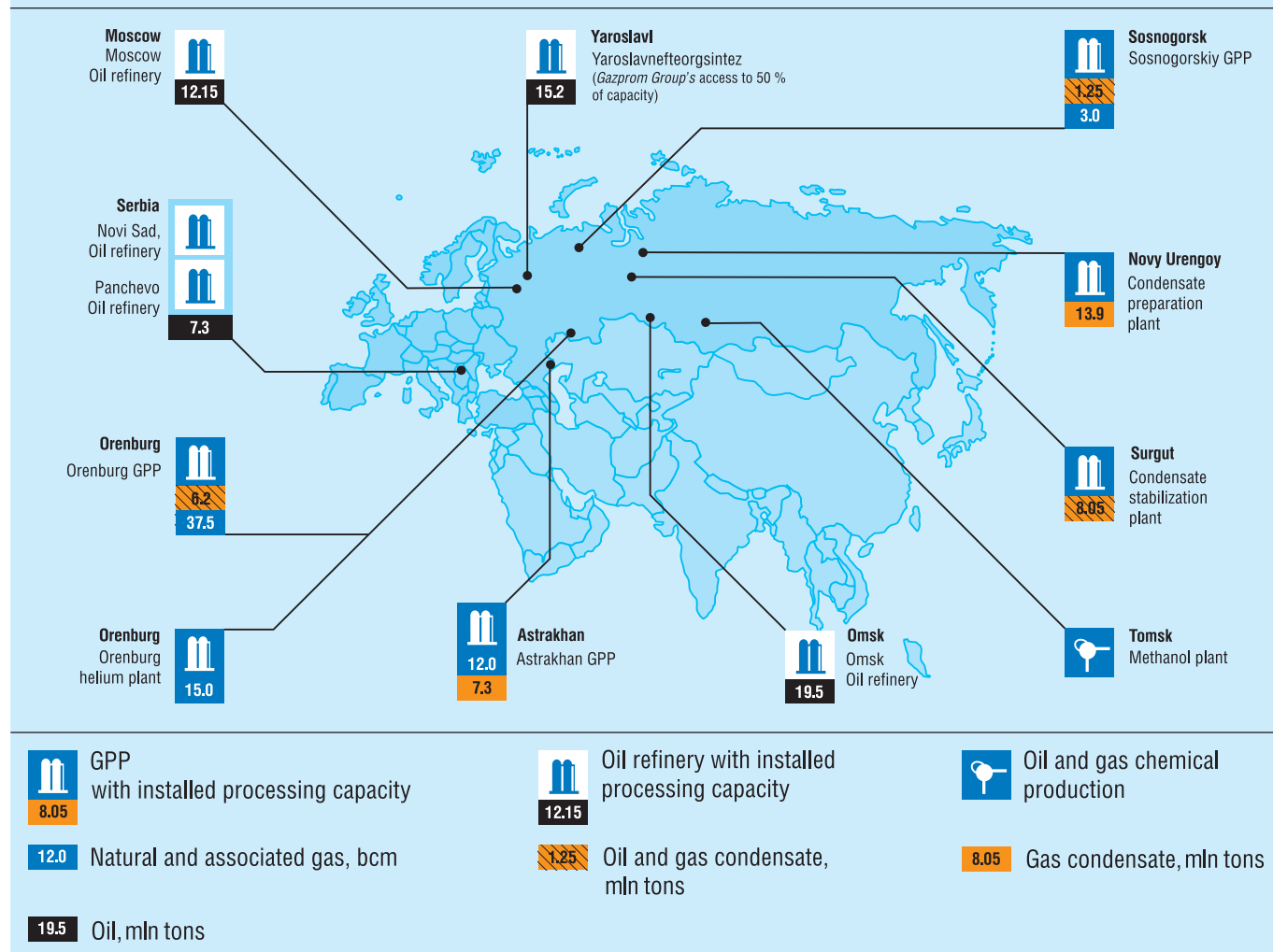
Refining

Comprehensive Program for Reconstruction and Technical Re-Equipment of Gas and Liquid Hydrocarbons Processing Facilities for 2011–2015 was approved to deliver timely reconstruction and re-equipment of hydrocarbons processing facilities.

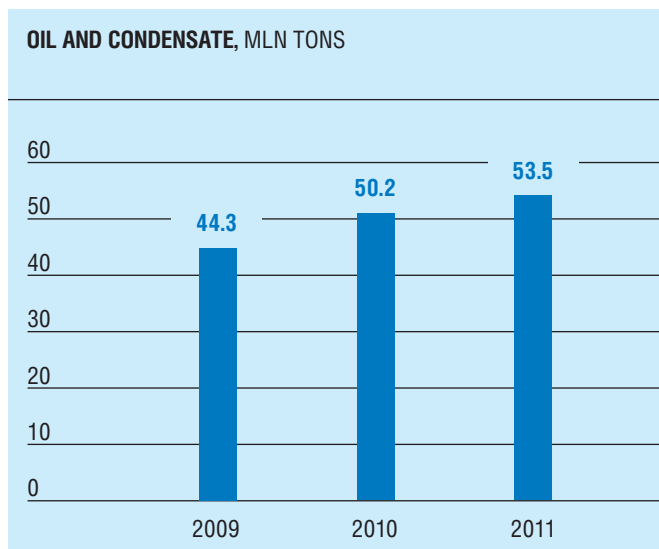
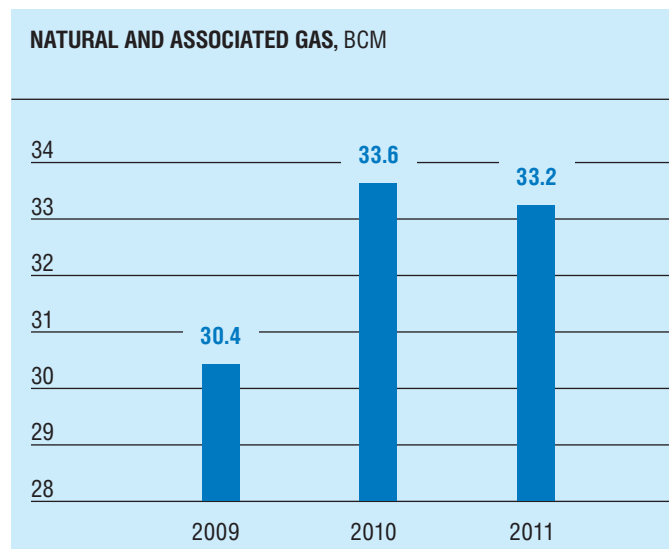
The foundation of *Gazprom Group's* downstream processing is comprised of gas and gas condensate processing plants and *Gazprom Neft's* oil refining capacity. The *Group* also includes OOO Sibmetakhim, the owner of Tomsk methanol plant.

Gazprom Group's hydrocarbons processing capacity includes 52.5 bcm of natural gas and 75.4 mln tons of unstable gas condensate and oil per year (including *Gazprom Neft Group's* capacity – 46.6 mln tons of oil).

GAZPROM GROUP'S REFINING CAPACITY AS OF 31.12.2011



RAW HYDROCARBONS REFINED BY GAZPROM GROUP



Note. The data does not include give and take raw materials.



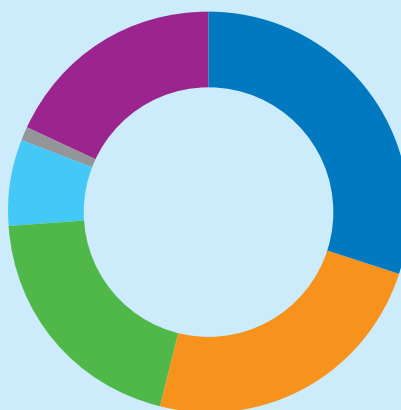
Detailed information about Gazprom Group's refined products is presented in the Factbook "Gazprom in Figures 2007–2011".

In 2011 the Group processed 33.2 bcm of natural gas and 53.5 mln tons of oil and unstable gas condensate (give and take raw materials not included). The Group produced 42.6 mln tons of oil products (in 2010 – 39.7 mln tons), 2.9 mln tons of liquefied hydrocarbon gases (in 2010 – 3.1 mln tons) and 3.5 mmcm of helium (in 2010 – 4.9 mmcm).

Insignificant (1.2 %) reduction of gas processing volumes was caused by lower production at fields, supplying Orenburg and Sosnogorsk GPP. Higher oil and unstable gas condensate refining volumes in 2011 is related to start of gas and gas condensate production from Valanginian deposits of Zapolyarnoye oil and gas condensate field, and also due to the Group starting to use all oil refining capacity of Moscow Oil Refinery.

**STRUCTURE OF THE OIL PRODUCTS
PRODUCED BY GAZPROM GROUP IN 2011**

| | |
|--------------------|------|
| Diesel fuel | 30 % |
| Motor gasoline | 24 % |
| Furnace fuel oil | 20 % |
| Jet fuel | 7 % |
| Lubricants | 1 % |
| Other oil products | 18 % |



The Group's capital investments into refining reached up to RR 111.3 bln, increasing versus 2010 by 57.4 %.

Gas Processing

In 2011 Urengoy Condensate Preparation Plant received gas condensate from Zapolyarnoye oil and gas condensate field.

Gas and liquid hydrocarbons are refined at six plants, including Astrakhan, Orenburg, and Sosnogorsk GPP as well as Orenburg Helium Plant. Liquid hydrocarbons refining products are also produced at Surgut Condensate Stabilization Plant and Urengoy Condensate Preparation Plant.

In 2011 Astrakhan GPP started production of Technical Regulations Class 3 gasoline, and Surgut Condensate Stabilization Plant – started production of Class 5 diesel.

The Management Committee of OAO Gazprom in 2011 approved the Comprehensive Program for Reconstruction and Technical Re-Equipment of Gas and Liquid Hydrocarbons Processing Facilities for 2011–2015 to deliver timely reconstruction and technical re-equipment of hydrocarbons processing facilities. Implementation of the Program will bring product quality compliance with European standards and today's industrial and environmental safety.

Under the Program, *Gazprom* performed the following activities in 2011:

- Astrakhan GPP– reconstruction and expansion of No. 3, 6 gas condensate processing facilities (the first launch complex was commissioned in 2011), construction of low pressure sour gas flare header of Phases I, II; reconstruction of indoor switchgear 6-10 kV and development of automated accounting system for raw materials, semi-finished products and marketable products at the plant;
- Orenburg GPP – reconstruction of treatment facilities with development of zero discharge water use system and reconstruction of processing facilities;

- Surgut Condensate Stabilization Plant – construction of a unit for low-pressure gases utilization, construction of a scaffold bridge for filling dark oil products (stable condensate) and a scaffold bridge for discharging MTBE, construction of an oil and gas condensate mix metering unit at Urengoy – Surgut condensate pipeline input to Surgut Condensate Stabilization Plant.

In 2011 *Gazprom* implemented another stage of action plan to execute a decision of OAO *Gazprom*'s Board of Directors to increase OOO *Gazprom Pererabotka*'s stake in OAO *Gazprom Neftekhim Salavat* – a major Russian petrochemical and oil-refining complex. OOO *Gazprom Pererabotka*'s stake in OAO *Gazprom Neftekhim Salavat* grew to 69.03 %.

Oil Refining

84.05 % – Omsk Oil Refinery's refining depth in 2011.

Gazprom Neft refineries hold leading positions in the Russian oil refining sector. The company exports oil products to European and CIS markets.

Gazprom Neft's major refinery asset is Omsk Oil Refinery, one of Russia's most advanced and one of the world's largest oil refineries. Its installed capacity is 20 mln tons of crude oil per year. Refining depth in 2011 amounted to 84.05 %, one of the best ratios in the industry. In the reporting year OAO *Gazpromneft-ONPZ* produced 4.1 mln tons of gasoline. The share of high-octane gasoline sorts amounted to 86 %. The refinery started production of Class 5 gasolines.

Gazprom Neft also owns the Moscow Oil Refinery, NIS's oil refineries in the cities of Panchevo and Novi Sad (Serbia), and an oils and lubricant plant in the city of Bari (Italy).

Moreover, *Gazprom Neft* has access to the refining facilities of OAO *Slavneft-Yaroslavnefteorgsintez* by virtue of a shareholding in OAO *NK Slavneft*.

There is a program of upgrade and reconstruction of refining facilities and construction of new units underway, focused on improvement of environmental specifications of manufactured fuels, significant improvement of refining depth, expansion of volumes and range of manufactured products.

In 2011 the following capacity upgrade and reconstruction activities were carried out at *Gazprom Neft*'s refineries:

- Omsk Oil Refinery – Phase 1 of catalytic cracking KT-1/1 facility reconstruction; reconstruction of L-24/7 diesel fuel hydrofining unit with switchover of one stream to deparaffination process;
- Moscow Oil Refinery – reconstruction of 22/4 gasoline treatment unit;
- Yaroslavnefteorgsintez – construction of isomerisation unit and catalytic cracking unit for hydro treatment of gasoline. Implementation of these projects will increase output of high-octane gasolines, compliant with the Technical Regulations.

Upgrade of refining capacity enabled production of environmental Class 4 gasoline and diesel fuel at Moscow Oil Refinery in 2011. In July 2011 Omsk Oil Refinery started production of Super Euro-98 environmental Class 5 gasoline.

The total costs of oil refining capacity upgrade amounted to RR 12.7 bln.

Gas Processing, Oil Refining and Gas Chemical Development Prospects

The primary goal of *Gazprom Group* in development of gas processing and gas chemical production is increasing rate of valuable component recovery from natural gas and APG, their efficient use for further processing into liquid products with high added value; upgrading the existing and construction of new gas processing and gas chemical facilities, including in Eastern Siberia and in the Far East.

To increase quality of manufactured engine fuels, it is planned to commission gasoline hydrotreatment and isomerization units at Astrakhan GPP in 2012. It is planned to commission an isomerization unit at Surgut Condensate Stabilization Plant in 2015.

The following activities are carried out to provide for commissioning new gas production and treatment facilities in Western Siberia to transport these volumes of gas and gas condensate:

- expansion and reconstruction of Urengoy Condensate Preparation Plant with planned output increase by 2014 to 12 mln tons of deethanized condensate per year;
- construction of treatment and transportation facilities for gas condensate from Achimovsky deposits and oil;
- completion of unfinished sections of Urengoy – Surgut condensate pipeline;
- expansion and reconstruction of Surgut Condensate Stabilization Plant, including construction of condensate stabilization units (lines 8-9).

The Novourengoiysky gas chemical complex project implementation continues on the basis of project financing.

To implement the Development strategy for gas chemical and gas processing facilities, OAO Gazprom is conducting investment rationale for:

- development of Chayandinskoye field, gas transportation and processing;
- development of gas chemical and gas processing facilities for extracting valuable components from Valanginian gas deposits of the northern areas of Tyumen region;
- development and transportation of hydrocarbons from Sobinskoye oil and gas condensate field, construction of gas chemical and gas processing facilities.

STRATEGIC OIL REFINING GOALS IN RUSSIA

- Manufacturing products, meeting prospective requirements of Technical Regulations, – class 5;
- maximum output of light oils;
- bringing capacity in compliance with the existing and prospective industrial safety requirements.

Gazprom Neft's oil refining development program is designed for the period up to 2020, and it is planned to implement most of oil refining improvement projects before 2015. The company is considering petrochemistry development projects, particularly, increasing output of aromatic hydrocarbons at Omsk Oil Refinery.

The 2009 acquisition of NIS gives *Gazprom Neft* an opportunity to develop oil refining in South-Eastern Europe. The Serbian refineries will undergo upgrades of crude oil primary distillation units, catalytic cracking, visbraking, alkylation units, with construction of sulphuric acid recovery unit, light hydrocarbon vapor recovery system at railway and road tanker oil product loading racks.

It is planned to commission the hydrocracking and hydrotreatment facility, built by Chevron Lummus Global's technology, at Panchevo Oil Refinery in 2012.

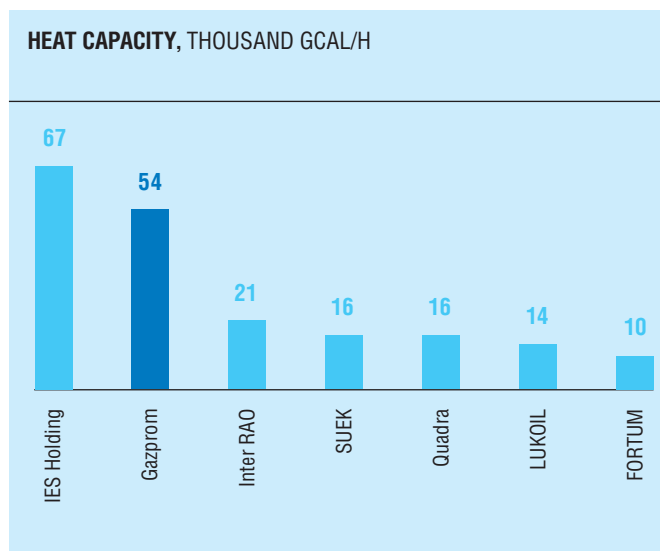
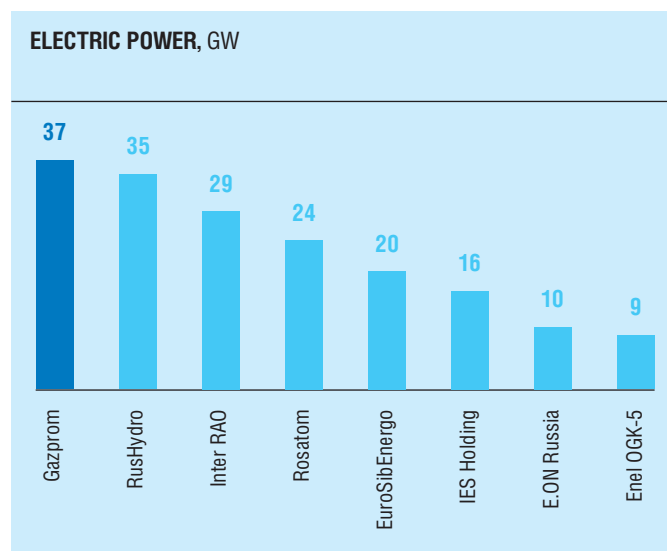
Implementation of Serbian NIS upgrade investment financing program will provide technical capability to manufacture the whole volume of NIS engine fuels in compliance with EU requirements, increase oil refining efficiency with simultaneous reduction of adverse environmental impact of the refineries.

Electric Power

Gazprom is the largest investor in Russian power industry. In 2011 Gazprom built 1.9 GW of combined heat and power generating capacity in Russia, more than RAO UES of Russia installed through its history.

Being the largest owner of generating assets in the Russian Federation, *Gazprom Group* occupies leading positions at Russian power market. *Gazprom's* share in Russian power generation amounts to 17 %, in heating power generation 8 %.

INSTALLED CAPACITY OF RUSSIAN ELECTRIC POWER COMPANIES



Source: Gazprom's data, companies' data

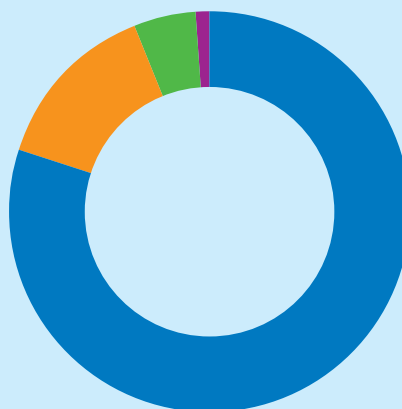
The merger of OAO OGC-2 and OAO OGC-6 created a company with installed capacity of 17.9 GW.

Power generation assets of the *Group* in Russia (OAO Mosenergo, OAO TGK-1, OAO OGC-2) are consolidated under the management of subsidiary OOO Gazprom Energoholding. In November 2011 OAO OGC-2 and OAO OGC-6 merged into OAO OGC-2. The merger resulted in creation of the largest Russian heating power generation company with installed capacity of 17.9 GW.

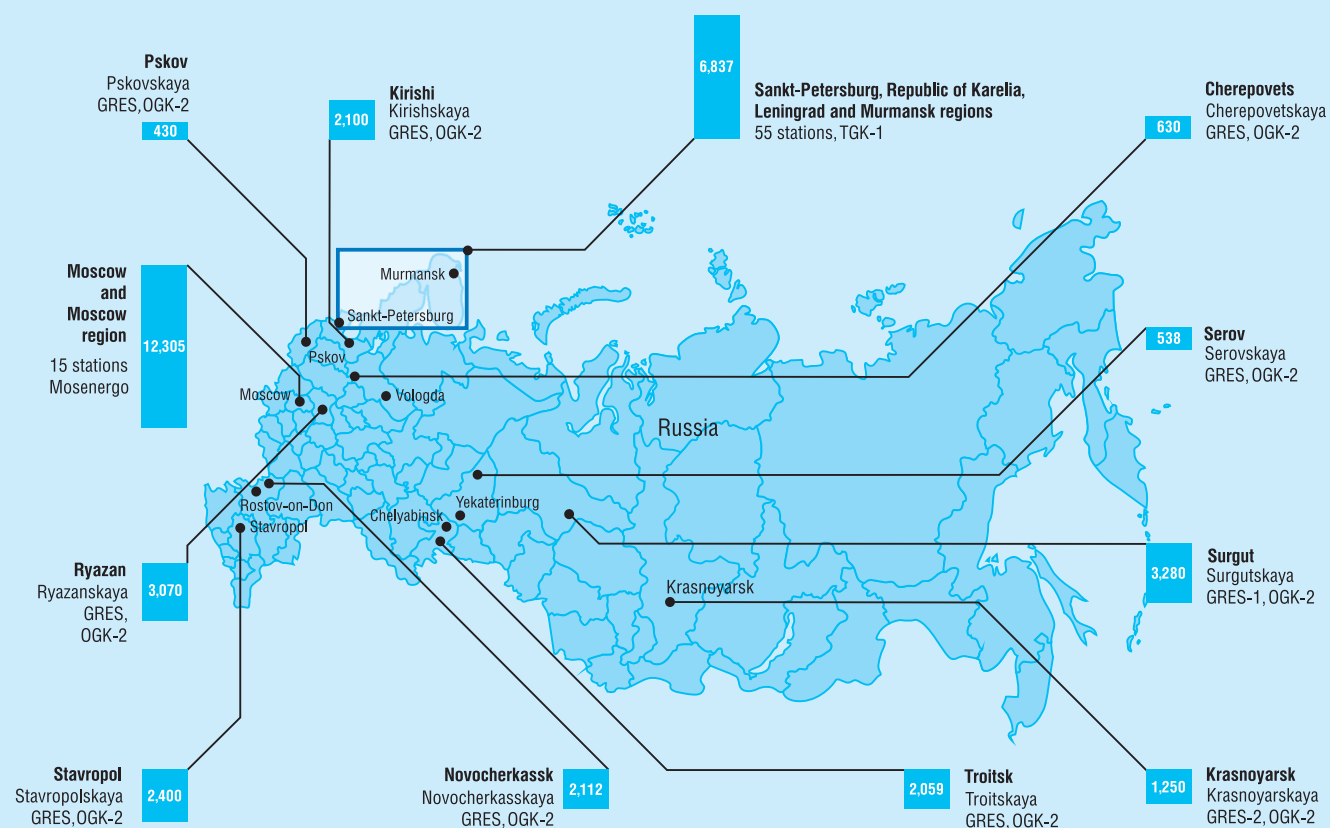
Generating facilities of *Gazprom* are situated in regions with stable paying ability, including Moscow and Saint-Petersburg. The assets structure combines both coal- and gas-fired stations, enabling flexible fuel balance management. The *Group* also includes hydroelectric power stations of OAO TGK-1.

FUEL BALANCE OF GAZPROM ENERGO-HOLDING IN 2011

| | |
|--|-------------|
| <i>Gazprom Group's gas</i> | 80 % |
| Coal | 14 % |
| <i>Non-Gazprom Group's companies gas</i> | 5 % |
| Furnace fuel oil, other fuels | 1 % |



The Group also includes ZAO Kaunasskaya teplofikatsionnaya elektrostantsiya, the owner of Kaunas Thermal Power Plant (TPP) in Lithuania. As of December 31, 2011 electric power output of Kaunas TPP amounted to 170 MW, heating power output – 894 Gcal/h. In September 2011 the Board of Directors of OAO Gazprom decided to sell its stake in the company and initiated negotiations with a potential buyer.

MAJOR GAZPROM GROUP'S ELECTRIC POWER ASSETS IN 2011


2,400 Installed capacity as of 31.12.2011, MW

NEW REGIONS OF PRODUCTION

The first offshore ice-resistant fixed platform was deployed at Prirazlomnoye field, which will enable to start production in an absolutely new region – the Pechora sea shelf.



N E W H O R I Z O N S



Electric and Heating Power Generation

According to the System Operator of the Unified Energy System, in 2011 Russia demonstrated 1.5 % power generation growth versus 2010, including heating power generation growth by 2.1 %, which was to a significant degree explained by cancellation of the daylight saving time, leading to extra power consumption for lighting. But power consumption growth rates in Russia slowed down significantly as compared to 2010, when during the period of recovery from the economic crisis power generation growth amounted to 5.0 %.

At the end of 2011, the *Group's* power generation in Russia amounted to 172.8 bln kWh, 1.1 % lower than in 2010. Heat generation of the *Group* in Russia amounted to 98.8 mln Gcal, 6.3 % lower than in 2010. Over the latest three years the average power generation growth rate amounted to 3.8 %, heat generation – to 0.3 %. The insignificant decrease in the values was caused by subnormal temperatures in the previous heating season.

Kaunas TPP (Lithuania) in 2011 generated 0.4 bln kWh of electric power and 1.4 mln Gcal of heating power. The total electric power output of *Gazprom Group* amounted to 173.2 bln kWh, heat power output – 100.2 mln Gcal.

Electric and Heating Power Sales

In 2011 Russian electric power consumption, according to the System Operator of the Unified Energy System, amounted to 1,000.1 bln kWh (1.1 % growth versus 2010). Weak dynamics were to some extent caused by lack of further growth potential with major industrial power consumers, forced to significantly reduce their investments following the economic crisis. This is proved by slower annual industrial production growth rates. At the same time, rising prices motivate customers to save electric and heat power. Implementation of power-saving technologies in retail sector is also stimulated by government programs. Major energy-intensive manufacturers face competition risks, because domestic power prices are getting closer to those of other countries.

In 2011 regulators proposed a number of measures to limit growing power prices. Capacity indexation was canceled and adjustments to competitive capacity outtake arrangements were approved for 2012. The Federal Tariff Service indicated that it plans not only to adjust power company rates by inflation levels, but even to reduce prices for their services. Eventually the raise of tariffs in the power sector was postponed: controlled energy prices will be increased by 6 % on July 1, 2012, and heating power prices will be raised in 2012 twice: in July – by 6 %, in September – by no more than 5.6 %.

Electric power, produced by generating companies of the *Group*, is sold at the wholesale electric power and capacity market.

Gazprom Group also carried out power trading at European trading platforms. The total power trading volume amounted to 255 TWh. Along with this, in 2011 the *Group* supplied about 1.5 TWh to end-consumers in Great Britain and Germany.

The *Group's* electric and heat power sales revenues (ex-VAT) increased by 15.3 % versus 2010 (by RR 45.4 bln in terms of money) and amounted to RR 342.9 bln.

Investment Projects

In 2011 companies of the Group built 1.9 GW of new capacity.

Gazprom Group is the largest investor in the Russian electric power industry. Generating companies of *Gazprom Group* are implementing the investment program based on capacity supply agreements (CSA). From the moment of its entry into Russia's power industry in 2007 the *Group* implemented over a half of its CSA investment program, securing significant cash flows from sale of new power generating plant capacity.

In 2011 *Gazprom* constructed the following facilities:

- Power generating unit CCGT-420 MW at TPP-26 (OAO Mosenergo);
- First power generating unit CCGT-180 MW at Pervomayskaya TPP (OAO TGK-1);
- Power generating unit CCGT-450 MW at Yuzhnaya TPP (OAO TGK-1);
- Hydroelectric generating unit No. 2 of Lesogorskaya hydro power plant with 29.5 MW capacity (OAO TGK-1);
- Power generating plant CCGT-800 MW at Kirishskaya state regional power plant (GRES) (OAO OGK-2).

KEY INVESTMENT PROJECTS: PERVOMAYSKAYA TPP

In 2011 *Gazprom* commissioned the first power generating unit and completed construction of the second unit at Pervomayskaya TPP in Saint-Petersburg (each plant with 180 MW capacity). This project is a unique one, because essentially it involved replacement of the old plant with 1957–1962 equipment for a new state-of-the-art plant with advanced equipment. Starting from 2012, *Gazprom* is implementing Phase 2 of the project – construction of a combined auxiliary complex of two steam and three hot water boilers. This will enable complete switchover of heat power supply for TPP customers to the new equipment and decommission obsolete facilities.

Before the year 2016, companies of the *Group* are to commission about 9 GW of new capacity in Russia, with relevant financing for RR 350 bln. In 2012 it is planned to commission Adlerskaya TPP for 360 MW, securing Sochi power requirements, including multiple Olympic facilities.



Additional information about the project is presented in “Innovative Development” section.

KEY INVESTMENT PROJECTS: KIRISHSKAYA GRES

800 MW power generating unit at Kirishskaya GRES in Russia's North-West is an innovative and unique one. The project may become a benchmark for Russian power industry and be successfully replicated at other power industry sites.

In foreign countries in the reporting year the *Group* continued construction and upgrades of the fifth power generating unit of Razdanskaya TPP (Armenia). In December 2011 *Gazprom* ran comprehensive tests of the unit. After implementation of the project *Gazprom* will hold a considerable share in the electric power generation market in Armenia and get an opportunity to supply electric power to neighboring countries.

Gazprom Group's capital investment into electric and heating power generation and sales in the reporting year amounted to RR 67.2 bln, which is 52.4 % or RR 23.1 bln more than in 2010.

Marketing

***Gazprom* is developing a basis to increase its presence on perspective gas markets. In the area of oil product marketing the *Group* expands sales through small-scale wholesale and retail networks.**

Russian Gas Market Overview

Demand

Due to industrial output growth by 4.7 % versus 2010 the total 2011 gas consumption volume in Russia increased by 2.8 %. The key consumers are still such industries as electric power industry, metallurgy and agrochemistry, which summarily consume about 50 % of all gas volumes. Gas consumption of utilities sector and households remains high.

Supply

Providing for more than 70 % of all gas supply, *Gazprom* is the largest domestic supplier. Apart from *Gazprom*, large gas volumes on Russian market are sold by OAO NOVATEK, OOO NGK Itera and OAO TNK-BP Holding.

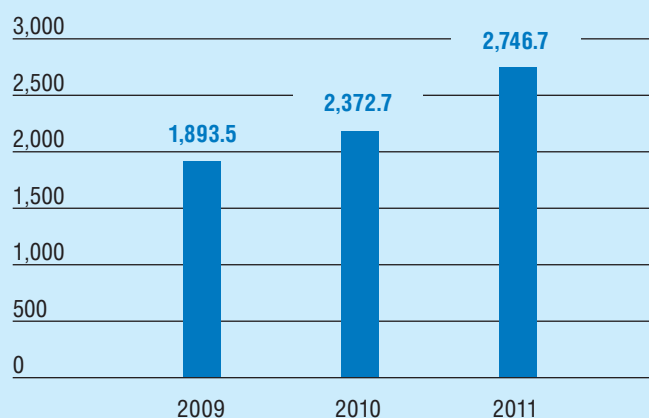
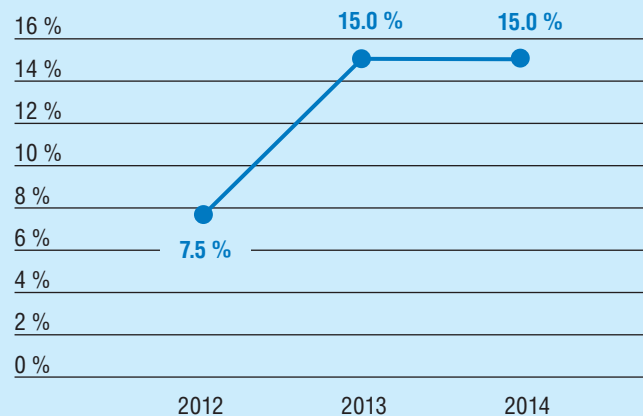
There are third-party gas suppliers outside of the *Group*, particularly, supplying to electric power industry, metallurgy, agrochemistry, cement sector, when such presence is based on financially reliable companies with high gas consumption levels, located close to gas production areas and enjoying flexible pricing policies of independent producers. The key regions with independent producer presence are Sverdlovsk, Chelyabinsk, Tyumen regions, including Khanty-Mansiysk and Yamalo-Nenets Autonomous Areas, Perm territory. Kemerovo and Novosibirsk regions also have significant presence of non-*Gazprom Group* producers.

Pricing

Gazprom is actively cooperating with federal executive bodies on improving government pricing policies in gas sphere. In 2010 the Government of the Russian Federation adopted Regulation No. 1205 On Improving Government Regulations for Gas Pricing, which established that in 2011–2014 wholesale gas prices for industrial consumers are to be regulated on the basis of a gas price formula, providing for incremental achievement during the transition period of equal return from supply to domestic and export markets, accounting for alternative fuels price ratio.

Scenario conditions of national economy performance and key parameters of Social and Economic Development Outlook for the Russian Federation for 2012 and planned period of 2013–2014, developed by the Ministry of Economic Development of Russia, provide for regulated gas price caps for 2012–2014.

473.0 bcm – gas consumption in Russia in 2011.

**DYNAMICS OF AVERAGE REGULATED WHOLESALE GAS PRICES
FOR RUSSIAN CONSUMERS, RR/MCM**

**LIMIT OF THE VALUE OF CHANGES
IN REGULATED PRICES FOR GAS IN 2012-2014***


* Cap for average annual increase for wholesale gas prices with annual price adjustment after second half of the year.

INCREASING TAX BURDEN FOR OAO GAZPROM

The changes in Part 2 of the Tax Code of the Russian Federation, made in November 2011, envision 2.15 times increase of the Mineral Extraction Tax rate for natural gas, applicable to OAO Gazprom and companies, where it has over 50 %, starting from January 1, 2012. For the next two years it is expected that Mineral Extraction Tax rates will increase by 14.3 and 6.9 % correspondingly.

Such an increase in Mineral Extraction Tax rates for OAO Gazprom over the three-year period (2012–2014) will lead to RR 440 bln payable by OAO Gazprom versus 2011, including for 2012 – RR 114 bln.

Gas prices growth after June 1, 2012, as stipulated in Social and Economic Development Outlook for the Russian Federation for 2012 and planned period of 2013–2014, will increase OAO Gazprom's revenues by RR 50 bln.

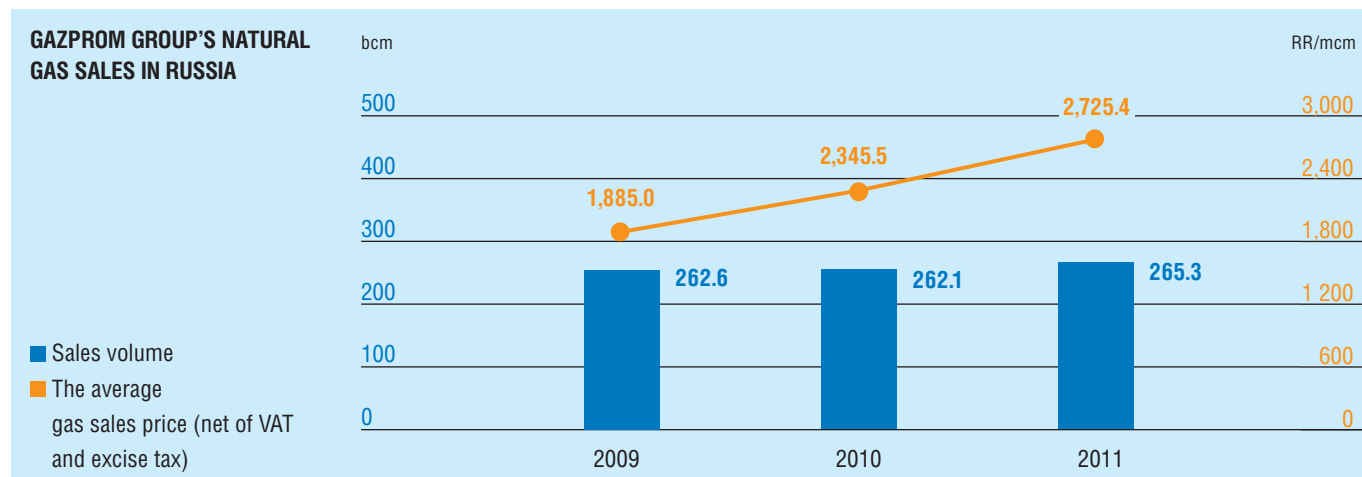
Thus, in 2012 the state budget will receive not only all of the extra revenue from price growth, but RR 64 bln of OAO Gazprom's profit.

As a result, increased Mineral Extraction Tax rate for gas in 2012–2014 will take away from OAO Gazprom about 90 % of extra revenue from gas price adjustments, which was planned to be allocated to financing development and reconstruction of gas production and gas transportation facilities to deliver gas to Russian customers.

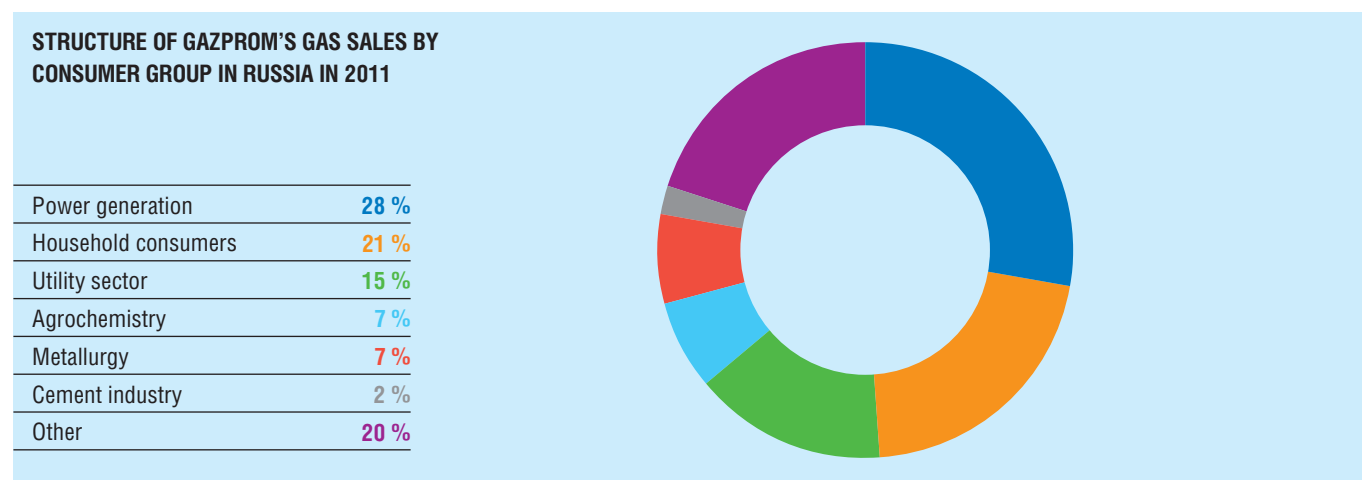
One of the promising directions of the Russian natural gas market development is futures contracts for selling physical natural gas and exchange derivatives trading (futures for natural gas). In 2011 *Gazprom* continued its cooperation with federal executive authorities to prepare and align a regulation of the Government of the Russian Federation, which envisages OAO Gazprom's right to sell natural gas produced by *Gazprom* and its affiliates on electronic trading floors and at commodity exchanges at prices that are not regulated by the government.

Domestic Gas Sales

In 2011 *Gazprom Group* sold 265.3 bcm of gas to its Russian Federation customers, which is 1.2 % above the level of 2010.



The *Group's* gas sales in Russia (ex-VAT and excise tax) in 2011 reached up to RR 723.0 bln, which is 17.6 % higher than in 2010.



To maintain its gas market share in 2011, *Gazprom* promptly adjusted gas delivery schedules based on customer requests and approved dispatch schedules for gas delivery to customers.

In 2011 *Gazprom* supplied gas to major consumers of the Russian Federation under existing long-term gas supply contracts. *Gazprom* also continued with signing of contracts and supplement agreements to gas supply contracts in line with Regulation No. 333 of the Government of the Russian Federation, dated May 28, 2007.

SALES OF NATURAL GAS WITHIN REGULATED RANGE IN ACCORDANCE WITH REGULATION NO. 333 OF THE GOVERNMENT OF THE RUSSIAN FEDERATION DATED MAY 28, 2007.

| | 2010 | 2011 |
|--------------------------------------|---------|---------|
| Sales volume, bcm | 25.1 | 27.0 |
| Weighted average sales price, RR/mcm | 2,656.5 | 3,057.9 |

Overview of European Natural Gas Market

The key export market of *Gazprom Group's* operations is the market of European countries.

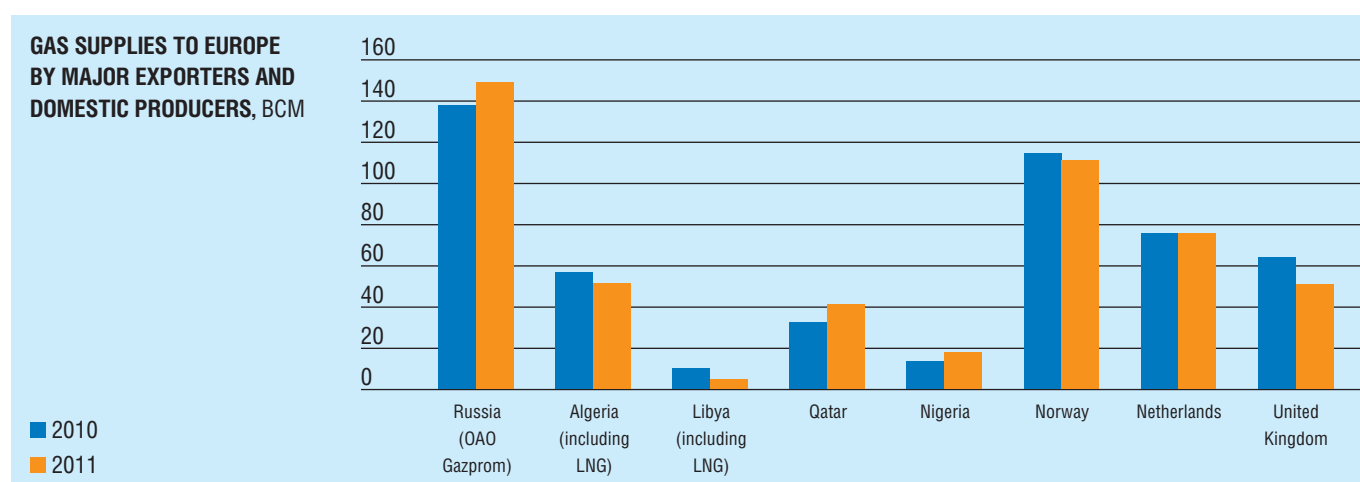
Demand

In 2010 the above market saw record gas consumption levels in its entire history, but 2011 results, according to preliminary estimates of *Gazprom's* experts, showed a significant plunge (down to 551 bcm, or by more than 9 %).

The key reason for falling consumption were weather conditions – warm winters and cold summer in most of the European countries.

Supply

The key competitors of *Gazprom Group* at the European market are gas and LNG suppliers from Norway, the Netherlands, Great Britain, Algeria, Qatar, Nigeria and Libya.



Sources: International Energy Agency, Eurostat, European national statistics agencies, estimates of OOO Gazprom Export.

In 2011 traditional pipeline gas suppliers reduced their supply volumes to the European market. According to preliminary assessments, Libyan supply fell by 7.8 bcm (75.8 % reduction), Algerian supply – by 5.2 bcm (9.1 % reduction). Hostilities in Libya resulted in gas export infrastructure sitting idle from March to October 2011. Then the country resumed GreenStream pipeline supply to Italy, but only in reduced volumes.

Domestic gas production in European countries also slumped and, according to preliminary assessments, amounted to about 288 bcm, which is by 23 bcm (7.4 %) below the level of 2010.

Slumping European production is explained both by natural depletion of reserves and stronger market competition. Lower prices at trading platforms made imports more efficient than production for many gas producers to meet their liabilities.

LNG producers from Qatar and Nigeria increased their European export volumes.

European Market Gas Sales

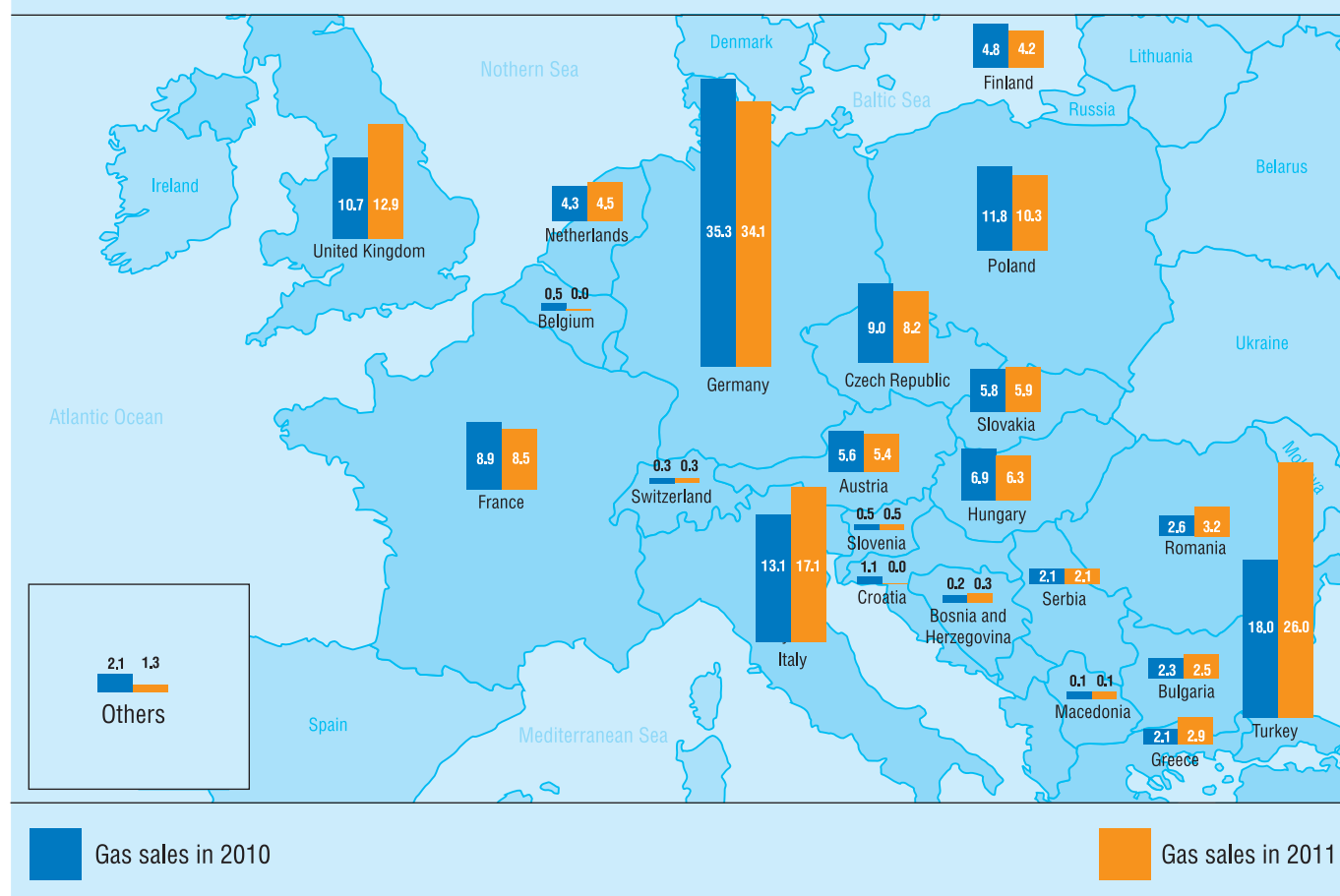
Partners

The major counterparties of *Gazprom Group* in Western Europe are E.ON Ruhrgas, Wingas, WIEH (Germany), ENI (Italy), Botas (Turkey), PGNiG (Poland), GDF SUEZ (France), Panrusgas (Hungary), RWETransgas (Czech Republic), SPP (Slovakia), EconGas (Austria) and GasTerra (the Netherlands).

Under their contracts with OAO Gazprom, in 2011 European customers bought 150 bcm of natural gas, which is 8.2 % higher than 2010 contract offtake.

In a number of European countries *Gazprom Group* sells gas directly to end-consumers. In 2011 subsidiaries of the *Group* sold 3.7 bcm of gas to commercial and industrial customers in Great Britain, France and the Czech Republic.

**GAZPROM GROUP'S NATURAL GAS SALES STRUCTURE
IN FAR ABROAD COUNTRIES, BCM**



Overall, in 2011 *Gazprom Group* sold 156.6 bcm of natural gas in Far Abroad countries, with sales (minus excise and customs duties) reaching up to RR 1,439.1 bln.



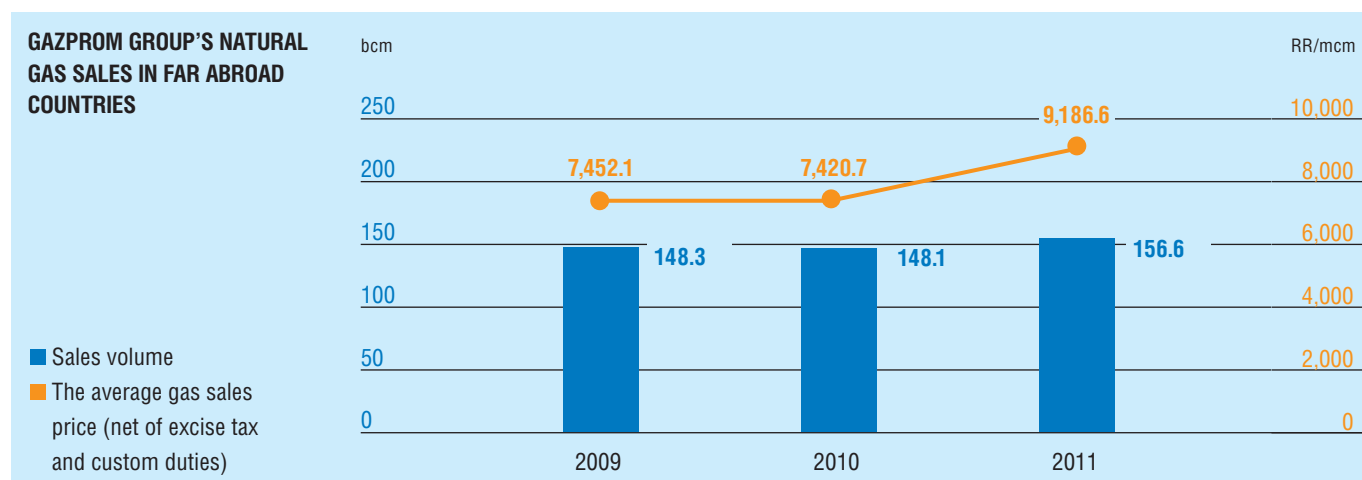
See more about oil prices in
“Overview of Global Oil Market”
section.

Export Contract Pricing

Export pricing dynamics for natural gas under OAO Gazprom contracts in 2011 followed patterns of previous years, mostly affected by global liquid fuel price fluctuations. Overall, in 2011 prices grew versus 2010. European market prices for oil products, competing with gas, grew by 37–39 %, average annual growth of Brent oil price in 2011 amounted to 40 % versus 2010.

Considering trends of global oil market and European gas spot market, Russian natural gas export prices in 2011 demonstrated an upward trend. However, gas pricing specifics, determined by baseline periods in adjustment formulas of oil-linked contracts (mostly 9 months), and also introduction of gas adjustment for a part of volumes, supplied under long-term contracts, largely leveled out the growth of Russian gas export prices versus liquid fuel prices.

OAO Gazprom contract gas prices reached their maximum in Q4 2011 (US \$ 416.65/mcm), increasing versus Q1 (US \$ 347.57 /mcm) by 19.8 %. Overall 2011 weighted average gas price amounted to US \$ 383.38 /mcm versus US \$ 305.33/mcm in 2010 (growth by 25.6 %).



27 % – the share of OAO Gazprom's gas at European market.

At the background of the overall consumption decrease, the share of OAO Gazprom's gas at European market in 2011 grew by 4 p.p., which was primarily caused by measures, taken in 2010–2011 to increase competitiveness of Russian gas.

The reporting year saw achievement of agreements to adjust pricing conditions with Edison, SinergieItaliane, GDF SUEZ, WIEH, Wingas and SPP companies. Oil product-linked contract price formulas were adjusted subject to these agreements. These price adjustments made a major contribution to competitiveness of Russian natural gas at European markets.

But oil product price-linked contracts are still relevant. Oil price link is an indispensable tool for long-term business planning, meeting interests of both buyer and seller of gas. The tool secures continuity and sustainability of industry investment cycle across its vertical – from wells to end-consumers. Oil product price link is proven by more than 40-years of global oil market development history. Today oil products in gas price formulas play a universal deflator role. Their availability prevents gas price from detachment from other commodity prices.

Promising Natural Gas Markets

Gazprom Group's marketing strategy envisages diversification of export revenue sources through expanding its presence in the promising natural gas markets. The priorities are to increase LNG volumes in the *Group's* export portfolio and to diversify geographically by entering markets of North-East Asia countries and other APR countries.

Liquefied Natural Gas

Gazprom has limited market coverage in terms of its pipeline export supply. LNG marketing is a tool that will significantly expand the range of new markets available to the *Group* and provide for possibility to raise volumes. The strategy envisions increasing LNG volumes in the export portfolio both through implementation of Russian projects and participation in foreign ones.

LNG gives *Gazprom* opportunities to:

- reach out to remote regions;
- get access to niche markets of countries without developed pipeline infrastructure, or countries with no pipeline connections;
- sell to end-consumers, bypassing transit countries and redirecting volumes to other markets when market conditions deteriorate or to get arbitration profit at spot markets.

In 2011 companies of the *Group* – *Gazprom Global LNG Ltd.* and *Gazprom Marketing and Trading Singapore* sold 2.3 mln tons of LNG (3.06 bcm), of which 0.96 mln tons (1.28 bcm) was made up by Sakhalin-2 LNG project, purchased from Sakhalin Energy under a long-term contract.

Due to LNG portfolio flexibility and access to tanker fleet, *Gazprom Group* promptly responded to changing market conditions and increased supply volumes to cover gas shortages, resulting from the Fukushima NPP disaster in Japan in March 2011. Out of 34 LNG cargoes, supplied by the *Group* in 2011, 30 went to APR countries, and 6 of these were directed to Japan, including 4 cargoes from Sakhalin-2 Project. Supply geography expanded as well: in 2011 LNG was for the first time shipped to Kuwait and Thailand terminals.

Gazprom is also working on long-term LNG supplies. In May – June 2011 *Gazprom* signed Memorandums of Understanding with four Indian companies for supplying India with up to 10 mln tons of LNG per year over 25 years from the portfolio of *Gazprom Group*.

In January 2011 OAO *Gazprom* and Agency of Natural Resources and Energy of the Ministry of Economy, Trade and Industry of Japan signed a Cooperation Agreement to prepare a feasibility study for natural gas use options in Vladivostok area, transportation and sales of natural gas and gas chemical products from Vladivostok area to potential customers in APR countries.

Gazprom is reviewing options for the *Group* to enter beneficial gas liquefaction projects abroad and is in search for such options, monitoring the existing and planned foreign LNG projects.

More attention is paid to promising areas for sales of Russian natural gas – low-tonnage of LNG and compressed natural gas (CNG). The above products are mostly in demand by transportation segment, small-scale power generation and utilities sector.

1 % – the share of *Gazprom Group* at global LNG market at the end of 2011.

Markets of North-East Asian Countries

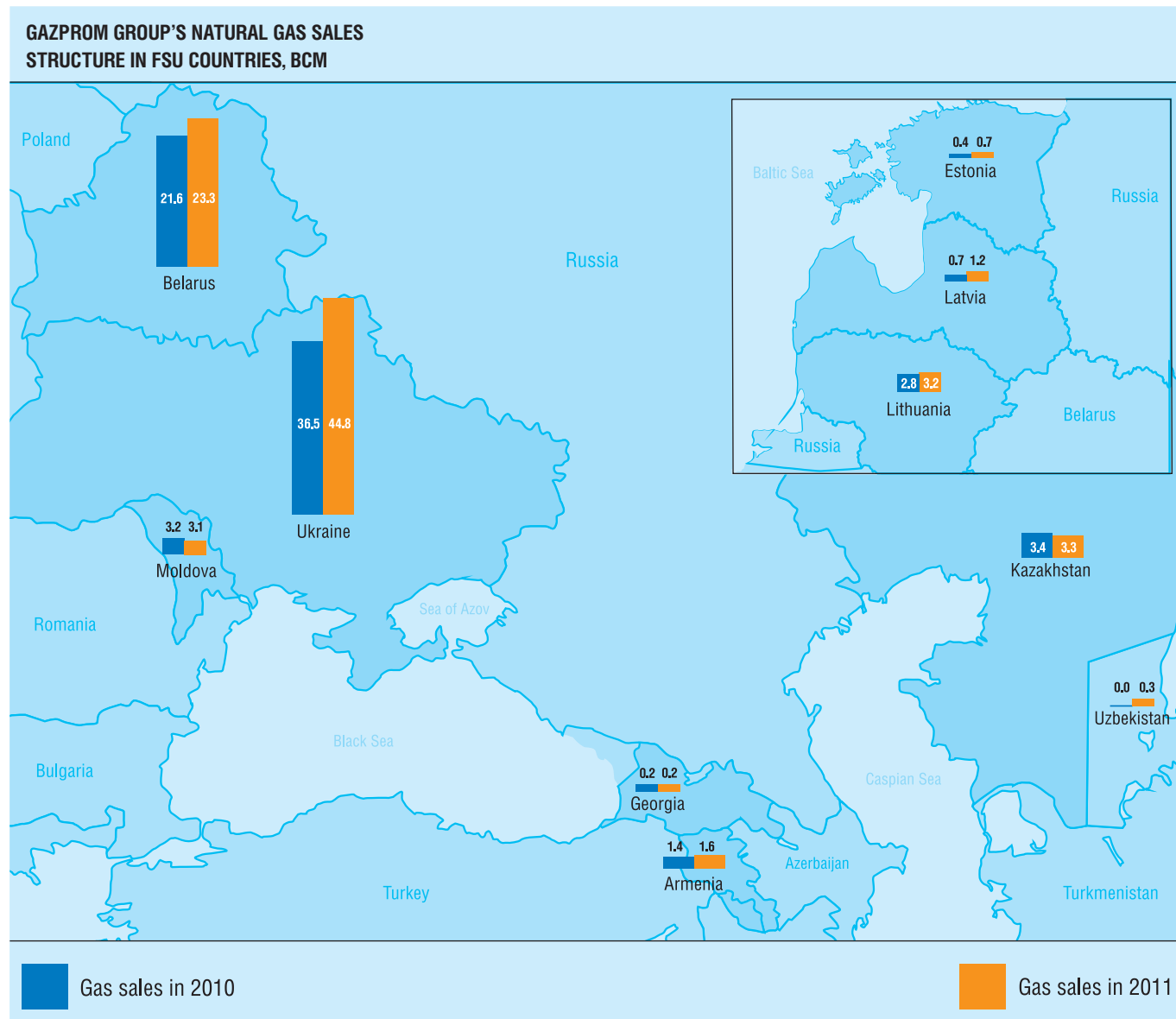
One of *Gazprom Group's* most promising projects is to supply natural gas to China. *Gazprom* carries out work to arrange the export of pipeline gas through the two export corridors – western and eastern – with a volume of up to 68 bcm. Supply projects for each corridor are complementary, because they are targeted to satisfy gas demand at various regional markets of China.

In 2011 OAO *Gazprom* and Chinese CNPC continued intensive talks to align conditions of Russian gas supply to China. In May 2011 Deputy Prime Minister of the Russian Federation I.I. Sechin and Vice-Prime Minister of the State Council of the PRC Wang Qishan signed a Schedule to the Memorandum of Understanding for cooperation in the area of natural gas, dated June 24, 2009.

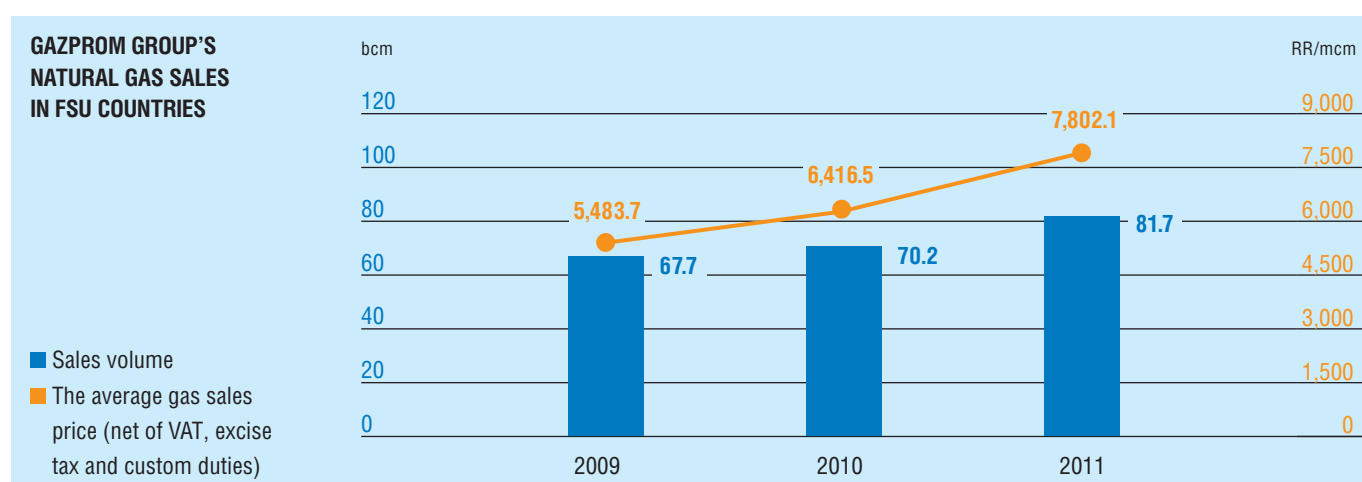
Gazprom reviews options to facilitate deliveries of Russian gas to other countries in the region. In 2011 it continued the activities to organize pipeline deliveries of up to 10 bcm of gas per year to the Republic of Korea. For purposes of synchronizing activities under the project, OAO *Gazprom* is in talks with North Korea in line with the Memorandum of Understanding, signed by OAO *Gazprom* and the Ministry of Oil Industry of DPRK in September 2011 and decisions of the first meeting of the Joint working group of OAO *Gazprom* and the Ministry of Oil Industry of DPRK. *Gazprom* also considered options for increasing gas supply to Japanese market.

Gas Sales in the Former Soviet Union Countries

In 2011 *Gazprom Group's* natural gas sales in FSU countries increased by 16.4 % versus 2010 and reached up to 81.7 bcm.



Group's work, aimed at the transition to contractual prices (providing *Gazprom* with the same earning capacity similar to the European prices for *Gazprom*) with its major buyers of natural gas in FSU countries, had an impact on average gas sale prices. This led to regional revenues (ex-VAT, excise tax and customs duties) increase to RR 637.2 bln, which is 41.6 % above the level of 2010.



Over 80 % of gas sales volumes to FSU countries are taken up by Ukraine and the Republic of Belarus.

Ukraine. Gas supplies to Ukrainian consumers in 2011 were performed under the long-term contract of OAO Gazprom and NAK Naftogaz of Ukraine for sale and purchase of natural gas in 2009–2019. Transit via Ukrainian territory is based on the long-term contract of OAO Gazprom and NAK Naftogaz of Ukraine on volumes and conditions of natural gas transit through the territory of Ukraine in 2009–2019.

In December 2011 OAO Gazprom and NAK Naftogaz of Ukraine signed supplements to these gas supply and transit contracts, providing for payments for gas and transit services through the territory of Ukraine to be made in Russian roubles or US dollars.

Republic of Belarus. Gas supplies to consumers in the Republic of Belarus and gas transit via the territory of the Republic of Belarus in 2007–2011 were carried out under the contract between OAO Gazprom and OAO Beltransgaz.

In November 2011 a package of documents was signed, establishing relationships of the parties on the acquisition of 50 % government-held stake of OAO Beltransgaz and further operations of the company, pricing principles, gas supply volumes and its transit starting from 2012. Among other, OAO Gazprom and OAO Beltransgaz signed contracts for gas supplies to the Republic of Belarus and natural gas transportation through the territory of the Republic of Belarus in 2012–2014.

Central Asia and Azerbaijan. In 2011 *Gazprom Group* continued to purchase gas in the Central Asia and Azerbaijan under its gas marketing cooperation.

| GAZPROM GROUP'S PURCHASE OF CENTRAL ASIAN AND AZERBAIJANIAN GAS, BCM | | | |
|---|--------|-------|-------|
| Countries | 2009 | 2010 | 2011 |
| For sales in Far Abroad countries | | | |
| Turkmenistan | 11.8 | 10.7 | 11.2 |
| Uzbekistan | 13.1 | 11.4 | 8.0 |
| Kazakhstan | 10.1 | 12.4 | 11.9 |
| Azerbaijan | – | 0.8 | 1.5 |
| Average weighted gas purchase price on the border of the supplying country, US \$/mcm | 233.55 | 197.2 | 244.0 |
| For sales to south part of Kazakhstan | | | |
| Turkmenistan | – | – | 0.3 |
| Uzbekistan | 2.3 | 2.4 | 2.4 |

To facilitate supply of Turkmenistan's and Uzbekistan's gas to the borders of the Russian Federation, OAO Gazprom executed contracts with gas transportation companies of Uzbekistan and Kazakhstan for 2011–2012 and 2011–2015 correspondingly.

Overview of Global Oil and Refined Products Market

Demand

According to estimates of the International Energy Agency (IEA), in 2011 total global consumption of oil amounted to about 90 mln barrels per day. The key regions, defining growing oil demand, are still developing countries of Asia and the Middle East, and the level of oil consumption in the USA, Japan and European countries has been stable over the past few years. Impact of the debt crisis in Europe and the slowdown of US economy growth rate, as well as tighter credit and monetary policy in China remain the key uncertainty factors for further assessment of global demand prospects.

Global consumption of gasoline in 2011 went down by 1 % to 22 mln barrels per day due to deteriorating economic situation, debt crises in Europe and the USA. The total consumption slumped despite significant demand growth in APR countries, primarily in China and India, and also in Russia. Diesel fuel consumption rose by 3 % – to 23 mln barrels per day, for the first time going over the demand for gasoline due to increasing numbers of diesel engines in vehicle fleets and economic growth in developing countries, particularly in China, India and Russia.

Supply

In 2011 global oil production growth rates went down. Nevertheless, the total production rose by 1 %, to 78.7 mln barrels per day. The growth was supported by increased production in Saudi Arabia, UAE, Kuwait, Iraq to slow down growth of global oil prices. Moreover, US production also increased due to the need to reduce import dependency with high raw materials prices and internal debt crisis.

According to IEA, total OPEC oil supply volumes in 2011 increased by over 1 mln barrels per day and total oil supply volumes of non-OPEC countries stayed at approximately the same level of last year. The global oil supply structure in 2011 was influenced by replacement of reduced Libyan production volumes by increased Saudi Arabia production.

Prices

In 2011 Brent quotes were quite stable, especially versus weaker dynamics of other industrial products and goods. Average annual price level amounted to about US \$ 111 per barrel (versus US \$ 79.5 per barrel in 2010 and US \$ 61.3 per barrel in 2009). Prices were supported by supply shortages, particularly, with discontinued supply of Libyan oil.

Along with the above, commodity price levels at global markets in 2011 were determined by the following events:

- revolutions and overthrown ruling regimes in Northern Africa countries;
- series of earthquakes in Japan and the Fukushima nuclear plant disaster in spring 2011;
- credit crunch in the Eurozone countries;
- aggravation of Iran situation;
- oil market interventions of the International Energy Agency and US government.

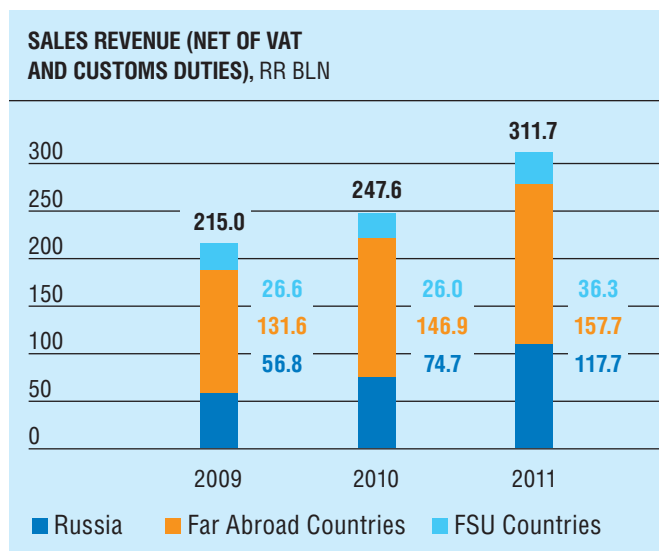
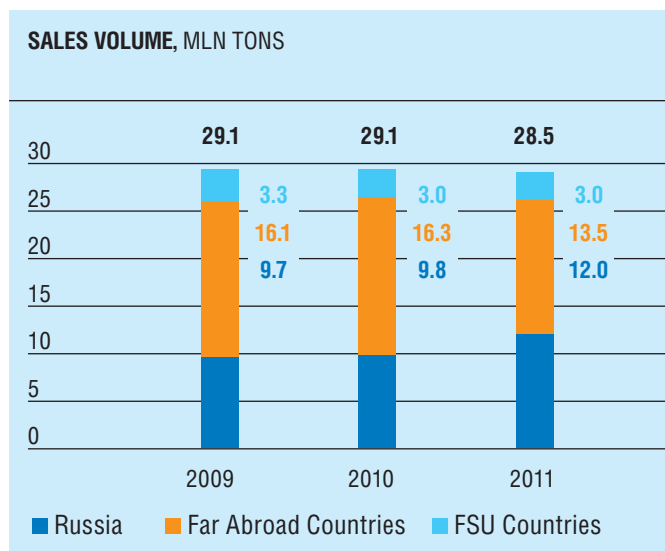
**BRENT OIL PRICE DYNAMICS
IN 2011, US \$**



Oil and Gas Condensate Sales

The total volume of *Gazprom Group* sales of oil and stable gas condensate in 2011 amounted to 28.5 mln tons.

GAZPROM GROUP'S SALES OF OIL AND GAS CONDENSATE



The *Group's* sales of oil and stable gas condensate (ex- VAT and customs duties) in 2011 amounted to RR 311.7 bln, up by 25.9 % versus last year.

Due to the need to utilize the *Group's* own production capacities in accordance with the approved oil refining and export programs, the free oil sales (not taking into account supplies for replacement) in Russia were insignificant.

Gazprom Group's major export markets for oil in Far Abroad countries in 2011 were the countries of North-Western and Central Europe and Mediterranean where Urals crude oil is mostly supplied.

Supplies to FSU countries included those to the Republic of Belarus (to the Mozyr Oil Refinery) and Kazakhstan (to the Pavlodar Oil Refinery). The prices applied to these supplies are based on formulas and depend upon the pricing situation for Urals crude oil.

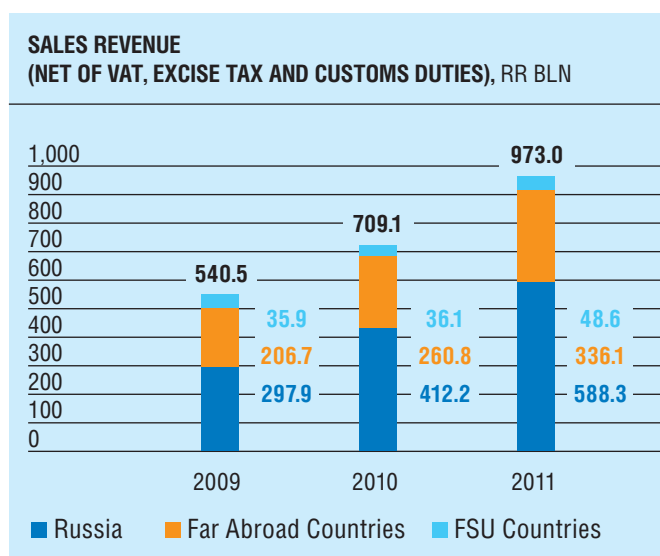
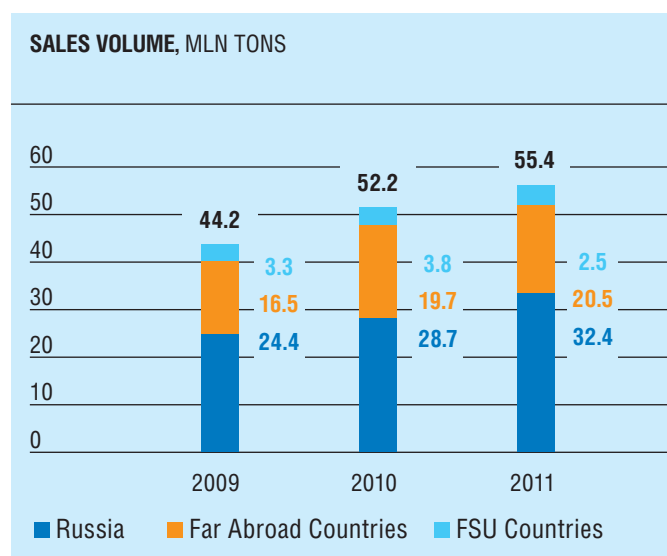
Reduction of export oil and gas condensate sales volumes in 2011 versus 2010 was caused by increased volumes of oil refining at *Gazprom's* oil refineries.

The key countries for product sales were Belarus, Kazakhstan, Germany, the Czech Republic.

Sales of Refined Products

Gazprom Group's total sales of refined oil and gas products in 2011 amounted to 55.4 mln tons, up by 6.1 % versus last year. *Gazprom Group's* sales volumes of helium in 2011 amounted to 3.5 mmcm. Oil and gas refined products sales reached up to RR 973.0 bln (ex-VAT, excise tax and customs duties).

GAZPROM GROUP'S SALES OF REFINED PRODUCTS



Gazprom Group's main refined products sold in the Russian market are motor gasoline, diesel, and furnace fuel oil, whereas the markets of FSU countries receive diesel, sulfur, and motor gasoline. Diesel and furnace fuel oil account for about 50 % of the refined products volume sold by the *Group* to Far Abroad countries.

High refining margin in 2011 determined key areas of the marketing policy: sales of oil products at higher-margin domestic market grew by 3.4 mln tons or by 14.5 %, reaching up to 26.8 mln tons.

The year saw continued development of retail product business units, – into-plane fueling, bunkering, production and sales of motor oils and lubricants.

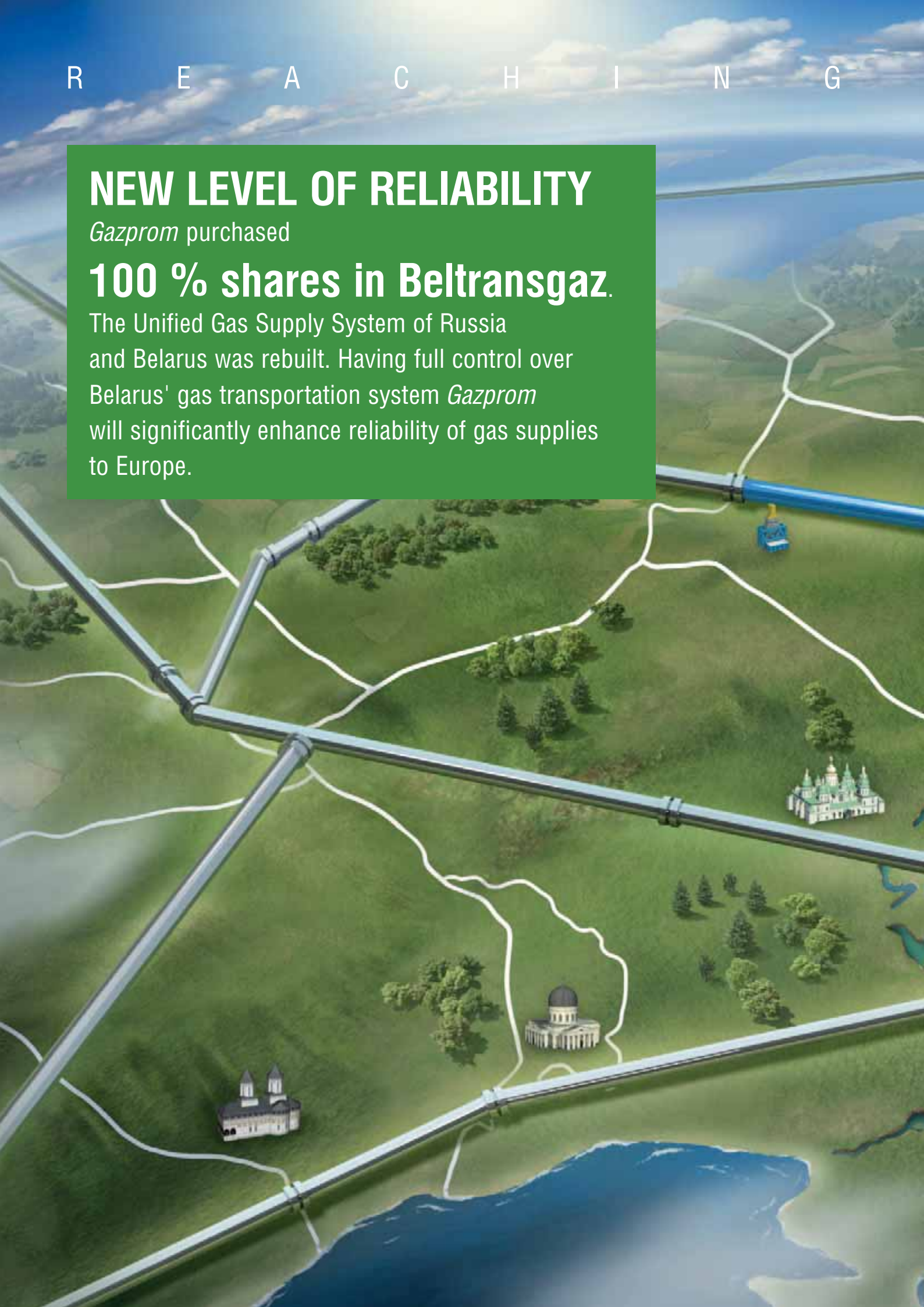
R E A C H I N G

NEW LEVEL OF RELIABILITY

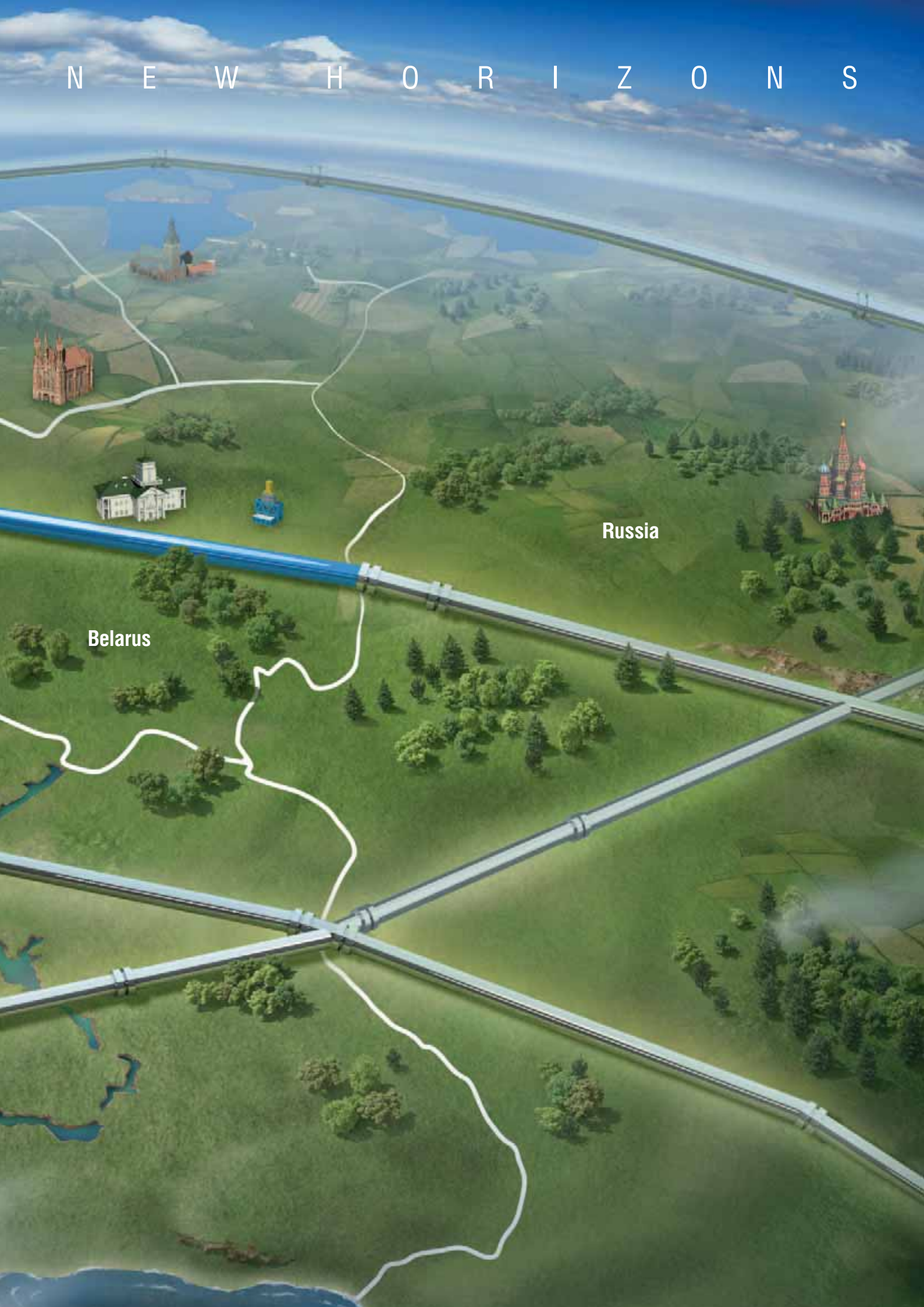
Gazprom purchased

100 % shares in Beltransgaz.

The Unified Gas Supply System of Russia and Belarus was rebuilt. Having full control over Belarus' gas transportation system *Gazprom* will significantly enhance reliability of gas supplies to Europe.



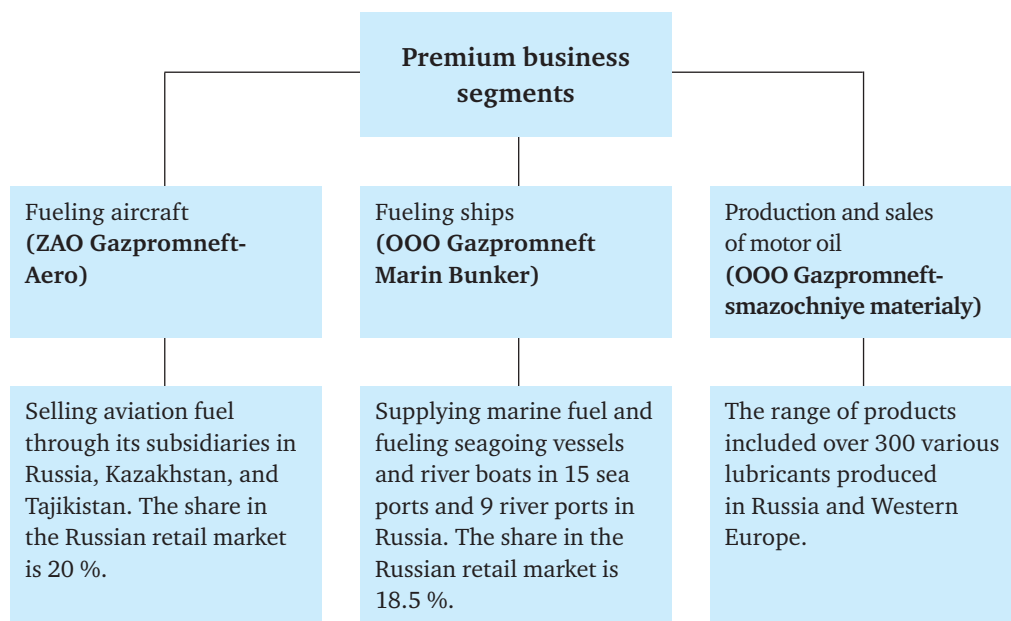
N E W H O R I Z O N S



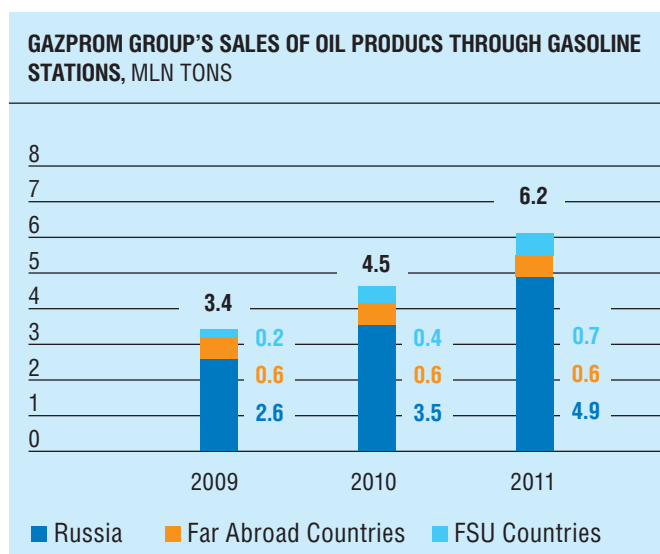
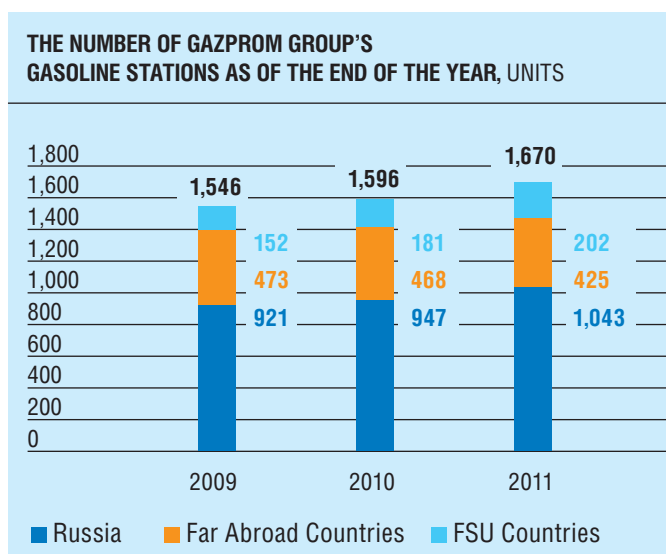
Russia

Belarus

SALES OF OIL PRODUCTS THROUGH GAZPROM NEFT'S SPECIALIZED BUSINESS UNITS



The number of the *Group's* active gasoline stations in 2011 increased to 1,670 (of these 627 gas stations are foreign assets of the *Group*) during expansion of Russian and FSU countries retail chains.



At the end of 2011, the *Group* became the largest Russian motor gasoline supplier, having sold 9.4 mln tons versus 8.3 mln tons in 2010. Supply growth was secured by increased production and lower gasoline exports in favor of the domestic market.

Gasprom re-branded 290 gasoline stations in Russia, Tajikistan, Kazakhstan, Kyrgyzstan and Belarus, including MTK chain gasoline stations. “Gazpromneft” gasoline stations brand was awarded with a renowned national award “Brand of the Year/EFFIE”. Integration of SibirEnergy assets helped double the presence of “Gazpromneft” in Moscow region. The *Group* acquired 113 gasoline stations in Novosibirsk, Chelyabinsk, Nizhny Novgorod and Krasnodar regions. G-Drive fuel launch pilot project was successfully completed and rolled out to most regions with presence – the product is sold at 315 gasoline stations of the *Group*, G-Diesel test sales have started. The number of members of “Gazpromneft” chain loyalty program “Going one way” went over 1.9 mln.

By results of 2011, the *Group* remains the largest diesel fuel supplier in Russia: domestic sales amounted to 7.6 mln tons.

Given limited domestic consumption of sulphur, *Gazprom* exports most of its sulphur, bringing the *Group* 10-12 % of the global market. Exports of sulphur in 2011 amounted to 3.7 mln tons.

Gazprom Group's helium sales volumes in 2011 went down to 3.5 mmcm versus 4.9 mmcm in 2010. Reduction of helium sales volumes in 2011, which are mostly sold on the domestic market, was caused by off-schedule maintenance of helium concentrate storage infrastructure.

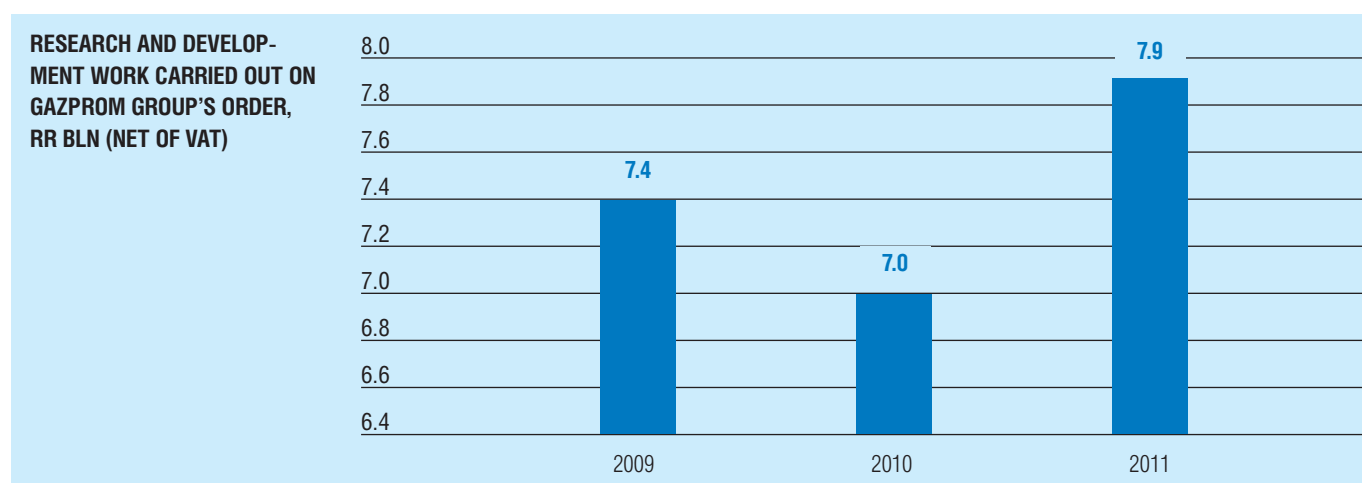
To expand its market for oil, hydrocarbon gases liquified, petroleum, oil and lubricants in South-Eastern Europe in 2011, NIS, a company of the *Group*, established subsidiaries in Romania, Bulgaria, Bosnia and Herzegovina.

INNOVATIVE ACTIVITY

Continuous development of *Gazprom's* technological level to support its world energy business leader's position is the long-term goal of *Gazprom's* innovation activities.

ОАО Газпром considers development of innovations and advancement of the company's technological level as top-priority areas in its operations.

The *Group* invests heavily into research and development. In this field *Gazprom* is a leader among Russian energy companies and ranks among the top ten largest energy companies in the world.



High level of innovations is maintained across all key business areas of *Gazprom Group*. Research and development activities focus on achieving efficiency in the following areas:

- development forecasting and planning;
- supporting high levels of energy resources sustainability;
- hydrocarbons production;
- reliable delivery of products to customers;
- improving competitiveness of products and services at domestic and international markets;
- providing operational security, increasing investment and social attractiveness.

To determine and streamline key areas and objectives of ОАО Газпром's innovative activities, optimize available resources and define innovative development indicators, ОАО Газпром's Innovative Development Program - 2020 was developed and approved by the Board of Directors in 2011.

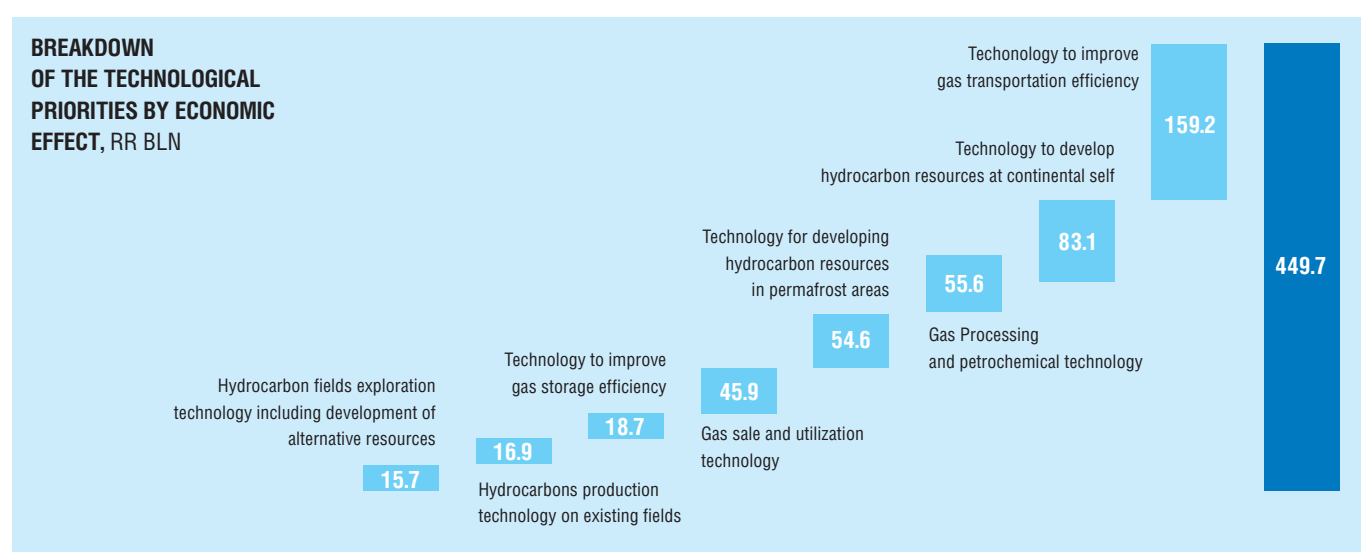
The Program features a set of interrelated measures, focused on development and implementation of new technologies, innovative products and services in compliance with international level, and also at creating favorable conditions for development of innovations both at ОАО Газпром and in related industry sectors of the Russian Federation.

Technology Priorities

Anticipated economic benefits from implementation of technology developments – about RR 450 bln over the period up to 2020.

OAO Gazprom's Innovative Development Program - 2020 specifically focuses on a system of technology priorities for its gas, oil and power businesses. The system is based on a forecast for research and development of OAO Gazprom up to the year of 2020, developed in line with OAO Gazprom's 10-year development program and General Scheme for Russia's Gas Industry Development up to 2030.

Each business process was assessed for possible improvement of its economic parameters within the planned period with replacement of current technologies for cutting-edge ones, the assessment resulted in selection of baseline areas for technology improvement – technology priorities, investments in which will bring *Gazprom* the strongest economic benefits.



Each technology priority was assigned integral performance indicators and key innovative technologies were selected.

Technology priorities, outlined in the Program, are to be implemented under annually approved OAO Gazprom's R&D Program, and R&D plans were developed for every key technology.

In Gas Business

Innovations in Field Exploration

Gazprom Group has implemented the below methods for improving the accuracy of reservoir development forecasting:

- methods of identifying and optimizing exploration scope at first priority gas bearing areas of deep drilling in the regions of Eastern Siberia and the Far East;
- method of differential calculating exploration efficiency by regions of OAO Gazprom's production operations, including foreign projects, aimed at ensuring compliance with corporate requirements to return on project investments;

- methods of forecasting high output plots in tight and deep-lying collectors;
- research technologies for analyzing geological-field description of coal beds for the purpose of methane production.

Innovations in Field Development and Production

For the purposes of improving the efficiency of fields development including new gas production regions and offshore areas of northern seas the *Group* has developed the following unparalleled technical solutions:

- engineering solutions for under ice production of gas worked out in the course of development of Rusanovskoye and Leningradskoye fields in the offshore areas of the Kara sea;
- a technology for a joint treatment of Cenomanian, Valanginian and oil gas at the final stage of field development;
- a technology for developing helium-rich gas fields under which helium concentrate is pumped back into developed deposits;
- automated systems of remote control and management of wells in electrified and non-electrified clusters, systems managing vital infrastructure of gas fields on the principles of minimal manned technology.

Innovations in Gas Transportation and Underground Gas Storage

For the purposes of ensuring the reliability and safety of gas transportation, OAO Gazprom has been developing and consistently implementing a system that will manage technical condition and integrity of the linear part of the trunk pipelines and compressor stations of the UGSS.

In the process of gas compressor stations reconstruction engineering solutions have been worked out that enhance the efficiency of compressor equipment and reduce pollutant emissions from its operation. The solutions provide for the use of gas-turbine units with the capacity of 32-35 MW. At the same time modernization of combustors by using low emission burners has been continued.

The development of a modern device for internal survey of trunk pipelines is in its final stage. The survey will be based on a non-contact electro-magnetic acoustic system of defect control. This device has no parallel in terms of the ability to maintain the target speed of movement in the gas pipeline, including pipelines of "composite topography" and in terms of having no effect on technological parameters of gas transportation.

Innovations in Processing of Hydrocarbons and Production of Oil and Gas Products

For gas processing purposes the *Group* is implementing the projects on:

- developing the testing and production facility to produce the synthetic liquid fuels with the capacity of 100 thousand tons per year;
- low-tonnage installation to produce super-gasoline to be used at depleted and low pressure wells.

For the purposes of rational utilization of the helium-rich fields the technology of complex raw processing to produce LNG and separate helium and technical decisions related to transportation and storage of helium are being developed.

In order to increase the depth of liquid hydrocarbon raw materials processing and to improve the quality of the produced petrol in accordance with Euro-4 and Euro-5, the secondary processing of the stable gas condensate and oil are being implemented at Astrakhansky gas processing complex and Surgut Stable Condensate Plant.

Developing the technology of HSFO processing at Astrakhansky gas processing plant and implementation of sulphur bituminous for the purposes of construction and repairing the highways are being carried out.

In Oil Business

Completed research and development projects allowed to start in 2011 the project of managing waterflooding and maintaining formation pressure in a test section of Sugmutskeye field for the purposes of extracting difficult oil from depleted reservoir sections.

Projects aimed at a complex protection of downhole equipment from corrosion are implemented and the regulatory system that would optimize the inhibitory protection of wells is introduced. The works performed in 2011 resulted in the decrease of the corrosion related breakdowns multiple of the active assets from 0.37 to 0.16.

The research performed to develop the software for generating a list of idle wells ranked by economic and technical features for bringing them back into operation resulted in a 15-fold increase in the speed of analyzing idle wells.

In 2011 OAO Gazprom implemented large-scale innovation project on development and commissioning a bizeolite catalytic cracking catalyzer in OAO Gazpromneft-ONPZ. Implementation of the new catalyzer enabled Omsky refinery to increase light oil products yield, depth of processing and decrease sulphur content in the products while decreasing operating costs. Currently, *Gazprom Neft* is the only producer of catalytic cracking catalyzers in Russia.

In Electric Power Business

Gazprom Group is implementing a number of large-scale projects which are unique for the Russian electric power:

- the construction of a carbon block CFB-330 with fluidize bed at Novocherkasskaya GRES continued in 2011 which will enable to use several different coal types including those of low quality;
- large-scale modernisation of the existing power generating unit at Kirishi GRES is being completed as part of the Combined Cycle Plant-800 construction project. During the modernisation, two single-turbine units with two boilers and capacity of 279 MW each are built up on the currently operating K-300 steam turbine. This conceptually new scheme helps increase the performance of the power generating unit from 38% to 55%, reduce the specific fuel consumption at normal capacity from 324 g/kWh to 221.5 g/kWh, and significantly enhance environmental characteristics.

R&D Financing

It is planned to allocate significant funds for implementation of the Innovative Development Program. R&D costs are the key element: up to the year of 2020 their planned amount in absolute terms may increase by 4.2 times and reach up to RR 34 bln, and their share in revenues may rise by three times and exceed average global level.

Open Innovations Model

Corporate innovative system of OAO Gazprom will be developed on the basis of Open Innovations Model, envisioning proactive partnership with external sources of innovations:

- corporate and third parties for R&D activities;
- academic institutions for joint research and personnel training;
- domestic related industry enterprises, Russian and foreign electric sector companies, including establishment and operation of technological platforms – forums for joint resolution of innovation issues. Such activities eliminate redundant research and also help distribute risks and costs of implementing major new technology development projects;
- innovative small and medium businesses, enabling the *Group* to implement ideas and technologies, already available on the market.

The Innovative Development Program also establishes ways to improve OAO Gazprom's intellectual property management along with development and implementation of innovations.

LEGAL PROTECTION AND APPLICATION OF INTELLECTUAL ACTIVITY RESULTS

As of December 31, 2011 *Gazprom Group* organizations held 1,608 patents (of these 145 were granted in 2011).

In 2011 214 patents were used in production, bringing RR 960 mln in economic benefits.

OAO Gazprom's Innovative Development Program - 2020 takes into account all specific business factors of *Gazprom*: unique technology complex, large-scale projects, complexity of product value added creation chain, development of strong in-house research and technology base, corporate structure specifics. These lead to expect that the Program will be an efficient enabler for further improvement of *Gazprom Group's* innovative level as foundation for future development of the company, expansion of its competitive edge and resulting value increase.

ENVIRONMENTAL MEASURES, INDUSTRIAL SAFETY AND ENERGY EFFICIENCY

Environmental Measures

Successful implementation of international standards in the field of environmental management, a high level of compliance with the Russian and international legislation, and an increase in the environmental investments underlie the Group's conscientious approach to environmental protection.



Detailed information about the environmental aspects of implementing the key projects is presented in OAO Gazprom's Environmental Report.

The Environmental Management System of OAO Gazprom is ISO 14001:2004 certified

Being one of the largest users of natural resources in Russia, *Gazprom Group* adheres to the principle of strictly following requirements of the international and Russian environmental legislation. *Gazprom* places priority on environmental safety issues when carrying out its key projects.

Environmental Management System

The integrated environmental management system used in OAO Gazprom and its major gas exploration, production, transportation, storage, and refining subsidiaries is an advanced structure, which integrates environmental management bodies of the head company and its 28 subsidiaries. In 2011 the Environmental Management System of OAO Gazprom was successfully certified as compliant with ISO 14001:2004 international standard. Certification audit was conducted by an independent certification body Det Norske Veritas. The crucial components of the system are the corporate Environmental policy, the database of regulatory documents and standards related to environment protection, efficient use of natural resources and energy saving. OAO Gazprom's Coordinating Committee for Environmental Protection and Energy Efficiency provides for implementation of corporate Environmental Policy and carries out a comprehensive review of environmental activities of the company.

As part of its existing Environmental Management System, OAO Gazprom implements its adopted Corporate Environmental Goals.

CORPORATE ENVIRONMENTAL GOALS OF OAO GAZPROM:

- reduction in methane emissions into the atmosphere;
- reduction in nitrogen oxide specific emissions into the atmosphere;
- reduction of discharge of polluted and undertreated water into surface water bodies;
- decrease in the share of waste sent for burial;
- decrease in payment for impacts in excess of limits as an integral indicator of negative environmental impact;
- decrease in specific consumption of natural gas for the company's own technological needs;
- implementation of environmental management system in line with ISO 14001:2004 international standard.

ISO 14001-certified environmental systems also successfully perform in the *Group's* electric power companies such as OAO Mosenergo, OAO OGK-2, OAO TGK-1, in *Gazprom Neft Group's* OOO Gazpromneft - Smazochkiye Materialy, OAO Gazpromneft - ONPZ, OAO Gazpromneft-MNPZ (former OAO Moscow Oil Refinery), as well as subsidiary companies OAO Tomskneft and Sakhalin Energy.

In October 2011 the Board of Directors approved OAO Gazprom's Environmental Policy as amended and recommended the document for use in *Gazprom Group* companies. In the reporting year OAO Gazprom approved its Comprehensive Environmental Program for 2011–2015, aimed at environmentally focused development of gas industry.

Increased attention is paid to preventive environmental actions: OAO Gazprom's Environmental Inspectorate was established at corporate level, and all project-related materials undergo OAO Gazprom's environmental expert review before being submitted for their state expert review.

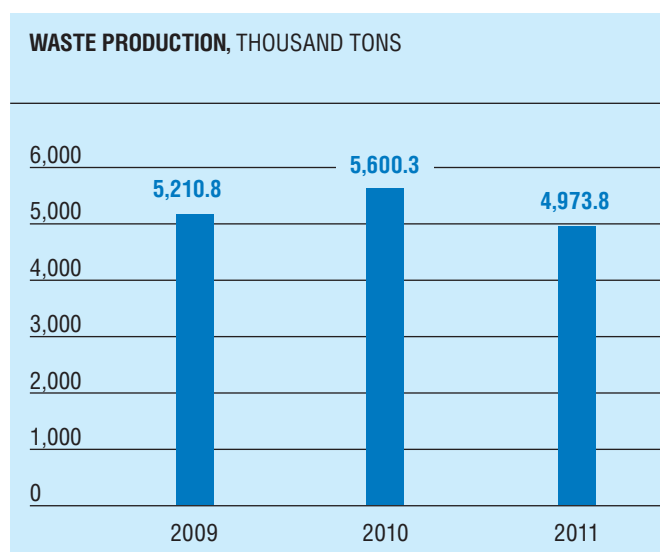
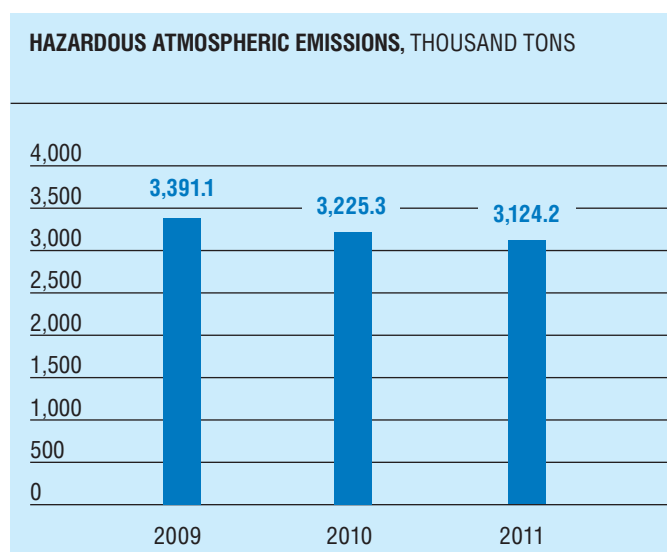
The Environmental Inspectorate of OAO Gazprom carried out 621 audits in 76 subsidiaries and contractors. It also audited operations of customers and general contractors, working at key construction sites, reconstruction and overhaul of the UGSS. Moreover, 209 target inspections of atmospheric air protection compliance were conducted in 2011. Inspection outcomes with recommendations for improvement of environmental activities were handed over to management of the inspected companies.

State environmental inspections in 2011 did not reveal any major violations of environmental laws of the Russian Federation by *Gazprom Group* companies, with RR 4.6 mln in penalties. The amount of penalty fees, an insignificant one for the *Group*, is proof to the fact that the *Group* is highly compliant with environmental protection requirements.

Gazprom views environmental safety concerns as top priority during implementation of key projects. Project solutions provide for maximum reduction of environmental impact of business and other activities both during construction and operation of facilities.

Environmental Impact Indicators

The total volume of hazardous atmospheric emissions from stationary sources was reduced by 3% compared to the previous year's level.



The reduction in gross emissions was mainly due to energy-saving measures, taken by OAO Gazprom's 100 % gas transportation subsidiaries to decrease methane emissions, and also due to lower emissions by facilities of *Gazprom energoholding* companies, which reduced electric and heating power output and burned less fuel than in 2010.

The same reason applied to a decrease in waste production across the *Group*, (over 80 % of which was represented by ashes and slag discharged by coal-fired power plants) as well as water consumption and water drain.

2011 saw reduced wastewater discharge into surface-water bodies due to water consumption reduction versus 2010 levels; including consumption for own technological needs. The *Group's* energy companies accounted for some 97 % of water consumed and almost 99% of water drained. 96.5 % of wastewater discharged into surface-water bodies was regulatory clean effluents and effluents treated to standard quality.

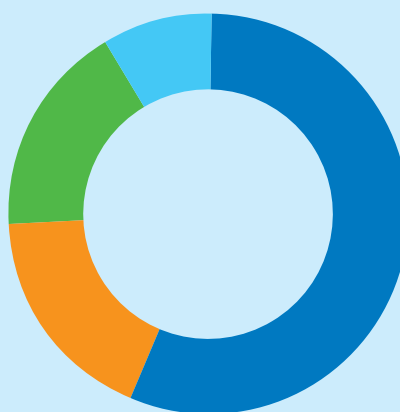
Increased contaminated soil remediation financing resulted in remediated soil area increase by 18.4 % versus 2010.

Environmental Protection Costs

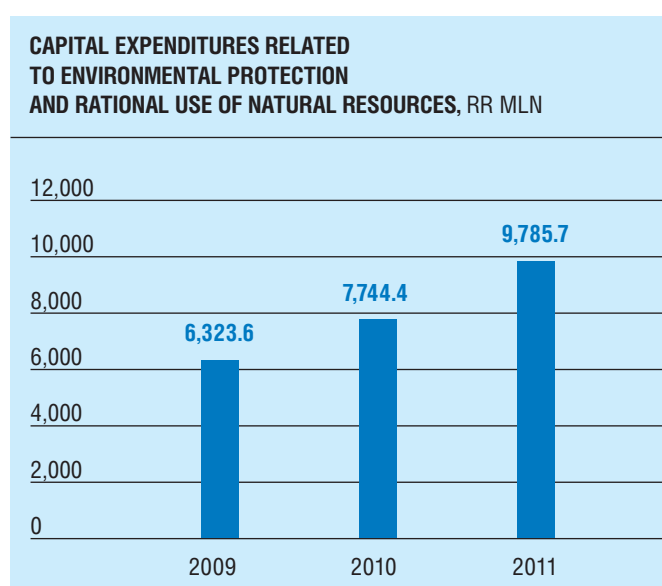
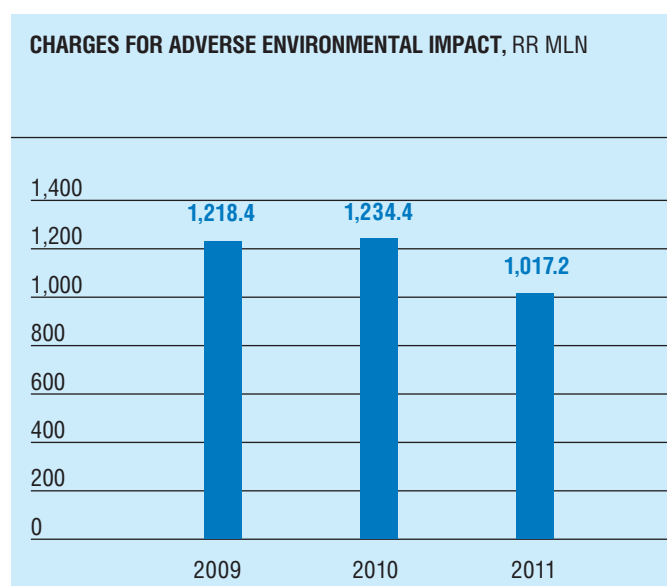
Overall *Gazprom Group* environmental protection costs in 2011 amounted to RR 24.6 bln, which is RR 4.1 bln more than in 2010. Current environmental protection costs of the *Group* rose by 9.2 % to RR 11.2 bln, costs of total overhaul of production assets for environmental protection – by 106.9 %, reaching RR 2.6 bln.

THE STRUCTURE OF GAZPROM GROUP'S OPERATING ENVIRONMENTAL COSTS IN 2011

| | |
|---|------|
| Protection and rational use of water resources | 56 % |
| Protection of soil resources of industrial and consumer waste | 18 % |
| Protection of atmospheric air | 17 % |
| Restored soil | 9 % |



Investments of *Gazprom Group* into fixed assets for environmental protection and efficient use of natural resources increased by 26 % to RR 9.8 bln. About 70 % of the above investments in 2011 accounted to OAO Gazprom and its 100 % subsidiaries.



Gazprom Group managed to achieve 17.6 % overall reduction of charges for adverse environmental impact both with lower volumes of emissions and discharge, and significant reduction of charges for above-standard impact.

Corporate Climate Policy

The Corporate Climate Policy follows provisions of the Russian Energy Strategy for the period until 2030 and the Environmental Doctrine of the Russian Federation. Operations of OAO Gazprom are also in line with the comprehensive plan to implement Russia's Climatic Doctrine, which envisages development and implementation of governmental programs to mitigate the anthropogenic impact on the Earth's atmosphere.

OAO Gazprom's corporate system for greenhouse gas inventory is a showcase for environment and climate protection corporate responsibility and meets both national and international requirements.

OAO Gazprom's actions to reduce greenhouse gas emissions contribute to achieving the goal of reducing national greenhouse gas emissions by 15-25 % versus the level of 1990 by 2020, declared by the Russian Federation at the 15-th session of the Conference of Parties to the Framework Convention on Climate Change (UN FCCC).

Participation in International Organizations

In 2011 International Gas Union with OAO Gazprom's input developed industry guidelines "Reduction of greenhouse gas emissions" with best practices for gas industry value chain, for the upcoming World Gas Congress in Kuala Lumpur (Malaysia, 2012).

Under its Cooperation Agreement with the Federal Service for Hydrometeorology and Environmental Monitoring (Rosgidromet) *Gazprom* took part in activities of international UN FCCC bodies. At the 34-th session of UN FCCC Subsidiary bodies and Kyoto Protocol on June 14, 2011 (Bonn, Germany) OAO Gazprom delivered a seminar "Developing corporate greenhouse gas registers in the Russian Federation: gas industry experience".

Development of Regulatory Documents in Accordance with International Agreements

OAOGazprom developed a set of regulations to provide for UN FCCC compliance. More than 10 documents are used for inventory preparation, registering and controlling greenhouse gas emissions for development of emission reduction projects. Standard STO Gazprom 102-2011 “Inventory of greenhouse gas emissions” was developed in order to establish uniform procedures for registration and assessment of greenhouse gas emissions in subsidiaries of OAOGazprom.

Greenhouse Gas Emissions-Related Research

Gazprom has been conducting main greenhouse gas emissions-related research (carbon dioxide and methane) in gas industry since 1992. The priorities in this area are development of corporate system for control, inventory and registration of all greenhouse gas emissions (including methane) from all controlled and uncontrolled sources, development of measures to reduce greenhouse gas emissions.

OAOGazprom’s experts regularly share their experience, conduct joint research on greenhouse gas emissions issues with their colleagues from E.ON Ruhrgas, GDF SUEZ, Gasunie under Research and Development Cooperation Programs.

CARBON DISCLOSURE PROJECT (CDP)

Carbon Disclosure Project (CDP) is a partnership of over 500 financial entities all over the world, holding and managing funds for over US \$ 60 trln. CDP maintains the world’s largest database on corporate greenhouse gas emissions, used for making investment decisions.

Disclosure of Greenhouse Gas Emissions Information

OAOGazprom annually reports to Rosgidromet its quantitative estimates of annual greenhouse gas emissions for preparation of the greenhouse gas emissions Inventory of the Russian Federation in accordance with requirements of UN FCCC and Russian law.

OAOGazprom regularly participates in annual Carbon Disclosure Project (global investment partnership).

Under the project *Gazprom* declared its measures to reduce greenhouse gas emissions to global financial institutions and investors for making investment decisions and was granted access to the global corporate climate change information database, to be able to research and analyze experience of major global oil and gas companies. In 2011 upon completion of a Carbon Disclosure Project poll OAOGazprom achieved the highest score among Russian companies.

GREENHOUSE GAS EMISSIONS BY OAO GAZPROM’S MAJOR SUBSIDIARIES

In 2011 greenhouse gas emissions (carbon dioxide and methane) by OAOGazprom’s gas production, refining, transportation, and underground gas storage subsidiaries reduced by 3 % versus previous year, amounting to 133 mln tons of CO₂ equivalent.

Efficient Use of APG

Associated petroleum gas (APG) flaring has major importance for resolving the greenhouse gas emissions issue in oil and gas segment. ООО Газпром Добыча Оренбург, ООО Газпром Переработка, and ООО Газпром Нефть Оренбург use 100% of APG. *Gazprom Neft Group's* APG utilization (use) value in 2011 reached up to 58.8 %.

Surgutskaya GRES-1, a part of ОАО ОГК-2, uses APG as its primary and backup fuel.

In 2011 ОАО Газпром completed preparation of required documentation for Efficient Utilization of Associated Petroleum Gas at Urengoiskoye oil and gas condensate field Project for subsequent transactions with carbon units. The Order No. 20 of the Ministry of Economic Development of Russia, dated January 20, 2012, included the project into the list of projects, implemented in line with requirements of Article 6 of Kyoto Protocol to the UN FCCC.

Industrial and Labor Safety

Improvement of OAO Gazprom's Unified System for Managing Labor and Industrial Safety, allows ensuring a high level of employees' labor safety.

OAO Gazprom's Unified Corporate Labor and Industrial Safety Policy applies to OAO Gazprom and its major exploration, production, processing, transportation and underground gas storage subsidiaries, and also those subsidiaries that operate UGSS.

The key labor and industrial safety priorities and goals of OAO Gazprom and its subsidiaries are the following:

- absolute priority of life and health of employees;
- maximum safety working environment for employees;
- securing reliable performance of hazardous industrial facilities.

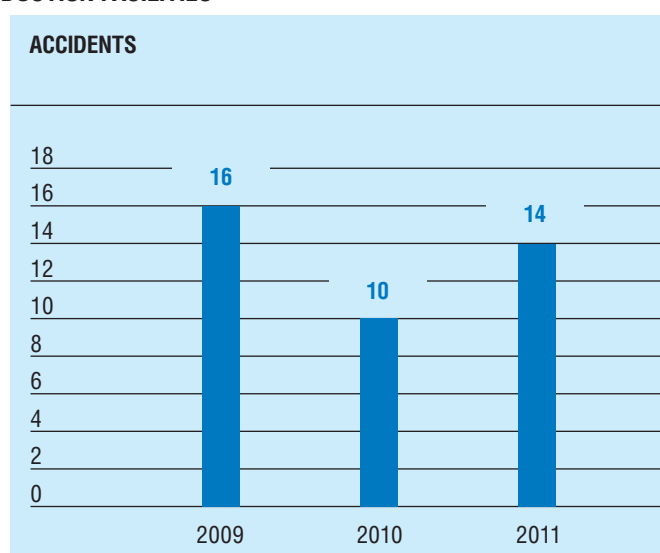
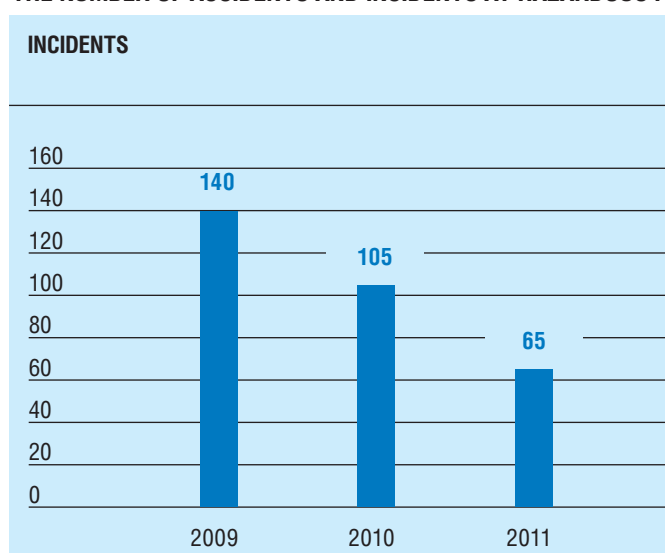
OAO Gazprom established its Unified system for managing labor and industrial safety, setting standard organizational procedures and activities to ensure labor and industrial safety.

OAO Gazprom's goal is to bring its Unified system for managing labor and industrial safety in line with OHSAS 18001:2007 "Occupational Health and Safety Management Systems" international standard.

The work carried out by OAO Gazprom and its subsidiaries and organizations in the field of labor and industrial safety results in bringing down the number of casualties, accidents and incidents.

The number of incidents is continuously decreasing, demonstrating a reduction by more than two times in 2009, and 38% lower than in 2010. The total amount of persons, injured in industrial accidents in 2011 amounted to 156 persons. This figure reduced by 32 % versus 2009 and by another 4 % versus last year.

THE NUMBER OF ACCIDENTS AND INCIDENTS AT HAZARDOUS PRODUCTION FACILITIES



In 2011 197.5 thousand employees of OAO Gazprom and its subsidiaries were trained and tested for knowledge of labor safety requirements, 76.3 thousand were trained in industrial safety. Gas producing and gas transportation subsidiaries completed their workplace appraisal activities.

Gazprom Neft is implementing its own Industrial, Environmental and Labor Safety Policy.

Energy Saving and Energy Efficiency

Implementing energy savings programs with the use of innovation technologies and new equipment as well as continuous monitoring of subsidiaries' operations makes it possible to decrease man-caused environmental impact and increase energy efficiency.

In order to improve its operations, OAO Gazprom pursues a consistent policy of energy savings and raising energy efficiency for its production processes. This systematic work involves medium- and long-term planning.

In April 2011 the Board of Directors of OAO Gazprom approved the long-term Concept for Energy Saving and Improving Energy Efficiency of OAO Gazprom for 2011–2020 and the mid-term Concept for Energy Saving and Improving Energy Efficiency of OAO Gazprom for 2011–2013.

The Long-Term Concept for Energy Saving and Improving Energy Efficiency of OAO Gazprom for 2011–2020. The Concept defines further areas for operational development of OAO Gazprom and its major production, transportation, refining and underground gas storage subsidiaries in order to improve their energy efficiency. Moreover, to comply with energy saving laws and regulations of the Russian Federation, energy savings and energy efficiency benchmarks for production and technology processes in production, transportation, refining and underground gas storage of OAO Gazprom were approved:

- reduction of specific consumption of fuel and energy resources for process needs over the period up to 2020 – at least 1.2 % per year;
- reduction of specific consumption of natural gas for own technological needs and losses in primary operations – at least 11.4 %;
- reduction of greenhouse gas emissions – at least 48.6 mln tons of CO₂-equivalent.

Considering the defined goals, the key tasks in this area for the period up to 2020 are the following:

- maximum utilization of energy savings potential in all business areas based on the government support for energy savings policy of OAO Gazprom and energy saving improvement;
- improving energy efficiency of OAO Gazprom's subsidiaries and entities based on innovative technologies and equipment;
- reduction of man-caused environmental pressure.

According to the Concept, the overall technologically feasible energy savings potential for the period up to 2020 is estimated at 28.2 mln tce (including 22.5 bcm of natural gas). In 2011–2013 it is planned to achieve total savings of 6.4 mln tce in line with the developed mid-term program.

The Mid-Term Program for Energy Saving and Improving Energy Efficiency of OAO Gazprom for 2011–2013. The Program is designed to provide for implementation of management decisions, based on improving control over energy efficiency of production, increasing economic motivation in energy efficiency for individual employees and subsidiaries.

CONSUMPTION OF FUEL AND ENERGY RESOURCES BY OAO GAZPROM'S SUBSIDIARIES IN 2011

Gas consumption for own process needs by major production, transportation and underground gas storage subsidiaries of OAO Gazprom amounted to 52.0 bcm and is estimated at RR 112.3 bln. The total electric power consumption reached up to 16.9 bln kWh, of these 6.4 % were generated by corporate power stations. Process needs also took 23.6 mln Gcal of heating energy (86.9 % generated at corporate facilities). Electrical and heating power purchase costs amounted correspondingly to RR 39.25 bln and RR 6.71 bln.

Specific consumption of fuel and energy resources during gas trunk pipeline transportation amounted to 34.1 kg of coal equivalent /mmcm.km. The benchmark specific consumption value for fuel and energy resources, determined by FTS order for this business, is 36.88 kg of coal equivalent/mmcm.km.

Implementation of energy savings program by OAO Gazprom's subsidiaries in 2011 resulted in savings of 2.8 mln tce: gas transportation – 2.5 mln tce, gas production – 312 thousand tce, gas, oil and condensate processing – 22 thousand tce, underground gas storage – 13 thousand tce.

The key areas for fuel and energy resources savings in 2011 were the following:

- improving operational conditions for gas transportation system facilities;
- reduction of gas consumption for process needs of line section and gas distribution stations (including gas withdrawal from repaired line sections of pipelines and tapping technologies without gas blowout);
- reconstruction and upgrade of technological facilities of CS.

In accordance with the Federal Law No. 261-FZ, dated November 23, 2009 "Energy saving and improving energy efficiency, amendments to specific regulations of the Russian Federation", other entities of *Gazprom Group* implement and develop their own energy saving programs.

SOCIAL POLICY

The scale and geography of *Gazprom's* operations are strategically important for the development of the entire Russian economy and involve interests of millions of people, determining *Gazprom's* special social responsibility.

Managing Human Capital

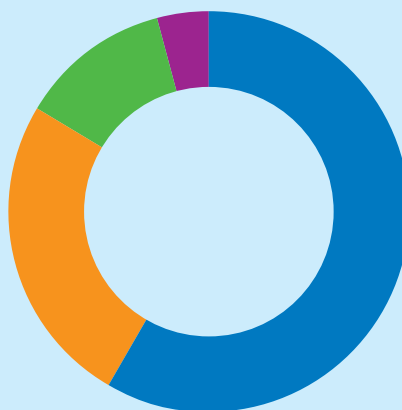
Following requirements of the International Labor Organization's Conventions, *Gazprom Group* observes international standards concerning freedom of association, payroll, duration of the workday, labor conditions, compensation for employees' labor, social insurance, paid leave, labor safety, etc.

Personnel Structure and Professional Development

As of December 31, 2011, the listed number of employees engaged in *Gazprom Group's* companies was 404.4 thousand, including 25.9 thousand employed by the *Group's* companies registered outside Russia. At the same time, the listed number of employees engaged in *Gazprom Group's* major gas production, transportation, underground storage, and gas refining companies was 219.3 thousand.

THE STRUCTURE OF GAZPROM GROUP'S EMPLOYEES IN 2011

| | |
|-----------------|------|
| Workers | 58 % |
| Specialists | 25 % |
| Management | 13 % |
| Other employees | 4 % |



In 2011 over 207 thousand employees of the *Group* went through professional development.

In order to maintain and increase the professional level of its employees in accordance with its needs, the *Group* has a System of on-going in-house professional education of OAO Gazprom personnel in place, functioning through the corporate training centers. Approaches used by *Gazprom* in the personnel training and re-training make it possible to efficiently manage employees' knowledge and to develop capacity to achieve the goals of innovative development. The number of employees working in *Gazprom Group's* companies who received training in 2011 was 99.4 thousand workers and 108.3 thousand managers, specialists and other personnel. The number of employees went through professional development programs grew by more than 18 thousand people versus 2010.

Gazprom pays special attention to on-boarding young specialists for their quick and seamless integration into business processes. *Gazprom* employs individual training and development approach for this employee category. In 2011 entities of *Gazprom Group* hired 1.8 thousand young specialists-graduates of higher education institutions and vocational schools.

Personnel Motivation System

Gazprom Group's personnel motivation system, comprising material and immaterial stimulation is aimed at attract and hold highly-qualified employees, and to raise concernment of laborers in business results.

The existing payroll systems in *Gazprom Group's* companies provide official salaries and basic rates (set with account taken of personal qualification and business skills), bonuses (paid for employees' current performance), extra payments (tied to the labor environment and the scope of work performed), one-off bonuses (paid for the commissioning of production facilities and other facilities, implementation of new machinery, energy resource savings, discovery of new hydrocarbon deposits, etc.) as well as rewards paid based on the operating performance.

In order to motivate top executives of OAO Gazprom and its major gas production, transportation, underground storage, refining, and marketing subsidiaries, the Board of Directors adopted Resolution No. 927 dated December 19, 2006, envisaging:

- Annual bonus system taking into account the achievement of corporate and individual key performance indicators in a reporting year. The list of key performance indicators was approved by OAO Gazprom's Board of Directors under the Regulation for annual bonus system for OAO Gazprom's top management. At the corporate level the list includes specific costs in natural gas production, specific costs in natural gas transportation, in-kind natural gas sales and commissioning of top-priority production facilities.
- Program for rewarding shares as a bonus aimed at ensuring long-term motivation of key management staff depending upon an increase in OAO Gazprom's shareholder value.

In order to motivate its employees, *Gazprom Group* implemented a system for stimulation, based on state awards of the Russian Federation, awards of the Ministry of Energy of Russia and OAO Gazprom. The system of corporate awards significantly increased prestige of moral encouragement and received positive feedback from subsidiaries.

Social Security and Social Partnership System

Gazprom Group's social policy is aimed at balancing the employees' and employers' interests within the social partnership system in order to practice human resource management motivate employees to accomplish corporate goals and provide employees with an optimum level of social protection.

Social security is provided to employees through benefits, guarantees, and compensations, medical services, treatment and aftercare in health resorts, and various types of personal insurance, establishing comfortable and safe labor environment and assisting in resolving housing problems via a baseline bank mortgage lending facility and supplementary pensions.

In 2011, social and labor relationships within *Gazprom Group* were regulated by the current labor legislation, the Industry agreement for the organizations of the oil and gas industries and the construction of objects of the oil and gas sector for the period from 2011 through 2013, the Industry tariff agreement in electric power industry of the Russian Federation for the period from 2009 through 2011 (extended till 2012), the General Collective Contract of OAO Gazprom and its subsidiaries for the period from 2010 through 2012, the collective contracts and other local regulatory documents of OAO Gazprom's subsidiaries and organizations.

Interests of more than 270 thousand employed by the *Group* are represented by OAO Gazprom's Interregional Trade Union Organization.

Social Projects

In its day-to-day practice *Gazprom* traditionally pays special attention to implementing social projects, supporting such public spheres as sports, culture, education, science, and also takes part in projects, focused on renaissance of national values.

Supporting Children and Youth

714 sports facilities constructed and redesigned under “Gazprom to Children” Project over the past 5 years

To create conditions for harmonious development of children and adolescents in regions of its operations, the *Group* started its “Gazprom to Children” program five years ago. It is a largest current social project of *Gazprom* with RR 17.8 bln in funding.

The Program covers construction and reconstruction of cultural and sports facilities in 72 Russian regions, purchasing sports equipment for sports clubs and arts groups, organizing festivals and sports events. At the end of the reporting year the Program was participated by more than 80 companies of the *Group* – two times the number for 2010. The Program covers a total of 815 sports facilities, including stadiums, multi-functional sports grounds, tennis courts, football fields, swimming pools, as well as sports and health centers.

Gazprom continued to support the International Children’s Forum “This World is Ours!”. OAO *Gazprom* sponsored the II International Children’s Forum “This World is Ours!”, held in Segovia (Spain) and Terracina (Italy) as part of cross-cultural Russian-Spanish and Russian-Italian Years. In 2011 OAO *Gazprom* continued to sponsor Children’s Radio – Russia’s only radio, broadcasting exclusively for children.

Christmas and New Year celebrations attended by over a thousand children from Moscow orphanages and shelters under OAO *Gazprom*’s patronage have become a tradition. During the reporting year considerable help was rendered to disabled children, low-earning people, children from large families and orphans.

Supporting Culture and Art

In 2011 OAO *Gazprom* supported “Blue Rider” exhibition in the Pushkin State Museum of Fine Arts in Q4 2011, 1-st International Forum “Art and Reality” in Saint-Petersburg, and also concerts by Spivakov’s National Philharmonic Orchestra of Russia, the Moiseyev’s State Academic Ensemble of Popular Dance, “Russian Seasons XXI Century” ballet festival tour across Russia and abroad.

In 2011 as part of the Year of Russian Culture and Language in Italy and the Year of Italian Culture and Language in Russia, OAO *Gazprom* acted as a partner to The Pyatnitsky Russian Folk Chorus at the International Festival of Ethnic Cultures “Russia’s Constellation” in Rome, Italy.

In May 2011 the city of Gelendzhik hosted the finals of the IV Corporate “Fakel” Festival, an event, participated by amateur groups and performers. The festival was also participated by foreign partners, French GDF Suez and Chinese CNPC.

Supporting Sports and Physical Education in Russia

2011 saw further close cooperation with sports federations. OAO *Gazprom* is the general sponsor of Russian Rhythmic Gymnastics Federation, Russian Biathlon Union, Russian Football Union, Russian Rowing and Canoeing Federation and football club Zenit. *Gazprom* also supported Russian Volleyball Federation and Russian Chess Federation. In 2011 OAO *Gazprom* started financing equestrian sports competitions.

With the purpose of preparing Russian athletes for 2014 Sochi Olympics, OAO *Gazprom* started to render financial support to Russian Olympic Committee, the cooperation will continue into 2012 as well.

Apart from *Gazprom Group's* systemic support to sports federations and clubs in the territory of the Russian Federation, OAO Gazprom also sponsors the annual top International Tennis Tournament St. Petersburg Open – 2011 was the year when athletes stepped out onto courts for the 17-th time.

Regions of *Gazprom Group* presence regularly see summer and winter Spartakiada Games, participated by both employees and children, attending sports schools of the *Group's* subsidiaries. In 2011 there were several summer Spartakiada Games. The IX adult summer Spartakiada in Saransk (the Republic of Mordovia) had 30 teams of OAO Gazprom's subsidiaries and entities. The IV children summer Spartakiada in Anapa was participated by 20 teams.

Supporting Russian Orthodox Church

In 2011 OAO Gazprom supported the construction of the Life-Giving Trinity Cathedral in the city of Petropavlovsk-Kamchatsky, the restoration of Novoiyerusalimsky Voskresensky stavropegial monastery and Kharlampiyevsky Church in Irkutsk, the construction of iconostasis at Cathedral of Dormition in Astana (Kazakhstan). OAO Gazprom also supported presentation of “Freedom and Responsibility: In Search of Harmony. Human Rights and Personal Dignity”, a book by His Holiness Kirill, Patriarch of Moscow and All Russia and the premiere of “Christmas Oratorio” at Megaron Music Palace in Athens.

Supporting Russian Education

OAO Gazprom traditionally implements projects related to the support of national education, including projects with I.M. Gubkin Russian State University of Oil and Gas, Higher School of Management of St. Petersburg State University.

Zhubga

Novomikhailovsky

Tuapse

Lazarevskoye

Sochi

NEW REGIONS OF GASIFICATION

In the South, *Gazprom* commissioned the first offshore gas pipeline Zhubga – Lazarevskoye – Sochi intended to deliver gas to Russian consumers. It made a significant contribution to energy supply for the Olympic facilities and quickly developing infrastructure in the regions of the Black Sea coast in the Caucasus.



In the East, the first start-up complex of the gas transportation system Sakhalin – Khabarovsk – Vladivostok was commissioned, which launched the large-scale gasification process in the Far East and made possible gas supplies to the Asia-Pacific Region.

Gazprom addresses an important social and economic task to provide gas to Kamchatka. The gas pipeline Sobolevo – Petropavlovsk-Kamchatsky was built. The Company is developing field infrastructure in the Western part of the peninsula. Natural gas will improve the reliability and efficiency of the energy sector in Kamchatka.

CORPORATE GOVERNANCE

ОАО Газпром continuously improves its corporate governance to ensure greater security of shareholder rights.

Corporate Governance Principles

ОАО Газпром is building a corporate governance system that will comply with generally accepted international standards, secure all of its shareholders' rights, and allow building effective relationships with its shareholders, investors, and other stakeholders.

The fundamental principles for corporate governance are outlined in ОАО Газпром's Corporate Governance (Conduct) Code adopted at ОАО Газпром's General Shareholders Meeting on June 28, 2002.

According to the above document, corporate governance improvement is a key operating principle of ОАО Газпром. Its corporate governance is primarily aimed at unswerving compliance of all rights of *Gazprom's* shareholders and is designed to provide:

- Real opportunity for shareholders to exercise their rights, related to their stake in ОАО Газпром;
- Timely disclosure of information about ОАО Газпром, including its financial status, performance indicators, ownership and governance structure;
- Active interaction of ОАО Газпром with investors, lenders and other stakeholders to increase ОАО Газпром's assets, value of shares and other securities of ОАО Газпром;
- Efficient control over financial and operational activities of ОАО Газпром.

ОАО Газпром recognizes the importance of improving corporate governance in its subsidiaries and affiliated entities and focuses on ensuring transparency of operations of the above entities and practical implementation of key principles, defined by the Corporate Governance (Conduct) Code of ОАО Газпром.

THE CORE DOCUMENTS SECURING RIGHTS OF ОАО ГАЗПРОМ SHAREHOLDERS

- ОАО Газпром's Charter;
- Regulation on ОАО Газпром's General Shareholders Meeting;
- Regulation on ОАО Газпром's Board of Directors;
- Regulation on ОАО Газпром's Management Committee;
- Regulation on the Chairman of ОАО Газпром's Management Committee;
- Regulation on ОАО Газпром's Revision Commission;
- Dividend Policy of ОАО Газпром.

Gazprom is seeking to achieve maximum efficient use of corporate governance principles, specified in the Corporate Governance Code, recommended by FCSM of Russia in its instruction No. 421/r dated April 4, 2002 (hereinafter – FCSM Code). OAO Gazprom directly follows recommendations of the document and proposes to its investors and shareholders other solutions, focused on protection of their rights and legal interests with consideration of its corporate specifics (vertical integration and business diversity, corporate shareholder structure). Moreover, individual aspects of public company business, specified in FCSM Code, such as reorganization and merger, are in great depth regulated by applicable Russian laws, thus making their further detailing in internal documents of OAO Gazprom unnecessary.

Corporate Governance Subjects

The key subjects of OAO Gazprom's corporate governance are management and control bodies of OAO Gazprom – General Shareholders Meeting, Board of Directors, Management Committee, Chairman of the Management Committee and Revision Commission. Independent audit of financial and operational activities of OAO Gazprom is performed by an external auditor.

Considering the broad spectrum of issues, related to preparation and delivery of corporate events at OAO Gazprom, large scale and complexity of such matters and also significance of decisions made for OAO Gazprom and stakeholders, corporate secretary functions, prescribed by FCSM Code, are distributed between structural units of OAO Gazprom within their respective competence. Most of these functions are concentrated with the Secretariat of the Board of Directors, the Administration of the Management Committee, and also with Department for Property Management and Corporate Relations.

OAO Gazprom is the parent company for a group of subsidiaries and affiliated companies, with the following corporate interactions:

- Participation of OAO Gazprom's representatives in governance bodies, collegiate executive bodies and control bodies of entities, shares (stakes, interests) in which are owned by OAO Gazprom;
- Making individual decisions on operations of subsidiaries, where OAO Gazprom is the sole shareholder, in line with applicable laws;
- Exercising the right to issue mandatory instructions to subsidiaries, in line with applicable laws.

Responsibility for control over performance efficiency of subsidiaries and affiliated companies by business areas is vested with structural units of OAO Gazprom, depending on their line of business. Coordination and methodology support for representatives of OAO Gazprom and its subsidiaries in governance bodies of investment subjects are the responsibility of Department for Property Management and Corporate Relations.

General Shareholders Meeting

General Shareholders Meeting is the supreme management body of OAO Gazprom. Procedures for preparation and holding of shareholder meetings are established in the Charter and the Regulation on the General Shareholders Meeting and are thoroughly adhered to by OAO Gazprom.

Preparation and Holding of General Shareholders Meeting

Shareholders Meeting is announced no later than 30 days prior to its date, including through publications in “Rossiyskaya gazeta” and for “Tribuna” newspapers and OAO Gazprom’s website. Information for shareholders is made available 20 days prior to a meeting in an office of OAO Gazprom’s executive body, at OAO Gazprom’s website and in other places, listed in notifications of upcoming General Shareholders Meetings, this information is comprehensive and enables decision-making on agenda issues of a shareholders meeting.

The list of persons, eligible to participate in a General Shareholders Meeting, is generated based on the register of shareholders and may be presented for review by request of persons on the list with at least 1 % of voting rights.

The Regulation for Execution of Proposals and Requests of shareholders to call for a General Shareholders Meeting is designed to secure rights of shareholders to participate in General Shareholders Meeting.

Registration procedure for General Shareholders Meeting participants is established in the Regulation on General Shareholders Meeting. According to the above Regulation, notifications to participate in a General Shareholders Meeting are sent to members of the Board of Directors and the Management Committee, representatives of OAO Gazprom’s auditor, members of the Revision Commission and nominees, listed in voting bulletins for election to the Board of Directors and the Revision Commission, and also other persons, as proposed by members of the Board of Directors and the Management Committee.

Resolutions, adopted by General Shareholders Meeting and voting results are announced at the meeting, where the voting procedure took place. The Regulation on General Shareholders Meeting also provides for a voting results report option to inform shareholders. Minutes of a General Shareholders Meeting are posted at OAO Gazprom’s website.

Board of Directors

The Board of Directors performs general management of OAO Gazprom’s operations, excluding those issues, which are reserved for General Shareholders Meeting by the Federal law “On Joint-Stock Companies”.

Rights, Responsibility and Liabilities of Members of the Board of Directors

Rights, responsibility and liabilities of members of the Board of Directors are established in the Charter and the Regulation on the Board of Directors.

Members of Board of Directors have the right to receive information, required for performance of their functions, from OAO Gazprom. Thus, for preparation to a meeting of the Board of Directors, a member of the Board of Directors may exercise his right for information by sending a request to the Chairman of the Management Committee for provision of additional information on agenda issues. Chairman of the Management Committee provides requested documents and information during 5 calendar days from the date of the request’s receipt.

Competence of the Board of Directors

The Charter provides the Board's approval for prospective plans and key action programs of OAO Gazprom, including annual budget and investment programs.

KEY OPERATIONAL OBJECTIVES OF OAO GAZPROM'S BOARD OF DIRECTORS

- Determine development strategy.
- Increase market capitalization.
- Provide for OAO Gazprom's information disclosure for shareholders and other stakeholders.
- Develop internal control mechanisms.
- Regularly evaluate performance of executive bodies of OAO Gazprom and top management performance.

The Board of Directors, in line with the Charter, is also in charge of setting up executive bodies and early termination of their powers, determining reward and compensation amounts for the Chairman and Members of the Management Committee, approval of holding positions in executive bodies of other entities. The Charter does not expressly provide for the right of the Board of Directors to approve terms and conditions of contracts with the Chairman and Members of the Management Committee, but the Board of Directors is entitled to approve terms and conditions of contracts, considering the fact that the list of matters within its competence is an open one.

The Board of Directors is focused on improvement of internal control system and corporate risk management development issues.

The Board of Directors plays a significant role in choosing corporate course of actions for those companies, which are subjects to long-term OAO Gazprom investments. Particularly, approval of the Board of Directors is required to align OAO Gazprom's voting position to be followed by its representatives in executive bodies of investment subjects on matters of participation and termination of participation of these entities in other companies; contributions of investment subject participants into its property and also contributions by investment subject into property of other companies; reorganization or liquidation and other significant matters.

Election Procedures for Members of the Board of Directors and Composition of the Board of Directors

Election and early termination of powers of members of the Board of Directors are assigned to the competence of General Shareholders Meeting of OAO Gazprom. Elections of members of the Board of Directors are held by cumulative voting in line with the procedure, outlined in the Charter.

According to a General Shareholders Meeting resolution, the Board of Directors has 11 members, unless otherwise established by a General Shareholders Meeting resolution. Members of the Management Committee of OAO Gazprom cannot take up more than one fourth of members of the Board of Directors.

In accordance with applicable Russian laws and the Charter of OAO Gazprom, the right to nominate candidates to OAO Gazprom's Board of Directors, including those meeting independence criteria, is available to those shareholders (shareholder), jointly holding at least 2 % of OAO Gazprom's voting shares.

CHANGES IN THE BOARD OF DIRECTORS IN 2011

Extraordinary General Shareholders Meeting of OAO Gazprom on June 30, 2011 elected its Board of Directors (Minutes No. 2 of the Extraordinary General Shareholders Meeting of OAO Gazprom, dated June 30, 2011) and replaced public officials - members of Board of Directors, representing industry government ministries, for professional directors.



Information on the members of the Board of Directors of OAO Gazprom as of December 31, 2011 is presented in "Board of Directors and Management Committee" section.

As of December 31, 2011, members of the Board of Directors Kulibayev Timur Askarovich and Musin Valery Abramovich, elected on June 30, 2011 by the Extraordinary General Shareholders Meeting of OAO Gazprom, have independent director status.

A director may be considered independent when he is capable of making independent judgments and free from any conditions that may affect his opinion, a list of such conditions is provided in FCSM Code.

Committees of the Board of Directors

Structure and operational procedures of committees of the Board of Directors are established by Standard Regulation on the Board of Directors' Committee, and also by regulations on committees of the Board of Directors.

Forming committees and commissions of the Board of Directors, approval of their composition and regulations are assigned to the competence of the Board of Directors.

The Audit Committee of the Board of Directors, headed by an independent director, is established in order to assist the Board of Directors' function of securing efficient control over financial and operational activities of OAO Gazprom.

Existing comprehensive integration of all planning levels of OAO Gazprom enables participation of the Board of Directors in defining strategic goals and controlling progress of their achievement. Particularly, the Board of Directors approves the list and levels of strategic target indicators of OAO Gazprom, which are milestones for long-, mid- and short-term planning. The Board of Directors also approves annual budget and investment program.

Strategic planning and investment activities functions are effectively distributed between the Board of Directors and the Management Committee of *Gazprom*. The organizational structure provides for special units, responsible for support of strategic planning process and investment activities – Prospective Development Department and Investment and Construction Department. OAO Gazprom's approach to strategic planning, based on balanced scorecard system, meets current requirements and enables efficient achievement of OAO Gazprom's objectives.

The existing OAO Gazprom's procedures of comprehensive participation of the Board of Directors in resolving fundamental activity planning matters are an efficient alternative to creation of a specialized committee of the Board of Directors.

OAO Gazprom adopted a Comprehensive Program for Implementation of the Human Resources Management Policy for OAO Gazprom, its subsidiaries and entities for 2011–2015. The Program focuses on further improvement of HR activities of OAO Gazprom, its subsidiaries and entities.

Coordination of the Program's implementation and general management is performed by Coordinating Council, comprised of officers of structural units of OAO Gazprom's administration and heads of departments of subsidiaries and entities.

The existing OAO Gazprom's material incentives system for top management is aimed at execution of business objectives of OAO Gazprom, implementation of OAO Gazprom's strategic operations areas by securing personal commitment of each officer.

A regulation on compensations procedure for members of the Board of Directors of OAO Gazprom has been developed in line with internationally recognized corporate governance principles and provisions of FCSM Code.

The established HR management system and the material incentives system for top management ensure that OAO Gazprom hires top professionals, required to achieve goals and objectives of OAO Gazprom.

Introduction of any additional elements into the governance structure of OAO Gazprom without any objective requirements will lead to excessive complexity of OAO Gazprom's decision-making process. When there is a need for establishing an HR and rewards committee of the Board of Directors, the issue will be put up for consideration.

Meetings of the Board of Directors

Meetings of the Board of Directors follow a six-month Action Plan of the Board. The Plan is prepared in line with proposals of the Chairman and Deputy Chairman of the Board of Directors, members of the Board of Directors, the Management Committee, the Chairman of the Management Committee, Revision Commission and OAO Gazprom's auditor. Internal documents of OAO Gazprom do not specify frequency of meetings of the Board of Directors, but they are held at least once in six weeks, and normally even more often.

Quorum requirements for the Board of Directors are established in the Charter, over a half of elected members of the Board of Directors are required to pass resolutions on agenda issues by simple majority of votes.

Members of Board of Directors are required to participate in meetings of the Board of Directors in person. If a member cannot attend a meeting for any reason, such member of the Board of Directors must notify the Board of Directors, specifying the reasons for his absence. In this case such a member of the Board of Directors may send his written opinion on agenda issues. Although internal documents of OAO Gazprom do not require independent directors to attend meetings of the Board of Directors of OAO Gazprom, independent directors are to take an active part in meetings of the Board of Directors on key issues, assisted by the established OAO Gazprom's six-month action planning practices for the Board of Directors and availability of liability insurance program for persons on governance bodies of OAO Gazprom.

Management Committee and Chairman of the Management Committee

The sole executive body of OAO Gazprom is the Chairman of the Management Committee, the collegiate executive body is the Management Committee.

Rights, Responsibility and Liabilities of Executive Bodies

Activities of the Management Committee and the Chairman of the Management Committee are prescribed by the Charter and internal documents of OAO Gazprom, including Management Committee Regulation and Management Committee Chairman Regulation.

The Management Committee and its Chairman report to General Shareholders Meeting and the Board of Directors. The Management Committee Regulation establishes that the Management Committee is required to report to the Board of Directors annually and also when so requested by the Board of Directors. These procedures and reporting standards for executive bodies of OAO Gazprom that provide for prompt presentation of required information at a request of members of the Board of Directors, enable provision of more comprehensive information on OAO Gazprom's performance to members of the

Board of Directors, than monthly reports, recommended by FCSM Code.

Competence of Executive Bodies

The Management Committee and the Chairman of the Management Committee perform their current management in such a way as to secure dividend to shareholders and provide for development of OAO Gazprom. In order to achieve these goals, the executive bodies primarily strive to implement goals, strategy and policy of OAO Gazprom, and also promptly, efficiently and properly execute decisions of the Board of Directors and General Shareholders Meeting.

The Management Committee develops financial and operational plans and action programs for OAO Gazprom's activities, designs internal control and risk monitoring system for early discovery of trends that are likely to cause adverse impact on current performance results and implementation of forward-looking development plans of OAO Gazprom.

Structure and Composition of Executive Bodies

The Management Committee is formed by the Board of Directors in line with the Charter out of top managers of OAO Gazprom, its subsidiaries and such other persons with relevant professional skills and management experience, primarily in OAO Gazprom's area of business.

The quantitative composition of the Management Committee is determined by the Board of Directors and is deemed to be optimum for constructive discussion of issues and making timely and efficient management decisions.

Dividend Policy

The Dividend Policy of OAO Gazprom is developed in line with the applicable laws of the Russian Federation, the Code of FCSM, the Charter and internal documents of OAO Gazprom; the Policy establishes guiding principles for the Board of Directors to prepare its recommendations to General Shareholders Meeting for profit allocation including dividend payment resolutions.

The distinctive feature of the Dividend Policy, adopted by the Board of Directors in 2010, is the increase of the maximum cap of dividends payable to 35 % of net profit, securing greater participation of shareholders in OAO Gazprom's profits.

Dividends are calculated based on the amount of OAO Gazprom's profit, posted in annual RAS accounts. When determining dividends and preparing recommendations to General Shareholders Meeting for profit allocation, the Board of Directors is guided by the following principles:

- transparency of dividend amount calculations methodology;
- alignment of short-term (profits) and long-term (development of OAO Gazprom) interests of shareholders;
- focus on increasing investment attractiveness and capitalization of OAO Gazprom.

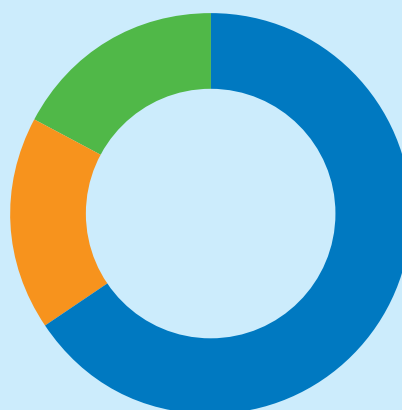
The established dividend amount calculation methodology enables payments ranging from 17.5 % to 35 % of corporate net profit, provided the Reserve Fund is fully formed in line with the Charter. As of December 31, 2011 the Reserve Fund was fully formed.

**OAQ GAZPROM'S DIVIDEND POLICY
DETAILS**

| | |
|--|-------------|
| Allocated for investment: minimum 65 % of net profit (RAS) | 65 % |
|--|-------------|

| | |
|--|---------------|
| Allocated for dividend payment: minimum 17.5 % of net profit (RAS) | 17.5 % |
|--|---------------|

| | |
|---|---------------|
| Distributed among investments and payments of dividends: the remaining 17.5 % of net profit (RAS) | 17.5 % |
|---|---------------|

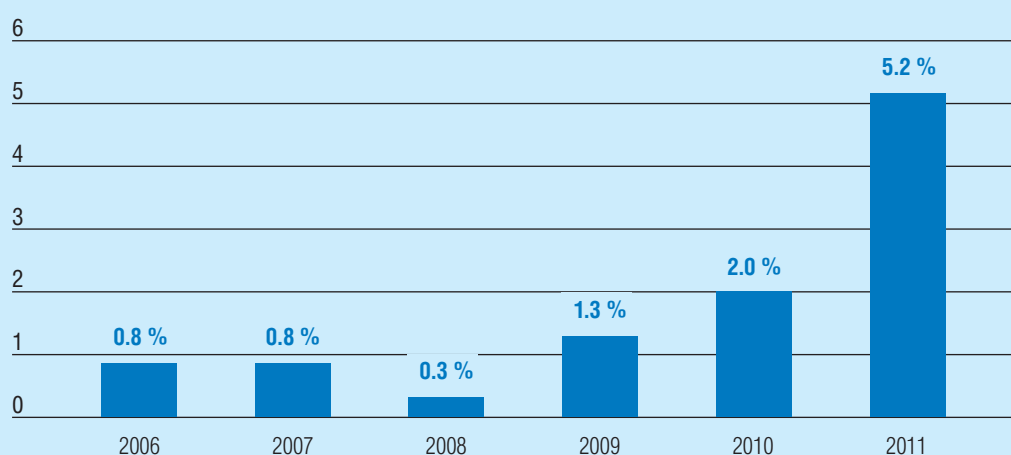


Net profit amount for dividend calculation may be adjusted (downward) for additional valuation of financial investments and similar economic events of business activities of OAO Gazprom.

Dividend policy with amendments is posted at OAO Gazprom's website.

The Dividend Policy provides for dividends payable on OAO Gazprom's ordinary shares. Due to the fact that the Charter does not provide for issue of privileged shares, the Dividend Policy has no dividend payment procedures for these.

For 2011 performance, the Board of Directors of OAO Gazprom proposes to pay dividend of RR 212.4 bln, or RR 8.97 per share. 2011 dividend will be a record one for all previous periods and will exceed the level of 2010 by 2.3 times.

DIVIDEND YIELD

Note. Dividend yield is calculated as of the December 31 of the respective year.

In accordance with the requirements of the law, the annual General Shareholders Meeting of OAO Gazprom on June 30, 2011 amended the Charter of OAO Gazprom, significantly reducing dividend payout period (to 60 days from the day of dividend payout resolution). The Charter also prohibits any preferences in dividend payout periods for individual categories of shares.

| DIVIDENDS PAID OUT IN 2011 BASED ON ОАО ГАЗПРОМ'S RESULTS FOR 2010 AS OF DECEMBER 31, 2011 | | | | |
|---|-------------------------|----------------------|-------------------------|----------------------------|
| | Accrued, thousand RR | Paid, thousand RR | Unpaid, thousand RR* | Unpaid to Accrued ratio |
| Total | 91,143,024 | 90,983,996 | 159,028 | 0.17 % |
| including those accrued/ paid on shares: | | | | |
| belonging to the Government | 34,974,450 | 34,974,450 | – | – |
| belonging to ОАО Rosneftegaz and ОАО Rosgazifikatsiya controlled by the Government | 10,598,698 | 10,598,698 | – | – |
| belonging to individuals and entities (exclusive of those controlled by the Government) | 45,564,889 | 45,410,848 | 154,041 | 0.34 % |
| belonging to unidentified holders | 4,987 | 0 | 4,987 | 100 % |

* Dividends remained unpaid to those shareholder entities and individuals that had not submitted the data for the transfer of dividends in accordance with Clause 5 of Article 44 of Federal Law No. 208-FZ "On joint stock companies" dated December 26, 1995. Dividends accrued on shares belonging to unidentified holders are paid as shareholders' rights to those whose securities are identified.

Compensation and Liability Insurance of Members of the Board of Directors, Members of the Management Committee and Chairman of the Management Committee of ОАО Gazprom

Compensation to the Members of the Board of Directors, the Members of the Management Committee and the Chairman of the Management Committee

The total 2011 short-term compensation paid by ОАО Gazprom to the members of the Board of Directors, members of the Management Committee and the Chairman of the Management Committee (including salaries, bonuses and compensation for participating in ОАО Gazprom's control bodies) amounted to RR 1,339,256 thousand. This amount is inclusive of individual income tax and insurance premiums. The members of the Board of Directors who hold public positions and/or positions in public civil service do not get any compensation from ОАО Gazprom. The compensation paid to the members of the Board of Directors is approved by the Annual General Shareholders Meeting. The short-term compensation paid to the Chairman of the Management Committee, the members of the Management Committee, and the members of the Board of Directors who are ОАО Gazprom employees is stipulated in labor contracts and also includes payment for health services.



Information about the annual bonus system for OAO Gazprom's top management is presented in the "Managing Human Capital" section.

REGULATION ON PROCEDURES FOR DETERMINING THE AMOUNT OF COMPENSATION TO THE MEMBERS OF THE BOARD OF DIRECTORS OF OAO GAZPROM

The Regulation envisages that the compensation paid to a member of the Board of Directors is composed of two parts: basic and premium.

The basic part of the compensation is paid for exercising the authority of a member of the Board of Directors. Its amount is determined based on the practice established in OAO Gazprom for paying compensations to the members of the Board of Directors.

The premium part of the compensation is paid for any additional responsibilities fulfilled by the member of the Board of Directors when functioning as Chairman of the Board of Directors or Deputy Chairman of the Board of Directors, or when working in the Committees of the Board of Directors. The premium part of the compensation depends upon the performance assessed against OAO Gazprom's corporate key performance indicators applicable within the annual bonus system for OAO Gazprom's management.

In order to compensate for negative effects of inflation, the Regulation envisages adjustments of the compensation amount payable to the members of OAO Gazprom's Board of Directors.

The document also envisages that the Board of Directors may recommend that considering the existing economic situation the General Shareholders Meeting should pay smaller compensations to the members of the Board of Directors than the amount calculated based on the Regulation.

In accordance with Russian legislation, OAO Gazprom transfers payments to the Pension Fund of the Russian Federation for its employees, including the Chairman of the Management Committee and members of the Management Committee, as well as the members of the Board of Directors who are OAO Gazprom employees.

OAO Gazprom also provides for the voluntary medical insurance to the Chairman of the Management Committee, members of the Management Committee, and members of the Board of Directors who are OAO Gazprom employees. The total for insurance premiums related to voluntary medical insurance amounted to RR 1,049 thousand in 2011.

Liability Insurance of the Members of the Board of Directors and the Management Committee of OAO Gazprom

In order to provide *Gazprom Group* with insurance protection, the liability of the members of the Board of Directors and the Management Committee of OAO Gazprom is insured to reimburse shareholders, lenders, or other persons against damages caused by unintended negligent actions (failure to act) of the insured individuals when carrying out their managerial duties.

Having such an insurance contract is a practice accepted by large international companies that may face unforeseen expenses due to claims filed by third parties and litigations, which in their turn may impair the company's financial performance, business reputation and image.

This type of insurance is relevant for OAO Gazprom because there is a probability of claims against OAO Gazprom or members of its Board of Directors and Management Committee in an environment characterized by the company's increasing integration into the global economy, liberalization of OAO Gazprom share market and availability of ADR program, as well as by changes Russian and international law and corporate governance.

The contract provides with insurance protection covering the following risks:

- claims filed by third parties against the members of the Board of Directors and the Management Committee for the reimbursement of losses caused by unintended negligent actions of the insured individuals when carrying out their managerial duties;
- claims filed by third parties against OAO Gazprom for the reimbursement of losses caused by unintended negligent actions of members of the Board of Directors and the Management Committee of OAO Gazprom when carrying out their managerial duties.

Insurance compensation under the contract to insure liability of the members of the Board of Directors and the Management Committee of OAO Gazprom complies with international standards in terms of the insured risk scope and reimbursement limits.

Based on the quotations of this risk determined by western re-insurers for OAO Gazprom, the insurance premium under the contract signed in 2011 is US \$ 1.57 mln, whereas the insured amount is US \$ 100 mln.

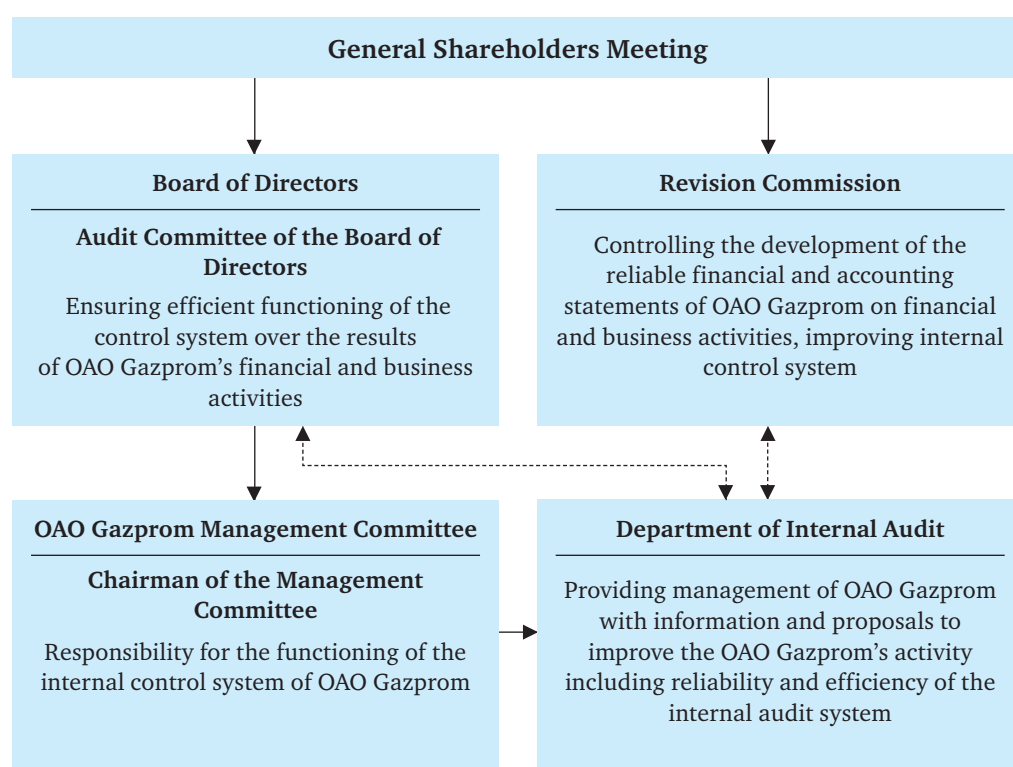
Internal Control System and Audit

The Internal Control System is an important component for ensuring *Gazprom's* sustainable development, securing its shareholders' and investors' rights by means of controlling whether all structural units fulfill the resolutions taken by the company's management bodies in a complete and timely manner as well as controlling the performance of OAO Gazprom's structural units and investment facilities.

Goals, objectives and components of the internal control system, bodies and persons, responsible for internal control, are established in the Regulation on OAO Gazprom's Internal Control System (approved by resolution of OAO Gazprom's Board of Directors No. 1459 dated July 13, 2009).

Efficiency of control over business activities of OAO Gazprom is secured by interaction of the internal audit department with other controlling bodies.

Ensuring the Operation of OAO Gazprom's Internal Control System



Revision Commission

The Revision Commission, composed of nine members, is elected by the annual General Shareholders Meeting. The authority of the Revision Commission is determined by the Federal Law "On Joint-Stock Companies" and by the Charter of OAO Gazprom for issues outside the law's competence.

The short-term compensations, paid to members of the Revision Commission in 2011 including salaries, bonuses and compensation for participation in the Commission amounted to RR 81,568,997, including personal income tax and insurance premium. For those Commission members who are employees of OAO Gazprom the short-term compensation is stipulated by employment contracts.

The Audit Committee of the Board of Directors

The Committee's major task is to develop recommendations for the Board of Directors so that it could make decisions to ensure the functioning of an efficient internal control system over OAO Gazprom's financial and business activities.

The Regulation on the Audit Committee of the Board of Directors provides all members of the Committee with the right to access any documentation and information of OAO Gazprom, required for consideration of issues in their business areas under confidentiality obligations.

Major functions of the Audit Committee of the Board of Directors are as follows:

- evaluate efficiency of OAO Gazprom's internal control procedures and prepare proposals about their improvement;
- evaluate potential auditors;
- evaluate the auditor's opinion.

In 2011, the Audit Committee was composed of three members of OAO Gazprom's Board of Directors: V.A. Musin (chairman), F.R. Gazizullin, and M.L. Sereda. The Committee held five meetings during the year, where regular issues of their agenda, related to performance of the internal audit unit and of the external auditor, the Committee also considered performance of OAO Gazprom's risk management systems and a draft Code of Professional Ethics for internal auditor.

Internal Audit Department

The Internal Audit Department carries out its activities in accordance with the key international principles of the internal audit standards. One of the key functions of the Department is to keep top management of OAO Gazprom informed about reliability and efficiency of the internal audit system.

The Department reports directly to Deputy Chairman of the Management Committee – head of the Administration of the Management Committee. The results of audits carried out by the Department are promptly reported to the Chairman of the Management Committee and annually presented to OAO Gazprom's Management Committee and the Audit Committee of OAO Gazprom's Board of Directors.

In 2011 the Department developed and approved local regulations for internal audit system functions, including procedures for planning and conducting audits. The Department also developed the Code of Professional Ethics for internal auditors, approved by the Resolution of the Board of Directors No. 1956 dated March 14, 2012.

Under the annual audit plan, inspections were carried out in 20 subsidiaries and entities, a number of OAO Gazprom structural units, major strategic investment projects and significant business areas of *Gazprom*, such as overhauls, marketing hydrocarbons, operations of customer departments for gas and gas condensate production investment projects, exploration and production of hydrocarbons abroad, upkeep of non-productive sphere facilities.

Internal audit inspections were used to prepare proposals, aimed at improvement of operations of OAO Gazprom, its subsidiaries and entities. The proposals of the Department resulted in relevant orders of the Chairman of the Management Committee, implementation of which is systemically monitored by the Department.

OAO Gazprom's External Auditor

OAO Gazprom's auditor is selected every year based on an open tender, in accordance with laws of the Russian Federation. Potential auditor is approved by the General Shareholders Meeting, and its remuneration is determined by the Board of Directors.

The winner of the tender audits three types of reports:

- accounting statements of OAO Gazprom (head company) in line with Russian laws (Russian Accounting Standards);
- consolidated accounting statements of *Gazprom Group* in line with Russian laws (Russian Accounting Standards);
- consolidated financial statements of *Gazprom Group* prepared in accordance with the International Financial Reporting Standards (IFRS).

Closed Joint Stock Company PricewaterhouseCoopers Audit was recognized as the winner of an open tender in 2011 and approved as the auditor by OAO Gazprom's Annual General Shareholders Meeting on June 30, 2011. The price of the contract suggested by the winner amounted to an equivalent of US \$ 6,700,000 (net of VAT) and was approved by Resolution of the Board of Directors No. 1845 dated July 21, 2011.

ZAO PricewaterhouseCoopers Audit follows its independence policy, which envisages the following:

- ensure that annual confirmation of independence is provided by the auditor's employees;
- prohibit employees from having any financial investment in the company by which audit services are rendered;
- monitor any close personal or family relationships between its employees and representatives of *Gazprom Group's* top management at any level of its organizational structure.

In order to prevent any impairment of objectivity and hence the quality of its services, ZAO PricewaterhouseCoopers Audit carries out obligatory rotation of its key management personnel engaged in auditing OAO Gazprom. As outlined, the period of continuous work of a decision-maker in respect of OAO Gazprom's audit cannot exceed seven years.

ZAO PricewaterhouseCoopers Audit also provides OAO Gazprom with other audit-related services. OAO Gazprom and the auditor analyze the subject matter of the contract before signing it in order to ensure the auditor's independence. The amount paid in 2011 for audit-related services is equivalent to US \$ 188,800 (VAT included).

Transactions with Core Assets

Assets Transaction Procedures

OAO Gazprom has preliminary Board approval procedures in place for specific categories of significant transactions.

In particular, the Board approval is required for transactions with fixed assets of OAO Gazprom and loans, if value of such transactions exceeds 0,3 % of book value of OAO Gazprom's assets, regardless of whether these are "business as usual" transactions or not.

The Board of Directors approves major transactions by a simple majority vote of members of the Board of Directors, present at the meeting.

Transaction procedures require that opinions on market value of fixed asset items (property) by an independent appraiser are submitted to the Board of Directors for transaction approvals.

Major transactions are approved by the Board of Directors or General Shareholders Meeting in line with the Charter. Major transaction with property, valued at 25 to 50 % of book value of OAO Gazprom's assets as of the date of resolution to approve such a transaction, requires unanimous approval by the Board of Directors. Major transaction with property, valued at over 50 % of book value of OAO Gazprom's assets, is to be made by General Shareholders Meeting.

The Chairman of the Management Committee of OAO Gazprom makes quarterly presentation of information on execution of transactions, approved by the Board of Directors.



List of transactions
is presented in the Annex section.

Major Transactions and Interested Party Transactions

No major transactions (as defined in the current Russian law) were carried out by OAO Gazprom in 2011.

In the reporting year, OAO Gazprom completed 233 transactions defined in the current Russian law as interested party transactions. These were approved by the Resolutions of OAO Gazprom's Annual General Shareholders Meeting on June 25, 2010 and June 30, 2011, and resolutions of the Board of Directors.

All the transactions approved by the Annual General Shareholders Meeting and OAO Gazprom's Board of Directors support operating and commercial activities of the company and its corporate interests.

Improving Corporate Governance

Development of Internal Control System

Following Resolution of OAO Gazprom's Board of Directors No. 1292 dated October 28, 2008, the establishment of a centralized functional model of internal audit system organization is currently underway in *Gazprom*.

2011 saw activities to improve coordination of *Gazprom Group* organizations, having significant impact on consolidated reporting values, and revision commissions of subsidiaries and associated companies.

In the process of the implementation of a centralized functional model of internal audit system organization, the Internal Audit Department participated in establishing the auditing committees for OAO Gazprom's subsidiaries and associated companies; these committees include the Department's representatives and heads of the subsidiaries' and associated companies' internal audit structural units.

Development of the Code of Corporate Ethics

OAO Gazprom is developing, discussing and aligning with all internal stakeholders a Code of Corporate Ethics of OAO Gazprom. The goal of the activities is to define and establish key ethical norms to be adhered to by corporate employees, members of the Board of Directors, the Management Committee and the Revision Commission. The developed Code of Corporate Ethics will include such issues as conflict of interest, reporting, confidentiality and insider information. It is expected that a draft Code will be submitted for consideration by the Board of Directors in 2012.

Performance Efficiency Monitoring Setup

Performance efficiency monitoring for OAO Gazprom and its subsidiaries is being set up in line with Corporate Data Warehouse (CDW) Project of OAO Gazprom based on a system of key performance indicators (KPI) under OAO Gazprom's IT Strategy.

The project is to support regular reporting to OAO Gazprom's management on performance efficiency of all business areas of *Gazprom Group*.

In 2011 KPI system, corporate data model, data capture procedures, KPI calculation and report generation were developed under the project and aligned with monitoring subjects (structural units and subsidiaries of OAO Gazprom). The developed KPI system is designed for comprehensive (cross-functional) evaluation of performance efficiency of the following control objects: *Gazprom Group*, businesses, operational areas, functional business-processes, investment projects, subsidiaries.

Pilot CDW tests, based on KPI's, have started for a number of monitoring subjects. The system generates:

- daily reports for forecasting key economic and financial indicators for *Gazprom Group*'s gas business with change of key production indicators and market values;
- quarterly reports for comprehensive assessment of performance of *Gazprom Group*'s oil business.

It is planned to complete test production at all performance monitoring subjects and put KPI-based CDW into permanent operation in 2012.

Procurement Improvement

In 2010 resolution of OAO Gazprom's Board of Directors No. 1662 dated October 27 approved the Regulation for procurement of goods, works and services in order to improve the procurement system of *Gazprom Group*, the Regulation came into force on January 1, 2011. The document established uniform procurement principles for *Gazprom Group*, optimized competitive procurement methodology, requirements to the business process for preparation and conduct of competitive procurement, from planning phase to control over performance of contracts, executed upon results of competitive procurement. A central procurement management body of *Gazprom Group* – Department for Managing Competing Procurements of OAO Gazprom was established.

PROCUREMENT IMPROVEMENT EFFECTS

Overall, in 2011 there were more than 9 thousand competitive purchases in the interests of *Gazprom Group* entities for the total amount of RR 611.3 bln. Reduction in initial (maximum) prices amounted to 8.1 %, bringing benefits of RR 54.1 bln.

In 2011 procurement tenders of OAO Gazprom and its subsidiaries were held under the principles, adopted in the Procurement Regulation, currently these principles are established by the Federal Law No. 223-FZ dated July 18, 2011 "Procurement of goods, works and services by specific legal entity types", which came into force on January 1, 2012.

Improving Asset Ownership Structure

In order to increase its performance efficiency, OAO Gazprom implements *Gazprom Group* asset ownership structure improvement projects and improves governance structures of OAO Gazprom and its subsidiaries.

In 2011 these activities involved the following areas:

Sale of OOO Gazprom Burenie. Due to major depreciation of assets, OOO Gazprom Burenie required significant investments from OAO Gazprom for re-equipment and modernization of production facilities. Sale of the asset allowed for avoiding such costs.

Preparation for Improvement of Foreign Assets Ownership Structure in Gas Marketing Area. Change of asset ownership structure provides for reduction of asset ownership chains, elimination of intermediaries and consolidation of assets by their operational profiles into specialized foreign sub-holdings.

Consolidation of Oil Assets in *Gazprom Neft Group*. For their further consolidation in OAO Gazprom Neft, the license and assets of Novoportovskoye field had been taken out to OOO Gazprom Neft Novy Port, established after the split-off from OOO Gazprom Dobycha Nadym. October 2011 saw closing of ZAO Gazprom Neft Orenburg's shares (61.8 %) owned by OAO Gazprom, sale to OAO Gazprom Neft.

Improving Foreign Assets Ownership Structure in Exploration and Production. *Gazprom* repared transactions to consolidate operations and assets of ZAO Gazprom Zaru-bezhneftegaz in Gazprom EP International B.V., with OAO Gazprom being the sole shareholder.

Consolidation of UGSS Maintenance Assets in OOO Gazprom Tsentrremont. OAO Gazprom's Board of Directors approved participation of OAO Gazprom in companies, split off from key 100 % subsidiaries of OAO Gazprom for their separation and further consolidation in OOO Gazprom Tsentrremont.

Consolidation of Gas Distribution Assets. To increase *Gazprom Group's* gas distribution performance efficiency, 2011 saw continued effort to consolidate gas distribution assets in OAO Gazprom Gazoraspredelenie. Consolidation of assets enables creating conditions for safe operation of gas distribution systems under common norms, rules and requirements implement a uniform technology development policy for gas distribution and gas supply and also secure financial sources to promote gasification of regions of the Russian Federation and upgrades of medium and low pressure networks.

Share Capital

OAo Gazprom's share capital amounts to RR 118,367,564,500 divided into 23,673,512,900 ordinary registered shares with a par value of RR 5 each. The total number of entities and individuals registered in the OAO Gazprom's shareholders register as of the end of 2011 was 45,741, including 10 nominal holders.

| SHARE CAPITAL STRUCTURE | | |
|--|--------------------------|-------------------------|
| | as of December 31, 2010. | as of December 31, 2011 |
| Shareholding controlled by the Russian Federation, including: | 50.002 % | 50.002 % |
| Russian Federation represented by the Federal Agency for State Property Management | 38.373 % | 38.373 % |
| OAO Rosneftegaz | 10.740 % | 10.740 % |
| OAO Rosgazifikatsiya | 0.889 % | 0.889 % |
| ADR holders | 27.570 % | 28.350 % |
| Other registered entities | 22.428 % | 21.648 % |

The share capital structure did not see any significant changes in 2011. The Russian Federation is OAO Gazprom's largest shareholder. Taking into account shares owned by OAO Rosneftegaz and OAO Rosgazifikatsiya, the state controls a 50.002 % shareholding in OAO Gazprom.

| ENTITIES WITH A SHAREHOLDING OF MORE THAN 2 % AS OF DECEMBER 31, 2011 | |
|--|--------------|
| Name of registered entity | Shareholding |
| Russian Federation represented by the Federal Agency for State Property Management | 38.373 % |
| The Bank of New York Mellon (Depository bank of OAO Gazprom's ADR Program) | 28.350 % |
| OAO Rosneftegaz | 10.740 % |
| Gazprom Gerosgaz Holdings B.V. | 2.930 % |

R E A C H I N G

**Alternative routes
of South Stream gas pipeline**

- Alternative 1:
Russia – Bulgaria – Serbia –
Hungary – Austria
- Alternative 2:
Russia – Bulgaria – Serbia –
Hungary – Slovenia
- Alternative 3:
Russia – Bulgaria – Serbia –
Hungary – Austria and Bulgaria –
Greece – Italy
- Section of the pipeline comprised
in all alternative routes
- Alternative 4:
Russia – Romania – Serbia – ...

Gas Pipeline Branches

- From Croatia to Serbia



NEW PROJECTS

In order to diversify natural gas export routes, *Gazprom* is implementing the construction of the **South Stream** pipeline. This new gas pipeline system that meets the state-of-the-art environmental and technology requirements will significantly boost energy security of the European continent as a whole.

Romania

Russia

Anapa

Bulgaria

Varna

Information Interaction with Shareholders and Investors

Gazprom adheres to high international standards related to information disclosure and transparency, which imply timely publication of adequate information about the *Group's* operating and financial results as well as corporate governance practices.

Key Principles of Information Disclosure

The structure of disclosed information and disclosure procedures are specified in OAO Gazprom's Information Disclosure Regulation. The Regulation also establishes the basic principles of disclosing information, which include regularity and promptness of its disclosure, availability of such information for shareholders and other stakeholders, reliability and completeness of its contents, as well as maintaining reasonable balance between OAO Gazprom's transparency and its commercial interests. Disclosure of information, including share issue phases, is carried out in line with applicable requirements of the Russian legislation.

Shareholder and Investor Relations

Gazprom pays special attention to developing relationships with shareholders and investors. *Gazprom* has a successful Coordinating Committee for Shareholder and Investor Relations in place.

Gazprom's management maintains a constant dialog with shareholders, various investor groups, and analysts by organizing regular meetings, press conferences, and presentations of OAO Gazprom's strategic plans and results in Russia and the world's largest financial centers.

To improve quality of its relations with current investors, expand investor and shareholder base, increase information transparency of the *Group*, *Gazprom* develops annual Investor and Shareholder Relations Action Plan.

A most important annual event in investor and shareholder relations is the annual Gazprom Investor Day, which in 2011 saw three group presentations for the investor community (in Moscow, London and New York). The presentations highlighted strategic mid- and long-term corporate objectives, detailed key areas of operations at major markets, financial status and development prospects of *Gazprom Group*. The event was traditionally participated by top management of OAO Gazprom and its major subsidiaries – OAO Gazprom Neft and OOO Gazprom Energoholding. More than 30 individual meetings were organized to facilitate direct dialog of top managers with representatives of major shareholders.

Quarterly teleconferences on publication of consolidated IFRS reports of the *Group* are another important tool for implementation of OAO Gazprom's investor relations strategy. The format is a convenient one to clarify reports to investors and promptly present operating and financial outlooks.

Consensus forecast of analysts, published prior to publication of reports, normally corresponds to published reports, which is indirect proof to high current level of quarterly and annual information disclosure.

Under implementation of the Investor and Shareholder Relations Action Plan, top managers and investor relations officers of OAO Gazprom in 2011 took part in more than 30 international conferences and forums of leading investment banks and delivered multiple specialised road shows in the USA, European, Scandinavian and Asian countries. This approach enabled *Gazprom* to support its relations with existing major investors and address potential investors.

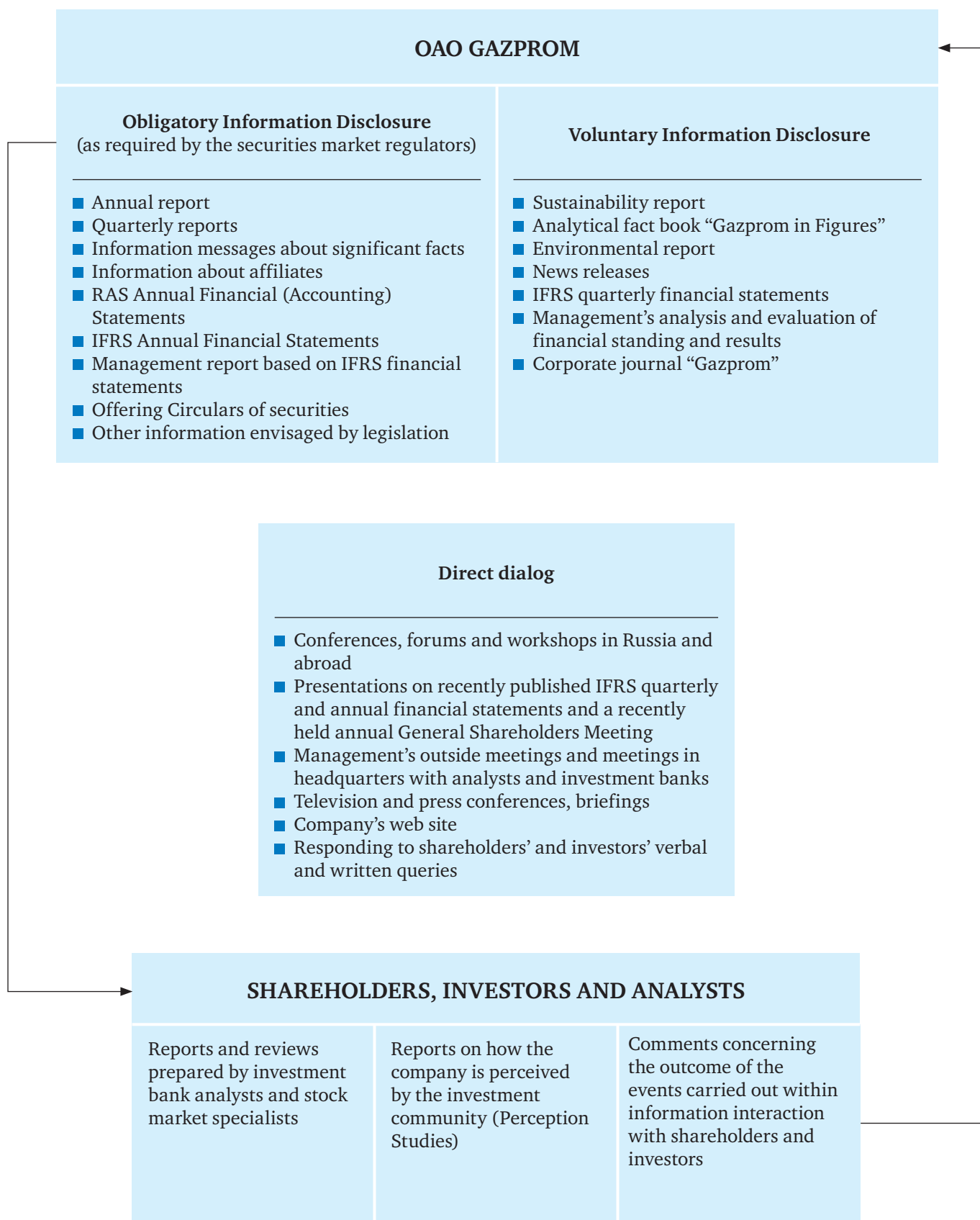
The large-scale road show program was supplemented by regular group and individual investor meetings in OAO Gazprom's Moscow headquarters, verbal and written inquiries of shareholders and investors were responded to.

OAO Gazprom's website (www.gazprom.ru, www.gazprom.com) is an important information resource and disclosure channel. The website features the Charter, underlying internal documents and data which may have an impact on value of OAO Gazprom's securities.

INVESTOR AND SHAREHOLDER RELATIONS ASSESSMENT

A special study by Thomson Reuters Extel with IR Magazine Russia & CIS in July 2011 again recognized OAO Gazprom as the best Russia&CIS company in the area of investor relations (in "High Capitalization Company" nomination). The study gave a high rating to professional skills of OAO Gazprom's investor and shareholder relations officers.

FORMS OF INFORMATION EXCHANGE BETWEEN ОАО ГАЗПРОМ AND SHAREHOLDERS, INVESTORS AND ANALYSTS

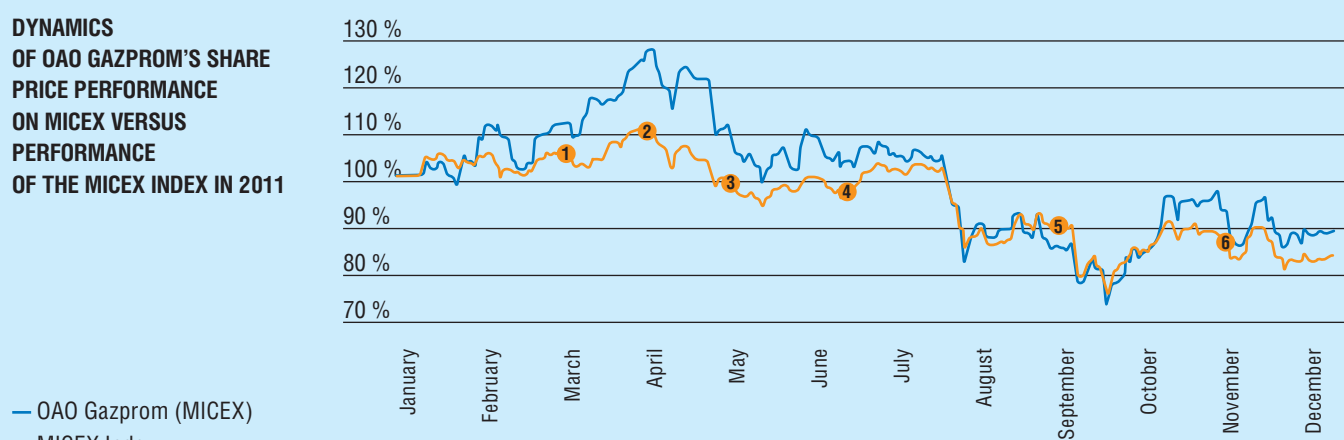


Share Market and Capitalization

Ordinary shares of OAO Gazprom are listed at MICEX and RTS stock exchanges (a merger agreement for the two major Russian exchanges was signed in June 2011). OAO Gazprom's shares are among the most liquid shares on the Russian stock market; these are included in the list of securities, used for calculation of MICEX and RTS indices. The volume of OAO Gazprom shares trades amounted to 26.5 % of the total MICEX shares trading volume in 2011.

In 2011 Russian stock market demonstrated negative dynamics. By the year's end MICEX index fell by 17 %. Being strongly correlated with the leading global exchanges, Russian market reacted to European and US events, and to a lesser degree – to domestic Russian events.

**DYNAMICS
OF OAO GAZPROM'S SHARE
PRICE PERFORMANCE
ON MICEX VERSUS
PERFORMANCE
OF THE MICEX INDEX IN 2011**



- 1 January -March.** Oil prices on the rise at the background of unrest in the Middle East and Africa, and the technogenic disaster in Japan
- 2 April.** Greek foreign debt situation is getting worse.
- 3 May.** The threat of the crisis spreading across the financial system of Europe becomes highly likely. Government bond yields increasing for bonds of distressed European countries.
- 4 June -August.** Greek bailout issue under discussion. First tranche is allocated in exchange for strict debt reduction strategy. ECB tightens monetary policy. In August the USA raises its government debt cap without defaulting and passes a package of budget savings measures. Weak economic reports.
- 5 September-October.** It becomes clear Greece cannot come through on the agreed conditions. Risks of debt crisis spread to other European countries are increasing. Rating agencies continue downgrading sovereign ratings of European countries. American economy shows signs of slowdown.
- 6 November-December.** ECB eases its monetary policy, continues to buy government bonds and keeps yields at bay. Outlines of Greek issue solution visible. Second bailout tranche conditions discussed. US economic statistics grow stronger.

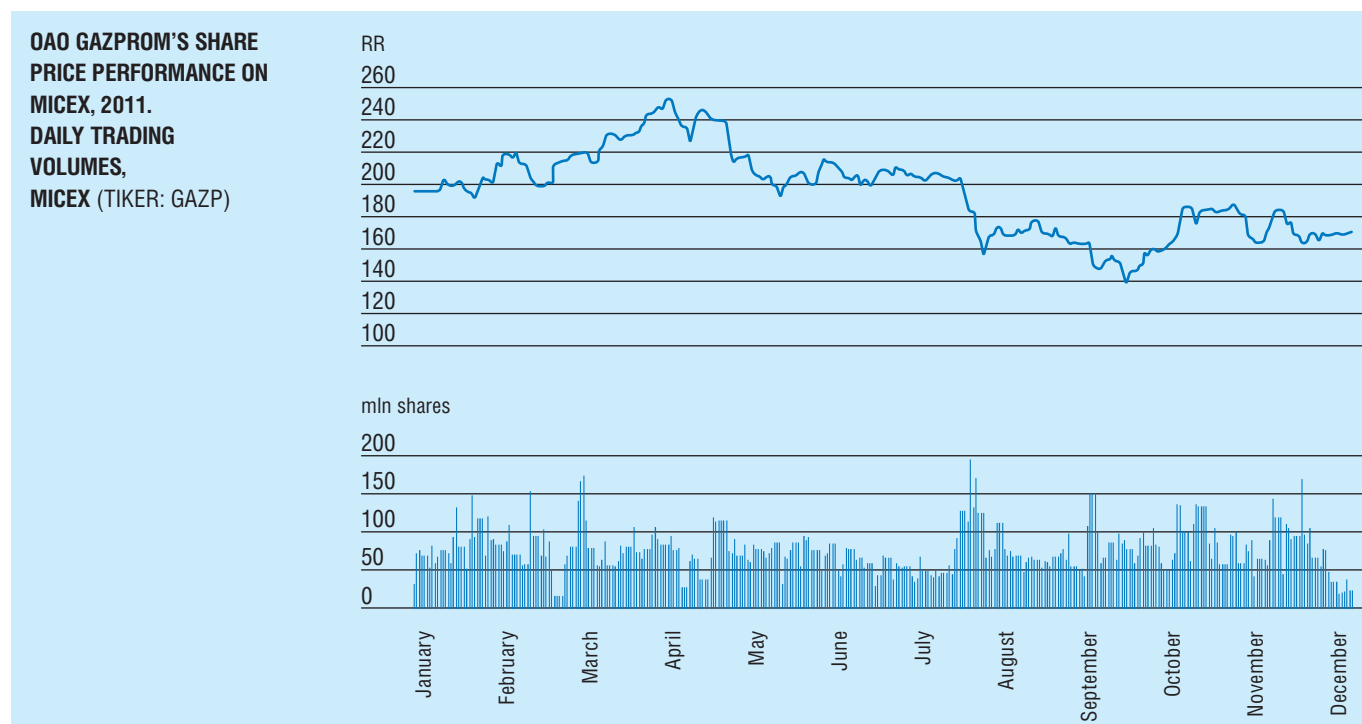
In the first few months of 2011 investors were predominantly optimistic. Global economy continued its recovery after several crisis years. Escalation of political situation in the Middle East and in Libya was followed by growing oil prices. By April external Greek debt, threat of some countries defaulting and destabilization of European financial system had become the most acute problems. Stock and commodity markets responded by falling and pulled down OAO Gazprom's shares too. The first financial aid package for Greece was approved last summer. At the very same time there were disturbing news from the USA. The world's largest economy faced the need to hike the upper limit of its sovereign debt in order to avoid technical default early in August. Late

last summer – early fall the markets demonstrated weak dynamics at the background of US and European economy reports, showing slower economic growth. In September the situation was aggravated by Greece's failure to keep its sovereign debt reduction and budget spending restriction obligations. The year ended in weak market dynamics.

Starting from May 2011, investors had been taking their money out of Russian country funds and developing countries' funds, bringing the Russian market further down. Preliminary estimates say that the outflow of private capital from Russia in 2011 amounted to about US \$ 80 bln.

Russian shares were supported by high oil prices over the year.

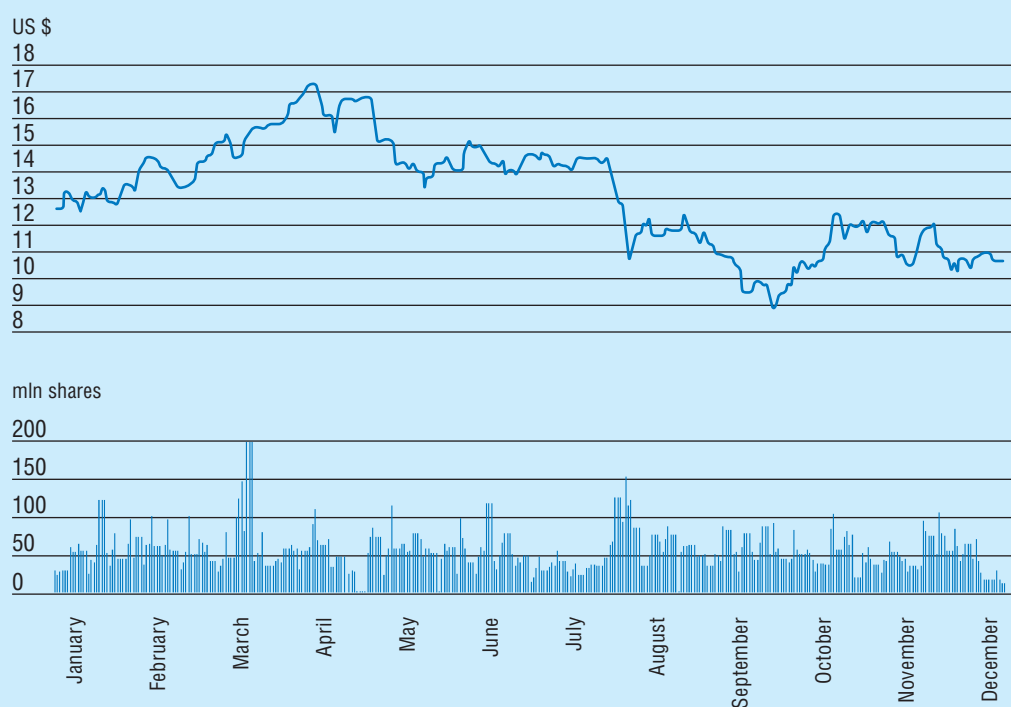
In 2011 OAO Gazprom stock prices at MICEX fell by 11 %, but OAO Gazprom stock showed stronger dynamics versus MICEX index.



American Depositary Receipts (ADR) of OAO Gazprom are being traded at London, Berlin and Frankfurt stock exchanges, with most trades happening at London Stock Exchange (LSE).

A significant portion of OAO Gazprom's ADRs is traded on the US over-the-counter market by qualified institutional investors.

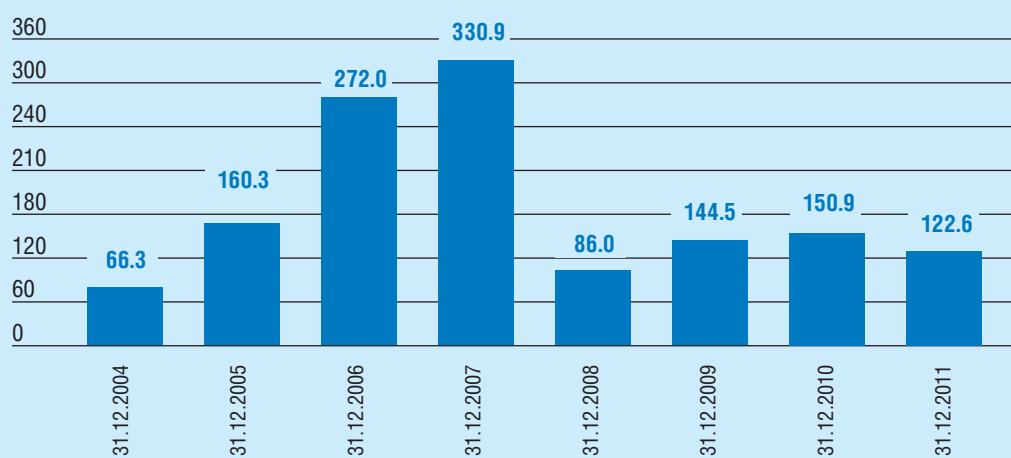
**GAZPROM'S ADR PRICE
PERFORMANCE ON LSE, 2011.
DAILY TRADING VOLUMES,
LSE (TIKER: OGDZ)**



In April 2011 the ADR program ratio for OAO Gazprom was changed: the number of ordinary shares per ADR went down from four to two. The key goal of the ratio change was to create additional liquidity and to expand ADR market without diluting stakes of existing holders.

As of December 31, 2011 the market capitalization of OAO Gazprom amounted to US \$ 122.6 bln, falling by US \$ 28.3 bln, or by 19 %, over the year. The average 2011 market capitalization of OAO Gazprom versus 2010 grew by 18 % and amounted to US \$ 155.2 bln. The total 2011 shareholder return, which is calculated as a change – during the year – in the value of capital invested into OAO Gazprom's ordinary shares traded on the MICEX to include the pay-out of dividends in the reporting year but without their reinvestment, amounted to -10 %.

**GAZPROM'S MARKET
CAPITALIZATION,
US \$ BLN**



Key Risk Factors

Risk management within the framework of the unified corporate system is defined as continuous cycle of making and implementing management decisions consisted of identification, assessment and measurement of risks, response to risks, efficient control, planning for management and monitoring of risks. This cycle is an integral part of the *Group's* general management system and focuses on risk optimization that serves OAO Gazprom's interests in all areas of the *Group's* operations.

To ensure the sustainable development and improved quality of decision-making process in OAO Gazprom measures are taken to improve the corporate risk management system. In 2011 the Chairman of OAO Gazprom Management Board approved the updated action plan aimed at developing the corporate risk management system of OAO Gazprom. In 2012 *Gazprom* plans to develop the unified approaches to arranging the risk management system of *Gazprom Group* including organizational structure, unified classifier of key risks and methodology and regulation base (policy and risk management rules of procedure). By the end of 2013 *Gazprom* plans to create an interaction scheme under which OAO Gazprom will interact with its subsidiary and associated undertakings on risk management.

Strategic and Country-Specific Risks

Risks Relating to the Global Credit Crunch Developments

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|--|--|
| <p>Despite the recent positive trends, there is still a wide spread uncertainty about how and at what rate the world economy will recover from the deep global recession.</p> <p>Unfavourable economic conditions may have an adverse impact on the <i>Group's</i> operations.</p> | <p><i>Gazprom</i> pursues the policy that ensures the financial stability, improvement of financial standing and optimisation of debt portfolio that will enable to respond adequately if macroeconomic situation worsens.</p> |

Risks Relating to Operations in the European Gas Market

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|--|--|
| <p><i>Gazprom</i> is the largest natural gas supplier in Europe. EU countries are actively pursuing the policy of gas market liberalization that contributes in the improvement of competition and increase in spot sales. The aforementioned liberalization can entail the partial refusal from a long-term contract system.</p> <p>Liberalization policy also provides for separation of gas production assets from transportation networks within EU. Lack of exemption from the above provision means that the <i>Group</i> is not able to own or exercise control over transport business that will impede the implementation of the investments projects in EU.</p> <p>In addition, the EU energy sector strategy is focused on the diversification of sources of energy resources supplies, development of alternative energy sources.</p> <p>Disparity of prices under long-term contracts and gas prices at spot markets represent a certain risk for <i>Gazprom</i>.</p> | <p><i>Gazprom</i> is maintaining the system of long-term contracts as the basis of its business which maximises its returns and provides guaranteed supplies to its customers. The <i>Group</i> is actively negotiating with its customers on finding mutually beneficial solutions depending on the market situation development. Refusal from the system of long-term contracts may disrupt the balance of demand and supply in the European gas market and result in unpredictable consequences, including threat to energy security of importing countries. For the purpose of diversifying its operations <i>Gazprom</i> considers the Asia-Pacific countries as key new markets.</p> |

Risks of State Regulation in the Sector

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|---|---|
| <p>The Russian Federation controls 50.002% of OAO Gazprom's shares. The governmental representatives are the members of <i>Gazprom's</i> Board of Directors whose powers include the approval of the financial plan and the investment program; in this way the government exercises the control over financial flows of OAO Gazprom.</p> <p>In accordance with the Federal Law "On Natural Monopolies" the <i>Gazprom's</i> gas transportation via pipelines is regulated as natural monopoly operations.</p> <p>The government regulates the wholesale prices for gas which <i>Gazprom</i> applies to the major portion of domestic sales; tariffs for trunk pipeline transportation services provided to independent producers; tariffs for trunk pipeline transportation services via gas distribution networks; charges for procurement and sale services as well as retail prices for gas.</p> <p>At the same time the government is interested in the company's effective development because <i>Gazprom</i> is one of the largest Russian taxpayers and supplies a half of primary energy sources in the country.</p> | <p><i>Gazprom's</i> strategy is aimed at mutually beneficial co-operation with the government so as to ensure the energy security of the country and stable development of the <i>Group</i>. The development strategy of OAO Gazprom has been designed and implemented in cooperation with governmental agencies and is an integral part of the Russian Energy Strategy.</p> <p>OAO Gazprom is engaged in an active dialogue with the Russian Government with regard to improving its pricing policy. On 31 December 2010 the Russian Government adopted the Resolution No. 1205 providing for regulation of gas wholesale prices in 2011-2014 by applying the price formula and gradual achieving equal profitability of export gas supplies and supplies at domestic market during the period considering the price of alternative fuels sources.</p> |

Risks Relating to Natural Gas Transit

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|--|--|
| <p>Major volumes of natural gas sold in Europe transit FSU territories, in particular Ukraine, Belarus and Moldova. Unstable political and social situation in transit countries may result in violations of contracted transit arrangements and failure to supply gas under export contracts of OAO Gazprom. Thus, cases were noted when part of <i>Gazprom's</i> natural gas transited through Ukraine was directed to the wrong destinations and in early 2009 Ukraine suspended Russian gas transit via its transportation system.</p> | <p>To mitigate its dependence on transit countries the <i>Group</i>:</p> <ul style="list-style-type: none"> ■ is gradually shifting to principles and procedures generally accepted in the global gas business for market pricing of gas imported by FSU and of related gas transit services; ■ is implementing gas transportation projects aimed at diversifying export routes (the first thread of Nord Stream gas pipeline was put into operation; works under South Stream project are under way); ■ is expanding the use of UGSF abroad; ■ is developing the LNG trading. |

Risks Associated with Entering New Regions and New Markets

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|--|---|
| <p>A key direction of <i>Gazprom Group's</i> development strategy is the expansion of regions of its operations. <i>Gazprom</i> implements projects related to exploration and production of hydrocarbons in FSU countries, South America, South-East Asia, Africa and Middle East. Potential for entering gas markets of Asia, Africa, South and North America is being considered.</p> | <p>Subsidiary undertakings and joint companies with foreign partners are established in the new regions for the purpose of obtaining the necessary business experience.</p> <p><i>Gazprom's</i> representative offices abroad are operating to enhance efficiency of <i>Gazprom's</i> interaction with governmental agencies, enterprises, companies and organizations of the respective countries and regions and provide information and analytical support to managing the international projects. As of 31 December 2011 twelve representative offices of OAO Gazprom are registered abroad, including Algeria, Brazil, Belarus, Iran, Qatar, Kazakhstan, Kyrgyzstan, the People's Republic of China, Latvia, Moldova, Turkmenia and Ukraine.</p> |

Risks Associated with the Development of Gas Production From Unconventional Sources

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|--|--|
| <p>Higher prices of natural gas and the progress in science and technology in the last decades supported the increasing interest to unconventional resources of natural gas. In North American countries the share of gas produced from unconventional sources is expected to grow in the long-term perspective. This may result in reduced volumes of LNG imported by the United States and redistribution of released LNG volumes to markets in Europe and Northeast Asia and consequently, increased competition in these markets.</p> <p>Projects on gas production from unconventional sources being implemented in various countries, in particular in China, may decrease the demand for imported gas in these countries.</p> | <p>To support competitiveness of natural gas production and supply by applying the traditional methods, <i>Gazprom</i>:</p> <ul style="list-style-type: none"> ■ controls investment and running costs of production; ■ improves and implements new technologies that enhance efficiency of traditional gas production. <p>Russia has large unconventional gas reserves and <i>Gazprom</i> develops technology of their development.</p> <p>At the same time perspectives of unconventional gas production are still uncertain as such a production is economically viable only when prices are stably high and continued investments are required to maintain the formation productivity and it's also associated with significant environmental risks.</p> |

Geographical and Climatic Risks

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|--|--|
| <p>Climate specifics and geographical location of principal regions where <i>Gazprom</i> operates significantly impact the <i>Group's</i> performance. <i>Gazprom's</i> production in West Siberia accounts for a substantial portion of the overall natural gas production and it is characterized by challenging environmental conditions and high costs. The fields in the Yamal Peninsula and resources of the Russian continental shelf will be developed in even more harsh climates.</p> <p><i>Gazprom's</i> gas sales and revenues may be significantly affected by climatic conditions of short-term nature. Due to warm winters of recent years gas sales to Europe were decreasing. However, the influence of this factor of a probabilistic nature on <i>Gazprom's</i> gas sale volumes and revenues for the last several years is not significant as the alteration of cold and warm winters compensate the impact.</p> | <p>The <i>Group</i> successfully implements the efficient technological processes developed for harsh climate conditions. The <i>Group</i> also develops and implements programs of improving efficiency of gas production and transportation, including efficiency of gas transportation network.</p> <p>The <i>Group</i> also actively participates in the development and implementation of governmental programs aimed at improving the use of energy resources in Russia.</p> |

Risks Relating to Customs, Foreign Currency and Tax Regulation

Risks Associated With the Changes in Currency Regulation and Tax Legislation in the Russian Federation

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|--|--|
| <p><i>Gazprom</i> is involved in international transactions, it has foreign currency denominated assets and liabilities and foreign currency accounts opened with foreign banks. At the background of ongoing liberalization of foreign currency legislation, the Russian Government and Central Bank of Russia undertook measures to increase control over transactions denominated in foreign currency.</p> <p>Russian tax legislation is subject to frequent changes. Each year, laws are approved to amend the Russian Tax Code and modify procedures to calculate and settle specific taxes.</p> <p>Currently, there is a high risk of increase in MET rate. Considering the responsibility of <i>Gazprom</i> for reliable gas supply and ensuring construction, operation, reconstruction and development of UGSS facilities, further increase in fiscal burden may have a significant impact not only on income and building the sources of capital expenditure financing but in prospect, on reliability of gas supplies.</p> <p>In addition, changes in regulatory framework related to pricing for tax purposes may result in additional risks associated with application of internal settlement prices between OAO <i>Gazprom</i> and <i>Gazprom Group</i> entities.</p> | <p>The <i>Group</i> monitors changes in currency and tax legislation and makes every effort to comply with the requirements following the best law application practice and is also focused on mutually beneficial cooperation with the government so as to ensure the energy security of the country and stable development of the company.</p> <p>Building the effective tax risk management system in <i>Gazprom Group</i> as a whole is one of the key objectives for medium-term period. Centralised database in place and permanent monitoring of crucial risks in the <i>Group's</i> entities will enable to identify them timely at an early stage and minimize their adverse impact in advance.</p> <p>In 2012 <i>Gazprom Group</i> established a consolidated group of taxpayers where OAO <i>Gazprom</i> acts as a responsible participant, in order to minimize tax risks associated with transfer pricing.</p> <p>To restrict further increase in MET rate OAO <i>Gazprom</i> continues to cooperate with governmental agencies to maintain the balance between fiscal burden and necessity of significant investments in the nearest future to ensure reliable gas supplies. In addition, OAO <i>Gazprom</i> is preparing economically justified proposals to differentiate MET depending on field development conditions in order to commission complex fields in hard-to-access regions.</p> |

Risks Relating to Changes in Rules of Customs Control and Payments in the Russian Federation

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|--|--|
| <p>Operations of the <i>Group</i> relating to export of hydrocarbons are subject to customs regulations. Some of key issues relating to export supply of natural gas are disputed by the <i>Group</i> and the customs agencies, in particular, the determination of the approach to declaring and collecting customs duties, applying exchange rates when calculating customs value and its adjusting if prices for the natural gas supplied to counterparties retroactively change. A number of disputes were challenged by OAO Gazprom / OOO Gazprom Export in court. The actions of customs agencies were invalidated.</p> <p>However, current procedure for paying export customs duty on exported natural gas prior to its transportation based on approximate data about the supplies details is complicated to determine the export customs duty payable due to potential adjusting the custom value of natural gas by customs authorities.</p> | <p>The <i>Group</i> makes every effort to comply with the customs legislation requirements, control and propose the respective amendments to the current customs clearance considering the gas industry interests; interacts with regulators regarding disputable issues, including the Russian Government. As a result of the work performed the issue related to documenting the actually dispatched amount of natural gas was regulated in the effective Customs Union Code.</p> <p>The Federal Law “On Customs Regulation in the Russian Federation” of 27 November 2010 took into account the proposals of OAO Gazprom on guaranteeing the customs duties payment, customs duties payment procedure when declaring natural gas over the period exceeding one calendar month. The legislation provided for a zero rate of interest accrued on customs duties when putting natural gas that was temporarily taken out to foreign gas storages under the customs export procedure.</p> <p>Meanwhile, any uncertainties related to adjusting the customs value of natural gas by customs authorities prior to its supplies should be eliminated. Therefore, it’s necessary to continue activities jointly with federal government bodies on amending the Federal law “On Customs Regulation in the Russian Federation” of 27 November 2010 to improve the customs duty payment procedure.</p> |

Financial Risks

Foreign Exchange Risks, Interest Rate and Inflation Risks

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|--|---|
| <p><i>Gazprom's</i> sales revenue is largely denominated in US dollars and Euro, while most of our costs are denominated in rubles.</p> <p>A part of OAO <i>Gazprom</i> debt portfolio is represented by syndicated loans from Western banks. The interest rate on many of these loans is based on LIBOR/EURIBOR rates.</p> <p>Therefore, changes in inflation rates and exchange rates significantly affect the <i>Group's</i> performance results.</p> | <p>OAO <i>Gazprom</i> is developing a methodology and contractual base for using hedging instruments in accordance with the requirements of the Russian legislation. Regulation on tax accounting policies of OAO <i>Gazprom</i> for 2011 includes provisions related to tax accounting for transactions with financial instruments of forward-type deals (FIFD) including hedging currency and other risks. Natural hedging of risks associated with market changes in the foreign exchange rates and interest-bearing payments by:</p> <ul style="list-style-type: none"> ■ calculating net currency position of <i>Gazprom Group</i> and balancing the cash flows of OAO <i>Gazprom</i> in terms of currency, volumes and period of receipt/payment; ■ maintaining the currency balance in OAO <i>Gazprom</i> debt portfolio similar to the proportion of currency in the company's revenue. |

Credit and Liquidity Risks

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|--|---|
| <p>Untimely or partial fulfillment by some counterparties of their contractual obligations to <i>Gazprom</i> may have an adverse impact on <i>Gazprom</i> operations. Up to date, the receivables from a part of customers from Russia and FSU countries for natural gas previously supplied are not settled in full, and <i>Gazprom</i> does not have guarantees that the above-noted receivables will be fully paid in cash.</p> <p>Recently, the situation with payments for the gas supplied improved significantly. However, the deterioration in the business environment can result in failure of a number of customers to make payments for the gas supplied in cash and on the due date.</p> <p>In addition, the customers' failure to perform their payment obligations for the gas supplied may result in a risk of bringing OAO <i>Gazprom</i> to administrative responsibility by the Russian currency regulation authorities for breaching currency legislation.</p> | <p>The <i>Group</i> pursues a transparent policy requiring fulfillment of contractual obligations regarding payments for supplies and non-payers.</p> <p>All counterparties engaged in gas supplies to Far Abroad countries are assigned with an internal credit rating (according to the adopted methodology of credit risks assessments). Based on assessment of the counterparties' creditworthiness and Monte Carlo modelling the credit risks are quantitatively assessed by applying CreditVaR method.</p> <p>The basic tools to manage credit risks associated with gas supplies to Far Abroad countries include preparation of a list of authorized counterparties, with which the deals can be concluded and the requirement to provide the guarantees from the counterparties with low credit rating. The <i>Group</i> monitors the changes in the internal credit ratings of these counterparties on a daily basis and if they significantly decline, the respective contracts may be amended to mitigate non-payment risks.</p> <p><i>Gazprom Group</i> cooperates with credit institutions based on credit risk limits established on a regular basis.</p> |

Market Risks Including Risks Associated with Decrease in Volumes and Cost of Gas Sold at Foreign Markets

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|--|---|
| <p>Export sales of gas generate a major portion of the <i>Group's</i> revenue. Gas is exported under long-term contracts at prices linked to the world prices for major core products (oil products, coal, gas). Therefore, risks of failure to receive the planned revenue (export price of commercial gas) or adverse change in the portfolio cost due to market factors effects arise. Price risks associated with fluctuations of prices for oil products and gas indices which are the basis for prices calculation under export contracts and risks of volume associated with the fact that the buyers are provided with certain flexibility in gas withdrawal are the basic factors of market risk.</p> | <p>Price and volume risks represent key risks for OAO Gazprom. The <i>Group</i> is taking measures to mitigate these risks, namely:</p> <ul style="list-style-type: none"> ■ As the pricing policy that is pursued by the state and aimed at transferring from the regulating the wholesale gas prices to the regulating the gas transportation tariffs improves, a share in the revenue from <i>Gazprom</i> supplies at the domestic market will increase mitigating the effects of export sales risks. ■ <i>Gazprom</i> is entering new markets, including Asian-Pacific Region, LNG global market that will enable to mitigate the volume risk and, partially price risk. ■ For the purposes of internal optimization the changes in the contractual conditions or conclusion of new contracts, identification of the affirmatively authorized deals and financial instruments and accordingly, counterparties with which these deals can be concluded, represent the main tool of the internal optimization. ■ Currently, a major part of long-term contracts include “take-or-pay” conditions, which stipulate an advance payment against gas supply in subsequent period, even if the gas is not taken in the current year. ■ Earnings at Risk (EaR) assessment that measures the maximum potential decrease in revenue on a designated planning horizon with high probability level and performed on a regular basis is the basic method applied for quantitative assessment of price risks associated with gas sales to Far Abroad countries. For these purposes the probable scenarios of the portfolio are modelled considering the current contractual conditions and history of changes in risk factors related to prices, currency and volumes. <p>In addition, predominantly diverging trends in movements of prices for oil, oil products and Russian rouble exchange rate partially provide for natural hedging of <i>Gazprom</i> currency revenue denominated in roubles.</p> |

Operating Risks

Risks Relating to Non-Extension of Subsoil Licenses

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|---|---|
| <p>The <i>Group</i> operates in compliance with subsoil licenses for exploration and production of hydrocarbons. Most licenses provide for an opportunity to suspend, amend or withdraw them if the requirements of license agreements are not complied with.</p> <p>Licenses for production at major <i>Group</i> fields cover the period to 2012-2028. The Russian legislation provides for an opportunity to extend the licenses but do not provide the license holder with vested right of extension.</p> | <p><i>Gazprom</i> satisfies license requirements and takes all required steps to minimize the probability of license withdrawal, suspension or amendment.</p> |

Cost Escalation Risks

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|---|---|
| <p>During the pre-crisis years growth rates related to unit costs of capital construction in petroleum industry exceeded the inflation rates due to increase in prices of raw materials, component parts, services including prices of metals, gas-compressor plants, drilling costs, etc.</p> <p>During the global crisis the costs of some items stabilized or even decreased but, as before, there is a probability of outrunning growth of costs in prospect.</p> | <p><i>Gazprom</i> organizes tenders to select suppliers and directly works with its suppliers.</p> <p>In 2011 <i>Gazprom Group</i> successfully performed actions related to OAO <i>Gazprom</i> cash flow management, <i>Gazprom Group</i> entities' debt portfolio management and the Group's operations transparency in accordance with the plan of actions aimed at improving the efficiency of some lines of <i>Gazprom Group</i> activities. In 2012 <i>Gazprom Group</i> will continue its activities in this sphere.</p> |

Risks Relating to Exploitation of Operating Facilities

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|---|---|
| <p>GAZPROM upstream, midstream and downstream operations are exposed to a wide range of technological, technical and natural and climatic character risks and risks associated with negative actions of personnel and third parties, including risks of employees' errors, thefts, terrorist attacks, subversive activities.</p> <p>The above risks may have an adverse impact on the property interests of <i>Gazprom Group</i> and entail the decrease in production and economic indicators of <i>Gazprom</i> operations.</p> <p>At that, liquidation of effects of natural and technogenic accidents and other adverse events requires significant financial costs.</p> <p>When implementing the investment programs the priority is providing guarantees of completing the construction (reconstruction) of investee which, among other issues, is associated with the construction and assembly risks characterized by a high damage level.</p> | <p>The unified gas supply system ensures the system reliability of gas supplies assuming that in case of a failure at one of its sections gas can be supplied via other routes by means of technological and intersystem shunt pipes.</p> <p>Stability of the system operation is ensured by implementation of the advanced diagnostic technique, reconstruction and upgrading.</p> <p>GAZPROM has developed, approved and is implementing the policy on HSEA aimed at ensuring occupational safety, life and health safety of GAZPROM and its subsidiaries' employees and operational reliability of hazardous production facilities.</p> <p>To ensure the sustainable operations of GAZPROM and its subsidiaries and minimize the financial resources directed to mitigation of consequences resulting from natural and technogenic accidents and other unfavorable events (including terrorist attacks, subversive activities) the <i>Group</i> arranges a complex insurance coverage of the <i>Group's</i> companies including property insurance program (including off-shore facilities), insurance against production breaks at gas processing plants, insurance of hazardous facility operator's liability.</p> |

Risks Associated with Assessment of Hydrocarbon Reserves

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|--|--|
| <p>The <i>Group's</i> development plans are based on the amount and location of hydrocarbon reserves that are assessed in accordance with scientifically grounded and generally accepted standards.</p> <p>Accuracy of reserves assessments depends on the quality of available information and technological and geological interpretation.</p> <p>At the same time the regions where a significant part of the <i>Group's</i> reserves are located, are well explored that reduce these risks.</p> | <p>The results of <i>Group GAZPROM</i> reserves assessment in accordance with the Russian classification of reserves are recorded on the balance sheet after annual consideration and approval by the State Reserves Commission.</p> <p>GAZPROM has developed and is implementing the procedures for reserves assessment in accordance with international standards PRMS engaging an independent appraiser.</p> <p>The accuracy of reserves assessment is based on a unique experience accumulated by <i>Gazprom</i> over many years of activities in this sphere.</p> |

Risks Associated with Vertical Integration and Diversification of Operations

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|---|---|
| <p>Over recent five years <i>Gazprom</i> significantly expanded oil business through acquisition of OAO <i>Gazprom</i> нефт, joined electricity generation and sales business. <i>Gazprom</i> also expands its activities on foreign markets of natural gas by applying new form of trading, develops business related to LNG production and sales.</p> <p>Any failure in integration of past or future acquisitions may have an adverse impact on the <i>Group's</i> business, financial position and performance results.</p> | <p>The <i>Group</i> improves the internal corporate governance structure for the purposes of breaking down the financial flows by types of activities and enhancing the efficiency of <i>Gazprom</i> as a vertically integrated company.</p> <p>The <i>Group</i> also performs actions to bring the organizational structures of its subsidiaries engaged in gas production, transportation and processing in compliance with the corporate requirements of OAO <i>Gazprom</i> including the adopted standards of personnel number and corporate span of control.</p> <p>The effective management procedures and projects on enhancing the efficiency of OAO <i>Gazprom</i> and its subsidiaries operations management, which are currently being implemented by the <i>Group</i> will also cover the <i>Group's</i> entities that exercise a significant influence on <i>Gazprom's</i> performance results.</p> <p><i>Gazprom</i> has successfully developed, approved and is implementing the strategies in electric power and oil businesses aimed at increasing <i>Gazprom's</i> market value and establishing itself as a leader in electric power and oil businesses.</p> <p>In accordance with the strategy on information system development the <i>Group</i> takes actions to create a unified information space. Currently, the projects on creating vertically integrated management systems based on the corporate data bank to support the managerial process related to gas business, computerized budget management system and computerized consolidated accounting reporting system of OAO <i>Gazprom</i> are actively implementing. The above-noted work will enable to improve the transparency of corporate reporting preparation from the primary data sources to key performance indicators and risks.</p> |

Risks Relating to Registration of Title to Real Estate and Land Plots of OAO Gazprom

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|---|--|
| <p>Under constant increase in property and land resources of OAO Gazprom the company may experience the claims made by the third parties, if the title to these assets is incorrectly or untimely registered.</p> <p>Lack of registered title to the real estate items and land plots can have an adverse impact on attracting the investments in oil and gas industry.</p> <p>Intensive development of town-planning activities in the Russian Federation regions identified the necessity to minimize the risk of violating the protected zones of UGSS and power supply network.</p> | <p><i>Gazprom Group</i> is intensively and timely working over registering the title both to the land plots used to locate the production capacities and real estate items.</p> <p>The <i>Group</i> is extensively applying all possible legal methods to defend the <i>Group's</i> interests including applications to the court regarding the confirmation and subsequent registration of title to the real estate items and land plots.</p> <p>The <i>Group</i> arranged a system of monitoring the registration of the title to real estate items and providing the Head Office with the respective information from the regions by means of electronic database of the Unified register of title to the real estate items. In addition, according to the strategy on information system development OAO Gazprom is working over creation of the property and other assets management system which will be integrated in the information-management system of the <i>Gazprom Group</i>.</p> <p><i>Gazprom Group</i> is extensively working over prevention and elimination of the protected zones violations by preparing the maps (plans) of protective zones and including the information about these protected zones in the State Immovable Property Cadastre.</p> |

Environmental Risks

| DESCRIPTION | MANAGEMENT / INFLUENCE ON THE RISK LEVEL |
|---|---|
| <p><i>Gazprom Group</i> production activity is associated with the use of natural resources and accordingly, involves a potential risk of environmental disruption.</p> <p>Environmental damage or pollution may result in:</p> <ul style="list-style-type: none"> ■ legal consequence, including bringing to responsibility; ■ finance costs associated with payments of fines and compensations of the incurred damage; ■ damage to the company's business reputation. | <p><i>Gazprom Group</i> pursues a consistent environmental policy, implements programs and actions to reduce environmental effect, provides the financing for environmental activity, implements advanced resource-conservative and energy-conservative and other environmental protection technology.</p> <p>Environmental Management System of OAO <i>Gazprom</i> was successfully certified for compliance with ISO 14001:2004. <i>Gazprom Group</i> continues improving its Environmental Management System. OAO <i>Gazprom</i> performs predesigned environmental researches, assessment of environmental effects of the planned operations, environmental assessments of projects. At all stages of construction, operation and decommissioning of assets the company exercises a control over compliance with legislation and corporate environmental standards. implements environmental monitoring, develops and implements environmental protection measures.</p> <p>The key component of environmental risks management is the use of the best available technologies when designing, re-equipping and upgrading the production process.</p> <p>Within the framework of comprehensive insurance coverage of the <i>Group's</i> entities the <i>Group</i> insures the third party liability when constructing and operating dangerous production facilities that enables to compensate the damage incurred to environment and minimizes a risk of adverse financial consequences for the <i>Group's</i> entities.</p> <p>The <i>Gazprom Group</i> maintains transparency of its ecological information.</p> |

GLOSSARY

| | |
|---------------------------|---|
| ADR of OAO Gazprom | American depository receipt issued on OAO Gazprom's shares. Equals two ordinary shares of OAO Gazprom |
| APG | Associated petroleum gas |
| APR | Asian and Pacific Region includes countries located on continental Asia, America and in the Pacific Ocean zone Central Asia Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan |
| CCGT | Combined cycle gas turbine |
| CGPU | Comprehensive gas processing unit |
| CNG | Compressed natural gas |
| CS | Compressor Station |
| CSA | Capacity supply agreement |
| Dollars, US \$ | U.S. dollars |
| EU | European Union |
| Far Abroad | Foreign countries, excluding FSU Countries |
| FCSM | Federal Commission for the Securities Market |
| FSU Countries | Republics of the former USSR, except for the Russian Federation |
| FTS of Russia | Federal Tariff Service of Russia |
| Gasification | Construction of low-pressure gas pipelines to ensure gas supply to the ultimate consumers |
| GDS | Gas distribution subsidiary |
| GPP | Gas processing plant |
| GPU | Gas pumping unit |
| GRES | State district power station |
| GTS | Gas transportation system |
| IFRS | International Financial Reporting Standards |
| LNG | Liquefied natural gas |
| LSE | London Stock Exchange |

| | |
|---------------------------|--|
| MICEX | Moscow Interbank Currency Exchange |
| NGV refill station | Natural gas vehicle refill station |
| RAS | Russian Accounting Standards |
| Rubles, RR | Russian rubles |
| UGSF | Underground gas storage facility |
| UGSS | Unified Gas Supply System of Russia |
| VAT | Value added tax |
| Brent | A reference oil for the various types of oil in the North Sea, used as a basis for pricing |
| EURIBOR | European Interbank Offered Rate |
| ISO 14001 | International Organization for Standardization |
| ISO 9001 | International Organization for Standardization |
| LIBOR | London Interbank Offered Rate |
| OHSAS 18001:2007 | Occupational Health and Safety Management Systems |
| Urals | A reference oil used as a basis for pricing for the Russian export oil mixture |

Units of Measurement and Conversion Table

| Measure | Definition | Correspondence |
|--------------------------|---|--|
| cm of natural gas | Cubic meters of natural gas as measured under a pressure of one atmosphere and 20°C | = 35.316 cubic feet (cf) of natural gas 1 mcm of natural gas=1.154 tce |
| barrel of crude oil | – | = 0.1364 metric ton of crude oil |
| barrel of gas condensate | – | = 0.1222 metric ton of gas condensate |
| ton of oil | – | = 7.33 barrels of crude oil |
| ton of gas condensate | – | = 8.18 barrels of gas condensate |
| tce | A ton of standard coal equivalent | = 866.6 cm of natural gas; = 0.7 ton of gas condensate; = 0.7 ton of crude oil |

List of the Foreign Companies Mentioned in the Report

| Short name | Full name | Country |
|---|---|----------------|
| Beltransgaz | OAQ Beltransgaz | Belarus |
| Naftogaz of Ukraine | NAK Naftogaz of Ukraine | Ukraine |
| Botas | | Turkey |
| Chevron Lummus Global | | USA |
| CNPC | China National Petroleum Corporation | China |
| EconGas | | Austria |
| E.ON Ruhrgas | E.ON Ruhrgas AG | Germany |
| EDF | | France |
| Edison | | Italy |
| ENI | ENI S.p.A. | Italy |
| Gasunie | | Netherlands |
| GasTerra | | Netherlands |
| Gazprom EP International | Gazprom EP International B.V. | Netherlands |
| Gazprom Gerosgaz Holdings | Gazprom Gerosgaz Holdings B.V. | Netherlands |
| Gazprom Global LNG | Gazprom Global LNG Ltd | United Kingdom |
| Gazprom Marketing and Trading Singapore | Gazprom Marketing and Trading Singapore Ltd | Singapore |
| GDF SUEZ | | France |
| Kogas | | South Korea |
| NIS | Naftna Industrija Srbije A.D. | Serbia |
| Panrusgas | | Hungary |
| PdVSA | Petroleos de Venezuela S.A. | Venezuela |
| Petronas | | Malaysia |
| PGNiG | | Poland |
| RAG | | Austria |
| RWETransgas | | Czech Republic |

| Short name | Full name | Country |
|-----------------------------|---|-------------|
| Sakhalin Energy | Sakhalin Energy Investment Company Ltd. | Bermuda |
| Salym Petroleum Development | Salym Petroleum Development N.V. | Netherlands |
| SinergiItaliane | | Italy |
| South Stream | South Stream AG | Switzerland |
| SPP | | Slovakia |
| The Bank of New York Mellon | | USA |
| Vitol | Vitol S.A. | Switzerland |
| VNG | Verbundnetz Gas AG | Germany |
| WIEH | | Germany |
| Wingas | | Germany |
| Wintershall Holding | Wintershall Holding GmbH | Austria |

ADDITIONAL INFORMATION

List of Major Transactions with Assets Approved by OAO Gazprom's Board of Directors

Agreements on purchase/sale of shares (stakes)

| No. | Description of transaction | Authorization | Total amount | Date |
|-----|--|--|--------------------|---|
| 1. | Approval of the OAO Gazprom's participation in OOO Koviktaneftegas through the acquisition by OAO Gazprom of 100% interest in share capital of OOO Koviktaneftegas | Resolution of OAO Gazprom's Board of Directors No. 1724 dated 05.03.2011 | RR 1,290,283,368.2 | 09.03.2011 – transfer of ownership |
| 2. | Approval of the termination of OAO Gazprom's participation in OOO Gazprom burenie | Resolution of OAO Gazprom's Board of Directors No. 1672 dated 11.10.2010 | RR 4,050,000,000 | 11.03.2011 – transfer of ownership |
| 3. | Approval of the termination of OAO Gazprom's participation in OOO Ditangaz | Resolution of OAO Gazprom's Board of Directors No. 1435 dated 11.06.2009 | RR 3,750,000 | 13.04.2011 – transfer of ownership |
| 4. | Approval of the share capital increase of South Stream Serbia AG through acquisition of additional nominal shares, maintaining OAO Gazprom's interest at 51 % | Resolution of OAO Gazprom's Board of Directors No. 1710 dated 20.01.2011 | CHF 1,683,000 | 03.05.2011 – changes to the shareholders register |
| 5. | Approval of alienation of 38.89 % of shares of ZAO IK Gorizont, which belonged to OAO Gazprom | Resolution of OAO Gazprom's Board of Directors No. 1495 dated 20.10.2009 | RR 3,038,890 | 07.06.2011 – transfer of ownership |
| 6. | Approval of the OAO Gazprom's participation in South Stream AG equal to 50% interest in the share capital of South Stream AG | Resolution of OAO Gazprom's Board of Directors No. 1741 dated 01.04.2011 | CHF 13,160 | 16.06.2011 – transfer of ownership |
| 7. | Approval of the share capital increase of Shtokman Development AG through acquisition of additionally issued shares, maintaining OAO Gazprom's interest at 51 % | Resolution of OAO Gazprom's Board of Directors No. 1798 dated 27.04.2011 | CHF 56,100,000 | 24.06.2011 – registration of amendments |

| No. | Description of transaction | Authorization | Total amount | Date |
|-----|---|--|---|---|
| 8. | Approval of the share capital increase of South Stream Serbia AG through acquisition of additionally issued shares, maintaining OAO Gazprom's interest at 51 % | Resolution of OAO Gazprom's Board of Directors No. 1850 dated 28.07.2011 | CHF 4,386,000 | 17.08.2011 – registration of amendments |
| 9. | Approval of the share capital increase of South Stream Austria GmbH through acquisition of additionally issued shares, maintaining OAO Gazprom's interest at 50 % | Resolution of OAO Gazprom's Board of Directors No. 1843 dated 20.07.2011 | EURO 195,000 | 23.09.2011 – registration of amendments |
| 10. | Approval of the termination of OAO Gazprom's participation in ZAO Gazprom neft Orenburg through alienation of 61.8% of ZAO Gazprom neft Orenburg's shares owned by OAO Gazprom to OAO Gazprom neft | Resolution of OAO Gazprom's Board of Directors No. 1881 dated 26.09.2011 | RR 3,576,000,000 | 18.10.2011 – transfer of ownership |
| 11. | Approval of the share capital increase of Nord Stream AG through the issue of additional shares, maintaining OAO Gazprom's interest at 51 % | Resolution of OAO Gazprom's Board of Directors No. 1789 dated 15.04.2011 | 01.06.2011 – CHF 48,960,000 29.08. 2011 – CHF 67,320,000 31.10. 2011 – CHF 44,880,000 | 02.11.2011 – registration of amendments |
| 12. | Approval of the share capital increase of South Stream Greece S.A through acquisition of additionally issued shares, maintaining OAO Gazprom's interest at 50 % | Resolution of OAO Gazprom's Board of Directors No. 1849 dated 26.07.2011 | Euro 325,000 | 11.11.2011 – registration of amendments |
| 13. | Approval of the increase in OAO Gazprom's interest in the share capital of OAO Beltransgaz up to 100 % through the acquisition of 50 % of OAO Beltansgaz's charter capital by OAO Gazprom through payment in cash | Resolution of OAO Gazprom's Board of Directors No. 1898 dated 23.11.2011 | US \$ 2,500,000,000 | 01.12.2011 – transfer of ownership |
| 14. | Approval of the share capital increase of Shtokman Development AG through acquisition of additionally issued shares, maintaining OAO Gazprom's interest at 51 % | Resolution of OAO Gazprom's Board of Directors No. 1904 dated 01.12.2011 | CHF 76,500,000 | 10.02.2012 – payment for the value of the shares |
| 15. | Approval of the acquisition of 375,000 additionally issued nominal ordinary shares of Gazprombank (Open Joint-stock Company) by OAO Gazprom with the total value of RR 375,000,000 through payment in cash | Resolution of OAO Gazprom's Board of Directors No. 1911 dated 23.12.2011 | RR 7,500,000,000 | 06.02.2011 – shares are registered at the depository account of OAO Gazprom |

Other Major Transactions with Assets

| No. | Description of transaction | Authorization | Total amount | Date |
|-----|---|--|-------------------|--|
| 1. | Share capital increase of 100% subsidiary OOO Gazprom mezhtregiongas paid in cash | Resolution of OAO Gazprom's Board of Directors No. 1655 dated 14.10.2010 | RR 7,000,000,000 | 21.03.2011 – registration of amendments |
| 2. | Share capital increase of 100% subsidiary OOO Gazprom pererabotka paid in cash | Resolution of OAO Gazprom's Board of Directors No. 1204 dated 27.05.2008 | RR 10,000,000,000 | 08.11.2011 – registration of amendments |
| 3. | Share capital increase of 100% subsidiary OOO Gazprom investproekt paid in cash | Resolution of OAO Gazprom's Board of Directors No. 1834 dated 08.06.2011 | RR 2,800,000,000 | 22.11.2011 – registration of amendments |
| 4. | Share capital increase of 100% subsidiary OOO Gazprom energoholding paid in cash | Resolution of OAO Gazprom's Board of Directors No. 1853 dated 03.08.2011 | RR 10,000,000,000 | 28.12.2011 – approval of the results of share capital increase |
| 5. | Share capital increase of 100% subsidiary OOO Gazprom mezhtregiongaz paid in cash | Resolution of OAO Gazprom's Board of Directors No. 1895 dated 14.11.2011 | RR 2,455,490,000 | 27.01.2012 – payment for the value of the shares part |

List of Interested Party Transactions in 2011 Approved by OAO Gazprom's Regulatory Bodies

1. Addendum No. 5 to the contract No. 1GM-07-11 dated 29.12.2006 with AOOT Moldovagaz concerning terms and conditions of natural gas delivery to the Republic of Moldova in 2007–2011 due to adjustment of volume of gas deliveries in 2011. The total volume of gas deliveries to consumers of the Republic of Moldova in 2011 is not to exceed 3,226 mmcm. The interested persons are V.A. Golubev, N.N. Dubik, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
2. Paid services agreement with OAO Gazprom Promgaz. OAO Gazprom Promgaz undertakes to provide services on "Analysis of labor inputs to designing of upstream facilities, trunk pipelines and compressor stations on the basis of actual data received from OAO Gazprom's design institutes" in accordance with the Assignment to provide services, and OAO Gazprom is obliged to pay for rendered services. The agreement is valid as of 01.07.2010 up to 30.12.2010. The cost of work is RR 11,016,949.15 (net of VAT). The terms and conditions of the agreement are applicable to the parties effective from 01.07.2010. The interested person is V.V. Rusakova, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
3. Contract with OAO Gazprom Promgaz for performance of the research work. OAO Gazprom binds and OAO Gazprom Promgaz commits to execute in accordance with technical assignment the research work. The theme: "Developing of normative and technical documentation for arrangement and execution of repair of OAO Gazprom facilities". The cost of work is RR 162,711,860 (net of VAT). The time of work delivery is from 01.07.2010 up to 30.11.2011. The terms and conditions of the contract are applicable to the parties effective from 01.07.2010. The interested person is V.V. Rusakova, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
4. Addendum No. 1 to the insurance contract with OAO Sogaz No.10RT0222 dated 01.07.2010. Total liability limit for one insurable event is increased up to RR 300,000,000. The total insurance amount for all insurable events is not to exceed RR 100,000,000. The interested persons are A.B. Miller, N.N. Dubik, A.V. Kruglov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
5. Order No. 4 to the agency contract No. PNR-15-2010 dated 02.07.2010 with ZAO Gazprom invest Yug, concerning contract support for comprehensive installation and commissioning works. Limited amount of reimbursable by OAO Gazprom expenses (including VAT paid by ZAO Gazprom invest Yug to the third parties) is RR 31,740,000. The limited remuneration fee of ZAO Gazprom invest Yug (including extra fees) is RR 67,245.76 (net of VAT). The interested person is Y.Y. Golko, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
6. Order No. 3 to the agency contract No. PNR-15-2010 dated 02.07.2010 with ZAO Gazprom invest Yug, concerning contract support for comprehensive installation and commissioning works. Limited amount of reimbursable by OAO Gazprom expenses (including VAT paid by ZAO Gazprom invest Yug to the third parties) is RR 67,129,240. The limited remuneration fee of ZAO Gazprom invest Yug (including extra fees) is RR 142,222.96 (net of VAT). The interested person is Y.Y. Golko, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
7. Contract with TOO KazRosGaz concerning gas transportation arrangement services through the territory of the Russian Federation in 2011. The volume of gas transportation is 7,492 mmcm. The rate of payment for transportation arrangement of 1000 cubic meters of gas at a distance of 100 km equals to US \$ 2, including all taxes and charges payable on the territory of the Russian Federation, as well as VAT at the statutory rate. The interested persons are A.I. Medvedev, K.G. Seleznev, V.A. Golubev, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
8. Addendum No. 20 to the Contract No.6GLi-2004 dated 05.02.2004 for the natural gas supply in 2004-2017 with ZAO Kaunas Heat and Power Plant due to adjustments of mark up price for gas. From 01.01.2011 up to 31.03.2011 in case of delivery, according to the Kaunas Heat and Power Plant bid, of accommodated volumes of gas from Inchukalnskoye UGSF through HES Kemenai, the price for these volumes of gas increases by Euro 20.45 for 1000 cm and is recalculated considering actual calorific power. The interested persons are K.G. Seleznev, V.A. Golubev, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
9. Addendum No.53 to the contract on volumes and terms and conditions of deliveries of natural gas to the Lithuanian Republic for the period from 2000 through 2015 No.1Gli-2000 dated 16.12.1999 with AO Lietuvsdujos due to adjustments of volume of gas transported by AO Lietuvsdujos through the territory of the Lithuanian Republic for AO Achema, ZAO KHP and LT Gas Stream AG, and due to adjustments of mark up price for gas. From 01.01.2011 up to 31.03.2011 in case of delivery, according to the Kaunas Heat and Power Plant bid, of accommodated volumes of gas from Inchukalnskoye UGSF through HES Kemenai, the price for these volumes of gas increases by Euro 20.45 for 1000 cm and is recalculated on the base of actual calorific power. The interested persons are K.G. Seleznev, V.A. Golubev, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 26.06.2009.
10. Additional agreement to the contract No.MRG/K-2009/1-016/09 dated 29.12.2008 with OOO Gazprom mezhtregiongaz due to adjustments of volumes of gas deliveries in 2011. The volume of gas supply from 01.01.2011 up to 31.12.2011 is 262.4 bcm, including: at regulated prices (the main gas supply) – 249.0 bcm; under conditions established by the Government of the Russian Federation by Decree No. 333 dated 28.05.2007 (additional gas supply) – 13.4 bcm. The interested person is K.G. Seleznev, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
11. Order No. 1 to the agency contract No. PNR-14-2010 dated 02.07.2010 with OOO Gazprom Centremont, concerning contract support for comprehensive installation and commissioning works. Limited amount of reimbursable by OAO Gazprom expenses (including VAT paid by OOO Gazprom Centremont to the third parties) is RR 30,124,678.30. The limited remuneration fee of OOO Gazprom Centremont (including extra fees) is RR 63,823.47 net of VAT. The interested persons are A.V. Kruglov and M.L.Sereda, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
12. Bank guarantee contract with OAO Bank VTB. OAO Bank VTB undertakes upon written application of OAO Gazprom, beginning with the date of contract signing up to 20.09.2012, to issue bank guarantees in benefit of the Central Energy Custom to support OAO Gazprom obligations to execute customs payments claimed by the Central Energy Custom. Guarantee sum is paid by OAO Bank VTB to the Central Energy Custom in case, when Moscow Arbitration Court issues decision, which become in law, of full or partial adjudication of OAO Gazprom application to the Central Energy Custom about invalidity of the claim. The amount of all simultaneously effective guarantees is not to exceed RR 7,000,000,000. Validity period of a single guarantee cannot be more than 12 months from the date of its issue inclusive. For every issued guarantee OAO Gazprom pays to OAO Bank VTB remuneration fee in size of 0.31% per annum of the sum of guarantee calculated for the period of its action. The remuneration fee is paid lump sum within 25 business days from the date of guarantee issue after receipt by OAO Gazprom from OAO Bank VTB of a notification of its payment. In case of nonperformance or improper performance by OAO Gazprom of its obligations before OAO Bank VTB supported by the contract, after forwarding by OAO Bank VTB a notification to OAO Gazprom about forfeit, OAO Gazprom pays OAO Bank VTB a forfeit, calculated at a base rate of the Bank of Russia (effective on the date of forfeit charge), on sum of nonperformance or improper performance obligations for every calendar day of late payment beginning from the date of nonperformance or improper performance by OAO Gazprom of its obligations before OAO Bank VTB supported by the contract up to the date of its full fulfillment by OAO Gazprom. In the absence of notification obligation to pay forfeit does not arise. The contract comes into force as of the date of signing by the parties and is effective until full execution by the parties of accepted obligations. The interested person is the Russian Federation, the Shareholder of OAO Gazprom which owns more than 20% shares. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1683 dated 06.12.2010.

13. Bank guarantee contract with OAO Bank VTB. OAO Bank VTB undertakes upon written application of OAO Gazprom, beginning with the date of contract signing up to 20.09.2012, to issue bank guarantees in benefit of the Central Energy Custom to support OAO Gazprom obligations to execute customs payments claimed by the Central Energy Custom. Guarantee sum is paid by OAO Bank VTB to the Central Energy Custom in case, when Moscow Arbitration Court issues decision, which become in law, of full or partial adjudication of OAO Gazprom application to the Central Energy Custom about invalidity of the claim. The amount of all simultaneously effective guarantees is not to exceed RR 5,000,000,000. Validity period of a single guarantee cannot be more than 12 months from the date of its issue inclusive. For every issued guarantee OAO Gazprom pays to OAO Bank VTB remuneration fee in size of 0.31% per annum of the sum of guarantee calculated for the period of its action. The remuneration fee is paid lump sum within 25 business days from the date of guarantee issue after receipt by OAO Gazprom from OAO Bank VTB of a notification of its payment. In case of nonperformance or improper performance by OAO Gazprom of its obligations before OAO Bank VTB supported by the contract, after forwarding by OAO Bank VTB a notification to OAO Gazprom about forfeit, OAO Gazprom pays OAO Bank VTB a forfeit, calculated at a base rate of the Bank of Russia (effective on the date of forfeit charge), on sum of nonperformance or improper performance obligations for every calendar day of late payment beginning from the date of nonperformance or improper performance by OAO Gazprom of its obligations before OAO Bank VTB supported by the contract up to the date of its full fulfillment by OAO Gazprom. In the absence of notification obligation to pay forfeit does not arise. The contract comes in force as of the date of signing by the parties and is effective until full execution by the parties of accepted obligations. The interested person is the Russian Federation, the Shareholder of OAO Gazprom which owns more than 20% shares. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1682 dated 06.12.2010.
14. Bank guarantee contract with OAO Bank VTB. OAO Bank VTB undertakes upon written application of OAO Gazprom, beginning with the date of contract signing up to 20.09.2012, to issue bank guarantees in benefit of the Central Energy Custom to support OAO Gazprom obligations to execute customs payments claimed by the Central Energy Custom. Guarantee sum is paid by OAO Bank VTB to the Central Energy Custom in case, when Moscow Arbitration Court issues decision, which become in law, of full or partial adjudication of OAO Gazprom application to the Central Energy Custom about invalidity of the claim. The amount of all simultaneously effective guarantees is not to exceed RR 9,000,000,000. Validity period of a single guarantee cannot be more than 12 months from the date of its issue inclusive. For every issued guarantee OAO Gazprom pays to OAO Bank VTB remuneration fee in size of 0.31% per annum of the sum of guarantee calculated for the period of its action. The remuneration fee is paid lump sum within 25 business days from the date of guarantee issue after receipt by OAO Gazprom from OAO Bank VTB of a notification of its payment. In case of nonperformance or improper performance by OAO Gazprom of its obligations before OAO Bank VTB supported by the contract, after forwarding by OAO Bank VTB a notification to OAO Gazprom about forfeit, OAO Gazprom pays OAO Bank VTB a forfeit, calculated at a base rate of the Bank of Russia (effective on the date of forfeit charge), on sum of nonperformance or improper performance obligations for every calendar day of late payment beginning from the date of nonperformance or improper performance by OAO Gazprom of its obligations before OAO Bank VTB supported by the contract up to the date of its full fulfillment by OAO Gazprom. In the absence of notification obligation to pay forfeit does not arise. The contract comes in force as of the date of signing by the parties and is effective until full execution by the parties of accepted obligations. The interested person is the Russian Federation, the Shareholder of OAO Gazprom which owns more than 20% shares. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1683 dated 06.12.2010.
15. Guarantee agreement with Gas Transport Services B.V. OAO Gazprom irrevocably and unconditionally guarantees Gas Transport Services B.V. and his successors and alienees on the first demand of Gas Transport Services B.V. prompt, timely payment of all existing and subsequent final payments of OOO Gazprom Export, payable to Gas Transport Services B.V. under Clause 5 of Transportation Conditions (TSC) for the services rendered under Clause 2 of TSC, concerning reservations executed in accordance with:
- 1) Data List under the contract dated 11.07.2007 (Contract 1);
 - 2) Data List under the contract to be concluded under Preliminary conditions dated 12.11.2009 (Contract 2)
 - 3) Data List under the contract to be concluded under Additional agreement LTF 09.1943 dated 30.09.2009 (Contract 3)
- Responsibility under Contract 1 is limited to Euro 1,900,000. Responsibility under Contract 1 is limited to Euro 34,600,000. Responsibility under Contract 1 is limited to Euro 21,500,000 Total responsibility under Contract 1, Contract 2 and Contract 3 is limited to Euro 58,000,000. Agreement comes into force from the signing date except obligations under guarantee agreement as for Contract 2 and Contract 3, which come into force from the dates of signing of these contracts. Guarantee agreement is effective in full up to 01.08.2028. The interested person is A.I. Medvedev, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1701 dated 31.12.2010.
16. Buy and sell agreement of property with OAO Gazpromregiongaz. OAO Gazprom undertakes to transfer into ownership of OAO Gazpromregiongaz and OAO Gazpromregiongaz takes liability to accept and pay for property beneficially owned by OAO Gazprom. The total cost of property is RR 3,230,639.51 (net of VAT in the amount of RR 581,515.11). OAO Gazpromregiongaz within 20 calendar days as of the date of signing of the agreement executes prepay by transfer of RR 3,230,639.51 plus VAT at amount of RR 581,515.11 to the OAO Gazprom's current account. OAO Gazprom is obliged within 5 calendar days from the date of execution of payment to transfer property with providing acceptance acts for fixed assets (form OS-1 gazex). The Agreement is effective as of the date of signing up to performance by the parties of obligations in full. The interested persons are K.G. Seleznev, O.P. Pavlova, V.V. Ilyushin, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1704 dated 31.12.2010.
17. Agreement No.1 to the order No.2 dated 30.08.2010 to the agency contract No. PNR-14-2010 dated 02.07.2010 with ZAO Gazprom invest Yug, concerning contract support for comprehensive installation and commissioning works. Limited amount of reimbursable by OAO Gazprom expenses (including VAT paid by ZAO Gazprom invest Yug to the third parties) is RR 22,300,610. The limited remuneration fee of ZAO Gazprom invest Yug (including extra fees) is RR 47,247.05 (net of VAT). The interested person is Y.Y. Golko, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
18. Addendum No.54 to the contract on the volumes and the terms and conditions for the natural gas supply to the Lithuanian Republic for the period from 2000 through 2015 No.1Gli-2000 dated 16.12.1999 with AO Lietuvsdujos due to adjustments of volumes of transit and payment procedures for arrangement of gas transportation services through the Lithuanian Republic for the customers of Kaliningradskaya oblast. From 2011 to 2015 annual volumes of gas transportation transit through the Lithuanian Republic for the customers of Kaliningradskaya Region are determined in the amount of 2,500 mmcm on a "Ship-or-pay". The interested persons are K.G. Seleznev, V.A. Golubev, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
19. Additional agreement No.6/11 to the contract No.23Pk-2007/K-5-32-0042/07 dated 12.03.2007 with OOO Gazprom mezhhregiongaz due to adjustments of volumes of gas deliveries and prices for gas in 2011 as well as specification of legal address and payment essential elements. The volume of gas supply in 2011 is up to 2,165.2 mmcm, price for gas to be delivered in 2011 is RR 2,844 for 1000 cm. The interested person is K.G. Seleznev, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
20. Addendum No. 1/11 to the contract No. MRG/np-2010/1-007/10 dated 30.07.2010 with OOO Gazprom mezhhregiongaz due to changes of volumes of gas deliveries and specification of essential elements. The volume of gas supply in 2011 is 175.0 mmcm. The interested person is K.G. Seleznev, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
21. Contract with OAO Gazprom Promgaz for performance of the research work. OAO Gazprom binds and OAO Gazprom Promgaz commits to execute research work. The theme: "Estimates of potential capabilities of sales of methane extracted from priority Kuzbass fields. The cost of work is RR 29,661,000 (net of VAT). The time of work delivery is from 01.07.2010 up to 01.07.2012. The terms and conditions of the contract are applicable to the parties effective from 01.07.2010. The interested person is V.V. Rusakova, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of the OAO Gazprom annual General Shareholders Meeting dated 25.06.2010.
22. Addendum No. 1 to the contract No. 7NPTr-2010 with OAO Tomskgazprom concerning gas transportation arrangement services due to adjustments of volumes of gas transportation in 2011. The volume of gas transportation in 2011 is 2,987,722 mmcm. The interested persons are A.V. Kruglov, M.L. Sereda, K.G. Seleznev, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
23. Contract with OAO Gazprom Promgaz for performance of the research work. OAO Gazprom binds and OAO Gazprom Promgaz commits to execute research work. The theme: "Developing of a system of medical-hygienic and psychological support of works at Shtokman gas field on the basis of rotation scheme of labor". The cost of work is RR 47,457,620 (net of VAT). The time of work delivery is as of 01.07.2010 up to 31.12.2012. The terms and conditions of the contract are applicable to the parties effective from 01.07.2010. The interested person is V.V. Rusakova, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of the OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
24. Additional agreement No. 9 to the gas supply contract No. 25PK-2007 dated 13.12.2007 with OAO Severneftegazprom due to adjustments of volumes of gas deliveries and prices for gas in 2011. The volume of gas supply in 2011 is 9,975.142 mcm, price for gas to be delivered from 10:00 01.01.2011 up to 10:00 01.07.2011 equals to RR 1052.12 for 1000 cm (net of VAT). The interested persons are A.I. Medvedev, O.P. Pavlova, V.V. Cherepanov members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.

25. Additional agreement No. 2 to the contract No. 12NPtr/k-2010 dated 31.12.2009 for gas transportation arrangement services with ОАО Gazprom Neft due to increase of volume of gas transportation in the 4Q 2010, caused by appearance of a new customer (ОАО Serebryakovcement), new gas sources (Muravlenkovskoye, Gubkinskoye and Severo-Komsomol'skoye fields) as well as costs of gas transportation through the territory of the Republic of Kazakhstan. The volume of gas transportation from 01.01.2010 is 2,653.531 mmcm. The cost of arrangement of gas transportation services through the territory of the Republic of Kazakhstan is determined on the basis of negotiated by the parties rate in the amount of RR 59.34 for transportation of 1000 cubic meters of gas at a distance of 100 km and actual commodity-transportation job in connection with gas transportation performed (net of VAT). The terms and conditions of the agreement are applicable to the parties effective from 01.10.2010. The interested persons are A.B. Miller, A.V. Kruglov, V.A. Golubev, K.G. Seleznev, N.N. Dubik, O.P. Pavlova, members of ОАО Gazprom's governance bodies. Approved by the Resolution of ОАО Gazprom's annual General Shareholders Meeting dated 25.06.2010.
26. Order No. 5 to the agency contract No. PNR-15-2010 dated 02.07.2010 with ZAO Gazprom invest Yug, concerning contract support for comprehensive installation and commissioning works. Limited amount of reimbursable by ОАО Gazprom expenses (including VAT paid by ZAO Gazprom invest Yug to the third parties) is RR 24,510,000. The limited remuneration fee of ZAO Gazprom invest Yug (including extra fees) is RR 51,927.97 net of VAT. The interested person is Y.Y. Golko, member of ОАО Gazprom's collegiate executive body. Approved by the Resolution of ОАО Gazprom's annual General Shareholders Meeting dated 25.06.2010.
27. Contract with ООО Gazprom Centrremont for performance of the research work. ОАО Gazprom binds and ООО Gazprom Centrremont commits to execute in accordance with technical assignment the research work. The theme: "Developing of normative documents in the sphere of technical maintenance and repair of equipment and structures". The cost of work is RR 22,288,135.59 (net of VAT). The time of work delivery is as of 01.05.2010 up to 30.11.2011. The terms and conditions of the contract are applicable to the parties effective from 01.05.2010. The interested persons are A.V. Kruglov, M.L. Sereda, members of ОАО Gazprom's governance bodies. Approved by the resolution No. 1715 of ОАО Gazprom's Board of Directors dated 11.02.2011.
28. Guarantee agreement of controlling company with OMV Gas GmbH. ОАО Gazprom irrevocably and unconditionally guarantees OMV Gas GmbH and his successors and alienees on the first demand of OMV Gas GmbH prompt and timely payment of all existing and subsequent final payments of ООО Gazprom Export, payable to Gas Transport Services B.V. under cession contracts of following capacities:
Capacity in size of 268,926 cm/h for the period from 01.04.2011 up to 01.10.2027 (under contracts TR_PW_F_SU_110401_270930_14532, TR_PW_F_SU_110401_270930_14545);
Capacity in size of 20,454 cm/h for the period from 01.04.2014 up to 01.10.2027 (under contracts TR_PW_F_SU_110401_270930_14531, TR_PW_F_SU_110401_270930_14548);
Capacity in size of 10,620 cm/h for the period from 01.04.2011 up to 01.10.2027 (under contracts TR_PW_F_SU_110401_270930_14530, TR_PW_F_SU_110401_270930_14550).
OMV Gas GmbH has to request ОАО Gazprom in written in regard to all payment (cash) obligations of ООО Gazprom Export executed not timely, and ОАО Gazprom is obliged to arrange payments of these obligations within 5 business days upon receipt of request. Responsibility is limited to Euro 24,625,781. Agreement comes into force as of the signing date and is effective until parties fulfill their obligations in full, provided that Agreement covers only obligations arising at or before 01.10.2027. The interested person is A.I. Medvedev, member of ОАО Gazprom's collegiate executive body. Approved by the Resolution of ОАО Gazprom's Board of Directors No. 1728 dated 17.03.2011.
29. Agency agreement with ОАО Centrgaz. ОАО Centrgaz commits for remuneration fee in its own name and under the order of ОАО Gazprom but at the expense of ОАО Gazprom to take any juristic and practical actions related to guardianship of objects under construction in progress in settlement Noviy of Leninskiy District of Tul'skaya Region, as part of construction site: "18 double apartment domestic houses in settlement Noviy of Leninskiy District of Tul'skaya Region", i.e.:
18 domestic houses NN 15-26, 117-122;
gas-distribution point;
artesian well;
water supply system;
drainage system;
inter-site electrical networks 0,4 kV;
inter-site sewerage networks;
inter-site gas supply networks;
off-site gas supply networks;
off-site sewerage networks;
off-site electrical networks 10 kV.
Guardianship of objects includes:
arrangement and execution of security measures;
enforcement of established fire control regulations;
support of safe custody of closed and sealed accommodation and premises taken under protection within objects under guardianship;
adoption of property protection measures against illegal invasion within objects under guardianship.
For order execution ОАО Gazprom pays remuneration fees in the amount of 0.5 % (including VAT at a rate established by legislation in force) from expenses of ОАО Centrgaz connected with guardianship of objects carried by ОАО Centrgaz in the course of order execution.
Pay of agency remuneration fee and reimbursement of expenses carried by ОАО Centrgaz in the course of order execution is carried out within 30 days of approval by ОАО Gazprom of ОАО Centrgaz's report and signing by the parties of acceptance acts. Invoice for the sum of agency remuneration fee is issued not later than 5 days as of the date of signing by the parties of services acceptance acts. The agreement comes into force at a date of signing and terminates its action in case of ex parte rejection by any of the parties from agreement execution. The interested persons are M.L. Sereda, V.A. Golubev, Y.Y. Golko, members of ОАО Gazprom's governance bodies. Approved by the resolution of ОАО Gazprom's Board of Directors No. 1729 dated 17.03.2011.
30. Addendum No. 3/11 to the contract No. MRGtr-2009/1-003/09 dated 19.01.2009 with ООО Gazprom mezhregiongaz due to adjustments of volumes of gas deliveries and specification of essential elements. The volume of gas transportation in 2011 is 10,915.1 mmcm. The interested person is K.G. Seleznev, member of ОАО Gazprom's collegiate executive body. Approved by the Resolution of ОАО Gazprom's annual General Shareholders Meeting dated 25.06.2010.
31. Loan agreement with ОАО Severneftegazprom. Gazprom provides ОАО Severneftegazprom with the sum of money not more than RR 13,000,000,000 and ОАО Severneftegazprom undertakes to repay the loan in full and pay interest for the use of borrowed funds. Given by ОАО Gazprom loan is used by ОАО Severneftegazprom for redemption of indebtedness under taken from a group of banks credits. Interests are charged monthly at a rate of 5.2% per annum from the sum of principal debt. Interest rate can be changed under mutual parties' agreement. Interests are paid by ОАО Severneftegazprom quarterly and on the date of repayment of principal debt in full. ОАО Gazprom has the right to require documents proving the intended use of loan funds. The term of loan repayment is not later than 3.09.2011. For delay in repayment of principal debt in full and payment of interests ОАО Gazprom has the right to claim from ОАО Severneftegazprom the payment of forfeits in the sum of 0.01% for each calendar day of late payment. Contract comes into force with the transfer by ОАО Gazprom sum loan to ОАО Severneftegazprom and is valid until full performance of obligations of the parties. The interested persons are A.I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of ОАО Gazprom's collegiate executive body. Approved by the Resolution of ОАО Gazprom's Board of Directors No. 1733 dated 21.03.2011.
32. Addendum to the contract on the volumes and the terms and conditions for the natural gas supply to the Republic of Belarus transit gas transportation through the territory of the Republic of Belarus for the period from 2007 through 2011 No. GB dated 31.12.2006 with ОАО Beltransgaz due to adjustments of volumes of gas supply in 2011. Volume of gas supply in 2011 is 22,500 mmcm. The interested persons are, V.A. Golubev, N.N. Dubik, members of ОАО Gazprom's collegiate executive body. Approved by the Resolution of ОАО Gazprom's annual General Shareholders Meeting dated 25.06.2010.
33. Order No. 2 to the agency contract No. PNR-2-2010 dated 03.06.2010 with ZAO Yamalgazinvest, concerning contract support for comprehensive installation and commissioning works. Limited amount of reimbursable by ОАО Gazprom expenses (including VAT paid by ZAO Yamalgazinvest to the third parties) is RR 133,506,440. The limited remuneration fee of ZAO Yamalgazinvest (including extra fees) is RR 282,852.63 net of VAT. The interested persons are E.A. Vasilieva, Y.Y. Golko, V.V. Ilyushin, members of ОАО Gazprom's collegiate executive body. Approved by the Resolution of ОАО Gazprom's annual General Shareholders Meeting dated 25.06.2010.

34. Agreement to the contract No. 0119-06-2 dated 28.12.2006 with OAO Gazprom Promgaz for performance of the research work. Subject of the Agreement – description of the contract in new wording, including Technical Assignment (Appendix 1) and Calendar Schedule (Appendix 2). Specification of procedures of usage and allocation of rights on work products, including objects of rights of authorship, order establishing for acquisition by OAO Gazprom of a patent. The time of work delivery is from 10.01.2006 up to 30.06.2011. The cost of work is RR 11,000,000 (net of VAT). The interested person is V.V. Rusakova, member of OAO Gazprom's collegiate executive body. Approved by the Resolution No.1714 of OAO Gazprom's Board of Directors dated 11.02.2011.
35. Agreement No. 3/2010-2 concerning amendments to the contract for investment projects execution No. 01/0412-3716 dated 11.12.2009 with OOO Gazprom Centremont due to specification of investment projects list and objects within investment projects and adjustment of the volume of investments for 2010. The cost of services of OOO Gazprom Centremont for 2010 is RR 297,061,000 net of VAT. The terms and conditions of the agreement are applicable to the parties effective from 30.09.2010. The interested persons are A.V.Kruglov, M.L.Sereda, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
36. Addendum No.47 to the contract No.1GLa-2000 dated 16.11.1999 with AO Latvijas Gaze for the natural gas supply to Latvian Republic for 2000–2030 due to adjustment of period (from 01.04.2008 up to 31.12.2030) during which OAO Gazprom delivers gas to AO Latvijas Gaze, and AO Latvijas Gaze executes pumping to UGSF and storage of natural gas belonging to OAO Gazprom and also performs its withdrawal from UGSF in annually accommodated volumes. The interested persons are K.G. Seleznev, V.V. Rusakova, E.E. Karpel, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
37. Addendum No. 3 to the contract No.23 PK-2009 dated 29.12.2008 with ZAO Nortgaz Plant for the natural gas supply due to the change in the volume of gas and pricing formula in 2011. The volume of gas supply in 2011 is up to 56.0 mmcm. The price of gas supplied in 2011 amounts to RR 824 for 1000 cm net of VAT. The interested persons are O.P. Pavlova, K.G. Seleznev, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
38. Guarantee agreement GPB (OJSC). OAO Gazprom is responsible for the fulfillment by OOO Gazprom dobycha Shelf of its obligations to GPB (OJSC) in full, arising out of Letter of credit agreement No. IMP-718 dated 26.11.2010 between GPB (OJSC) and Gazprom dobycha Shelf, including payments (in procedure of recourse) executed by GPB (OJSC) under Letter of credit. Responsibility of OAO Gazprom is limited to US \$ 111,604,578. In case of nonperformance or improper performance of supported by the guarantee obligation by Gazprom dobycha Shelf OAO Gazprom and Gazprom dobycha Shelf are jointly and severally liable to GPB (OJSC). OAO Gazprom is liable to GPB (OJSC) in the same amount as OOO Gazprom dobycha Shelf in accordance with terms and conditions of the agreement mentioned above. In case of nonperformance of guarantee agreement obligations by OAO Gazprom, GPB (OJSC) has the right to claim the payment of forfeit in the sum of 0.03% for each day of late payment. Agreement comes into force on the date of signing and is effective up to 31.07.2013. The interested persons are A.B. Miller, M.L. Sereda, E.A. Vasilieva, A.V. Kruglov, K.G. Seleznev, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's Board of Directors No.1719 dated 25.02.2011.
39. Contract with OOO Gazprom Centremont. OAO Gazprom binds and OOO Gazprom Centremont commits to perform construction investment projects and transfer to OAO Gazprom constructed structures. The cost of services of OOO Gazprom Centremont for 2011 is RR 10,334,745.76 net of VAT. The interested persons are A.V. Kruglov, M.L.Sereda, members of OAO Gazprom governance bodies. Approved by the Resolution of the OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
40. Guarantee agreement with GPB (OJSC). OAO Gazprom is responsible for the fulfillment by OAO Gazprom Avtomatizatsiya of its obligations to GPB (OJSC) in full, arising from the credit agreement No. 307/10-R dated 15.12.2010 between GPB (OJSC) and OAO Gazprom Avtomatizatsiya, concerning opening of credit line, including reimbursement of principal debt and payment of the credit interest for use of loaned funds according to the credit agreement. OAO Gazprom responsibility is limited to RR 2,312,000,000. In case of nonperformance or improper performance of supported by the guarantee obligation by OAO Gazprom Avtomatizatsiya OAO Gazprom and OAO Gazprom Avtomatizatsiya are jointly and severally liable to GPB (OJSC). OAO Gazprom is liable to GPB (OJSC) in the same amount as OAO Gazprom Avtomatizatsiya in accordance with terms and conditions of the agreement mentioned above. In case of nonperformance of guarantee agreement obligations by OAO Gazprom, GPB (OJSC) has the right to claim the payment of forfeit in the sum of 0.03% for each day of late payment. Agreement comes into force on the date of signing and is effective up to 14.03.2013. The interested persons are A.B. Miller, M.L. Sereda, E.A. Vasilieva, A.V. Kruglov, K.G. Seleznev, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's Board of Directors No.1722 dated 04.03.2011.
41. Agreement No. 21/2010-2 concerning amendments to the contract for investment projects execution No. 53-887 dated 08.12.1999 with OAO Gazprom Kosmicheskije Sistemy due to changes in investment program for 2010. The cost of services of OAO Gazprom Kosmicheskije Sistemy for 2010 is RR 582,366.20 net of VAT. The terms and conditions of the agreement are applicable to the parties effective from 30.09.2010. The interested persons are O.P. Pavlova, S.F. Khomyakov, M.L.Sereda, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
42. Paid services contract with OOO Gazprom Investproekt. OOO Gazprom Investproekt commits to provide for OAO Gazprom a range of information analysis, consulting, managerial and other services, during execution of concrete investment projects in the best interests of OAO Gazprom through implementation of advanced procedures and approaches to investment projects' management with the purpose of optimal application of funds of OAO Gazprom investment program in accordance with assignments established in additional agreements to the paid services contract; and OAO Gazprom agrees to accept and pay for these services. Under any investment project the parties negotiate assignments which establish range, scope, terms and cost of services. Term of services provision by OOO Gazprom Investproekt is defined in every concrete assignment. Cost of services being rendered by OOO Gazprom Investproekt to OAO Gazprom under every assignment is determined on the base of evaluation of their scope, which will be established in a relevant assignment. Evaluation is provided by independent valuator from amongst institutes, selected by OAO Gazprom in accordance with procedures in force. Within 30 calendar days as of the date of signing by the parties of assignment OAO Gazprom executes in advance payment to OOO Gazprom Investproekt in size of 30% of negotiated by the parties cost of services, VAT included. Within 10 calendar days as of the date of signing by the parties of any acceptance act of rendered in the reported Quarter services OAO Gazprom pays to OOO Gazprom Investproekt 50% of the sum specified in acceptance act of services provided by transfer of cash to the current account of OOO Gazprom Investproekt. After acceptance by OAO Gazprom of services rendered under assignment all in all OAO Gazprom, within 10 calendar days as of the date of signing by the parties of final acceptance act, pays to OOO Gazprom Investproekt the remainder - 20% of the cost of services provided under assignment. The executed prepayment is counted towards payment for rendered in any reported Quarter services in proportion of the cost defined in relevant acceptance act related to the cost established in the assignment. Thence, rendered by OOO Gazprom Investproekt in the reported Quarter services are to be paid by OAO Gazprom in the amount of 80% of defined in acceptance act cost of provided services. The contract comes into force as of the date of signing by the parties and is effective until execution of adopted by the parties obligations in full. The terms and conditions of the agreement are applicable to the parties effective from 01.01.2010. The interested persons are S.F. Khomyakov, V.A. Golubev, O.P. Pavlova, E.A. Vasilieva, A.V. Kruglov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1727 dated 17.03.2011.
43. Additional agreement No. 1 to the paid services contract No. 270 dated 14.04.2011 with OOO Gazprom Investproekt. The subject of the additional agreement is accommodation of assignment to the paid services contract, range, scope, terms and cost of services. Services are aimed to develop a responsive system of execution of investment project, i.e. "Adlerskaya TES with capacity not less than 360 MWt (design, survey works and construction)" in the best interests of OAO Gazprom through implementation of advanced procedures and approaches to investment projects' management with the purpose of optimal application of funds of OAO Gazprom investment program. Tasks set to OOO Gazprom Investproekt are as follows:
Developing of general scheme of project execution and its financing;
Developing of project financing package aimed to unburden investment program of OAO Gazprom through engaging of external financing. Arrangement of project financing attraction for execution of the project;
Managing of investment-construction process to support monitoring by OAO Gazprom of construction progress and arrangement of control over capital expenditures for project financing. Analysis of risks arising in the course of project execution and creation of effective risks-management system;
Developing of procedure of project transfer within Gazprom Groupe.
The total period of services delivery is 2010-2012. The cost of services amounts to RR 459,800,000 (net of VAT). The contract comes into force as of the date of signing by the parties and is effective until execution of adopted by the parties obligations in full. The terms and conditions of the agreement are applicable to the parties effective from 01.01.2010. The interested persons are S.F. Khomyakov, V.A. Golubev, O.P. Pavlova, E.A.Vasilieva, A.V. Kruglov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1727 dated 17.03.2011.
44. Addendum No.48 to the contract No.1GLa-2000 dated 16.11.1999 with AO Latvijas Gaze for the natural gas supply to Latvian Republic for the period 2000–2030 due to changes in rate of gas transportation services. The rate of transportation arrangement of 1000 cubic meters of gas at a distance of 100 km equals to US \$ 1.62. The interested persons are K.G. Seleznev, V.V. Rusakova, E.E. Karpel, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.

45. Additional agreement No. 2 to Master Agreement for development project for 1A block of Urengoy's Achimovskiy deposits, dated 23.12.2004, with OOO Gazprom DobychaUrengoy, Wintershall Holding GmbH and ZAO Achimgaz. The subject matter of the Additional agreement – amendments to the Master Agreement to adjust scope of work at commercial production preparation phase.
Commercial production preparation phase provided for:
tender, discussion and execution of all contracts, required to start drilling 12 wells in Q4 2011 during preparation for construction of a launch complex to commission 20 wells under commercial production phase, provided expenses under these contracts stay within the limits, set in relevant ZAO Achimgaz -2011 budget items, duly approved by
OAO Gazprom, OOO Gazprom DobychaUrengoy, Wintershall Holding GmbH, and also approved by
the Board of Directors of ZAO Achimgaz; filing applications with relevant authorities to obtain all required consents and approvals to implement commercial production phase and receipt of all such consents and approvals. The Additional agreement is governed and construed in accordance with Swiss laws. The interested person is V.V. Cherepanov, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1742 dated 06.04.2011.
46. Additional agreement No. 10 to the gas supply contract No. 25Pk-2007 dated 13.12.2007 with OAO Severneftegazprom due to specification of essential elements. The interested persons are A.I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom annual General Shareholders Meeting dated 25.06.2010
47. Agreement No. 27/2010-2 concerning amendments to the contract for investment projects execution No. YaGI-99 dated 01.01.1999 with ZAO Yamalgazinvest due to specification of investment projects list and objects within investment projects and adjustment of the volume of investments for 2010. The cost of services of ZAO Yamalgazinvest for 2010 is RR 2,480,649,000 net of VAT. The terms and conditions of the agreement are applicable to the parties effective from 30.09.2010. The interested persons are E.A. Vasilieva, V.V. Ilyushin, Y.Y. Golko, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
48. Additional agreement with OAO Severneftegazprom, Wintershall Vermogen sverwaltungs-gesellschaft mbH, E.ON Ruhrgas E&P GmbH. Loan agreements between:
- OAO Gazprom and OAO Severneftegazprom for no more than RR 13,000,000,000 (Loan agreement 1);
- Wintershall Vermogensverwaltungsgesellschaft mbH and OAO Severneftegazprom for no more than RR 11,375,000,000 (Loan agreement 2);
- E.ON Ruhrgas E&P GmbH and OAO Severneftegazprom for no more than RR 8,125,000,000 (Loan agreement 3).
The Parties represent and warrant that any payment under Loan Agreements 1, 2, 3 (including, but not limited to, repayment of the amount of principal debt, accrued interest, penalties and other payments), payable by OAO Severneftegazprom to any of the Lenders (hereinafter – Repayment), and any Provision of funds by any Lender to OAO Severneftegazprom (to the extent that such repayment or provision are available subject to terms and conditions of Loan Agreements 1, 2, 3) will be performed by a relevant Party in such a manner that the following ratio is maintained for such Repayment and Provision of Funds, and also for principal debt amounts, payable under Loan Agreements 1, 2, 3: 40% under Loan agreement 1, 35% under Loan agreement 2 and 25% under Loan agreement 3. OAO Severneftegazprom shall promptly notify each Lender of planned date of Repayment or Provision of Funds, and each Lender shall confirm to OAO Severneftegazprom whether such Repayment or Provision of Funds are acceptable, provided such payments do not violate the Ratio. No Lender is entitled to make amendments to a Loan agreement, of which it is a party, without prior written consent of other Lenders, or prior to execution of a written contract between Lenders, provided such a contract maintains the Ratio. If Lenders agree to amend any condition or provision of any Loan agreement, the Parties are to secure that relevant amendments are made to Loan Agreements 1, 2, 3 to ensure similar conditions thereof. The interested persons are A. I. Medvedev, O.P. Pavlova, V.V.Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1733 dated 21.03.2011.
49. Agreement No. 23/2010-2 concerning amendments to the contract for investment projects execution No. 53-577 dated 09.08.1999 with ZAO Gaztelecom due to specification of investment projects list and objects within investment projects and adjustment of the volume of investments for 2010. The cost of services of ZAO Gaztelecom for 2010 is RR 22,101,000 net of VAT. The terms and conditions of the agreement are applicable to the parties effective from 30.09.2010. The interested person is M.L.Sereda, member of OAO Gazprom's Board of Directors. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
50. Agreement on facilitation of exchange bond issue with OAO GPB (OJSC) and OOO Renaissance Broker. OAO GPB (OJSC) and OOO Renaissance Broker undertake to provide the following consulting, information and other services in order to facilitate primary placement and secondary trading of OAO Gazprom's exchange bonds of BO 01-BO 28 series (hereinafter - Bonds):
- develop recommendations for a concept (structure and parameters) of bond issue;
- provide advice on issues, related to requirements of Russian laws to bond issue procedures, bond placement, circulation and redemption;
- prepare draft documents for placement, circulation and redemption of bonds, to be approved by OAO Gazprom;
- prepare all relevant documents for closed joint-stock company MICEX Stock Exchange (hereinafter - MICEX) and National Settlement Depository non-profit partnership to place and trade the Bonds at MICEX;
- prepare pricing outlook for Bonds after permission for placement. Provision of bond market analytics after placement;
- develop promotional materials, presentations and other materials, including briefing memorandum for Bonds, for distribution of the above materials to potential investors;
- if required, printing the briefing memorandum at OAO Gazprom's account;
- organize negotiations and represent OAO Gazprom during negotiations with potential investors;
- organize marketing events for Bonds issue (particularly, bonded loans presentation and road-show);
- perform any other required activities, approved by the parties and focused on successful placement of Bonds;
- consult OAO Gazprom on procedures for access of Bonds to exchange trades;
- provide market maker services for each placed issue of Bonds by putting up bilateral quotations at MICEX for 5000 Bonds with no more than 0,25% spread to maturity date of a given issue of Bonds.
Fees of OAO GPB (OJSC) and OOO Renaissance Broker for their services per each placed issue of Bonds shall amount to 0,22% of the total face value of a relevant placed Bonds issue, including VAT. Each of the managers shall be entitled 1/2 of the amount of fees. Expenses of OAO GPB (OJSC) OOO Renaissance Broker, accounted for as a part of service costs, are to be pre-approved in writing by OAO Gazprom, including, but not limited to expenses to contract third parties (co-managers), and also to presentation of a placed issue of Bonds, printing the briefing memorandum and other presentation materials. The contract comes into force as of the date of signing by the parties and shall remain in force until the parties fulfill their obligations in full. The interested persons are A.B. Miller, M.L. Sereda, E.A. Vasilieva, A.V. Kruglov, K.G. Seleznev, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1717 dated 25.02.2011.
51. Agreement No. 13/2010-2 concerning amendments to the contract for investment projects execution No. 42 dated 29.09.2003 with OOO Gazpromtrans due to specification of investment projects list and objects within investment projects and adjustment of the volume of investments for 2010. The cost of services of OOO Gazpromtrans for 2010 is RR 238,218,000 net of VAT. The terms and conditions of the agreement are applicable to the parties effective from 30.09.2010. The interested persons are O.P. Pavlova, N.N. Dubik, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
52. Rental contract with OAO Gazprom Gazoraspredeleniye. The amount of lease fee for the period up to 01.04.2011 is RR 28,725 (net of VAT). The amount of monthly lease fee effective from April to September 2011 is RR 9,575 (net of VAT). The amount of lease fee effective from 01.10.2011 up to 30.10.2011 is RR 9,266 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 01.01.2011. The interested persons are K.G. Seleznev, O.P. Pavlova, V.V. Ilyushin, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
53. Rental contract with ZAO Gaztelecom. The amount of lease fee for the period up to 01.04.2011 is RR 2,787,369 (net of VAT). The amount of monthly lease fee effective from April to September 2011 is RR 929,123 (net of VAT). The amount of lease fee effective from 01.10.2011 up to 30.10.2011 is RR 899,151 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 01.01.2011. The interested person is M.L. Sereda, a member of OAO Gazprom's Board of Directors. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
54. Agreement No. 6/2010-2 concerning amendments to the contract for investment projects execution No.1 dated 03.12.2008 with ZAO Gazprom Neft Orenburg due to specification of investment projects list and objects within investment projects and adjustment of the volume of investments for 2010. The cost of services of ZAO Gazprom Neft Orenburg for 2010 is RR 29,700,000 net of VAT. The terms and conditions of the agreement are applicable to the parties effective from 30.09.2010. The interested person is M.L. Sereda, member of OAO Gazprom's Board of Directors. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.

55. Buy and sell agreement of property with OAO Gazoraspredeleniye. OAO Gazprom undertakes to transfer into ownership of OAO Gazoraspredeleniye, and OAO Gazoraspredeleniye undertakes to accept and pay for property beneficially owned by OAO Gazprom. The total cost of property is RR 1,097,333 (net of VAT). OAO Gazoraspredeleniye within 20 calendar days as of the date of signing of agreement executes prepay by transfer of RR 1,097,333 plus VAT to the OAO Gazprom current account. OAO Gazprom is obliged within 5 calendar days from the date of execution by OAO Gazoraspredeleniye of obligation to pay for property to transfer property with providing acceptance acts for fixed assets (form OS-1 gazex). OAO Gazoraspredeleniye receives freehold interest in the property from the point of signing by the parties of acceptance act. The Agreement is effective up to performance by the parties of their obligations arising from it in full. The interested persons are K.G. Seleznev, O.P. Pavlova, V.V. Ilyushin, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1725 dated 17.03.2011.
56. Underwriting Contract with OAO GPB. OAO Gazprom hereby engages OAO GPB, and OAO GPB (OJSC) undertakes to perform services to place OAO Gazprom's exchange bonds of BO 01 – BO 28 series, per each issue, pursuant to the terms and procedures, established in a relevant the Resolution to place bonds by OAO Gazprom, subject to internal regulations of ZAO MICEX Stock Exchange and NPO National Settlement Depository, and also subject to the contract. Fees of OAO GPB (OJSC) shall amount to RR 100,00 per each placed issue of Bonds, VAT included. Fees are payable by OAO Gazprom within 20 business days as of the date of signing by the parties of an acceptance act for provided services, billed by OAO GPB (OJSC) and based on an invoice. The Contract comes into force as of the date of signing by the parties and shall remain in force until the parties fulfill their obligations in full. The interested persons are A.B. Miller, M.L. Sereda, E.A. Vasilieva, A.V. Kruglov, K.G. Seleznev, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1718 dated 25.02.2011.
57. Share Pledge Agreement of OAO Severneftegazprom with ING Bank N.V. (London branch). OAO Gazprom shall provide as the first charge in favor of ING Bank N.V. (London branch) to secure prompt and due performance by OAO Severneftegazprom of its secured liabilities under the Project Financing Contract, executed for Yuzhno-Russkoye oil and gas field project by OAO Severneftegazprom, UniCredit Bank AG, ING Bank N.V. (London branch) and a group of banks-initial lenders (hereinafter – Loan Agreement) 266,668 uncertificated registered ordinary shares of OAO Severneftegazprom with face value of RR 1 each, representing 40.0004506 % of the chartered capital of OAO Severneftegazprom, and also additional shares of OAO Severneftegazprom, placed after execution of the contract and owned by OAO Gazprom (hereinafter – Pledged Assets). The pledge is to secure the full amount of secured liabilities. Upon foreclosure of the Pledged Assets, ING Bank N.V. (London branch) shall be entitled to receive the full amount of funds from disposal of the Pledged Assets, to the extent of the full amount of secured liabilities, in no way limited by the collateral value. OAO Gazprom retains title to the Pledged Assets while it remains the registered owner of the Pledged Assets, and shall be entitled to exercise its rights for the Pledged Assets, including, inter alia, voting rights granted by the Pledged Assets and its right to any dividend or other distributions, related to the Pledged Assets. The right of pledge for Pledged Assets arises from the moment of relevant pledge entries at OAO Gazprom's and ING Bank N.V.'s (London branch) account in record books of shareholder registry. Secured liabilities are a set of the following liabilities of OAO Severneftegazprom under the Loan Agreement:
Obligation to repay the loan in the amount no more than Euro 474, 087, 644, US \$ 657, 464, 745 and RR 5, 992, 523, 379;
Obligation to pay interest, accrued on the principal loan debt at the rate, established in the Loan Agreement;
Obligation to pay interest on past-due payments, subject to procedures, specified in the Loan Agreement;
Obligation to pay all other amounts, payable or likely payable by OAO Gazprom to ING Bank N.V. (London branch) under the Loan Agreement, including: fees, charges, commissions, losses, fines or indemnity, paid in relation to failure to perform, untimely performance or other improper execution by OAO Gazprom of its obligations or other liabilities, interest, accrued under applicable laws on amounts payable to ING Bank N.V. (London branch) and unlawfully delayed by OAO Gazprom.
Collateral value is equal to market value of OAO Gazprom's 266 668 uncertificated registered ordinary shares of OAO Severneftegazprom, which as of the date of signing of the Agreement amounted to RR 16 967 762 664. Value of pledged assets may change over time. The Agreement comes into force as of the date of signing. The Agreement shall expire upon the earlier of the following dates:
date, when all secured liabilities will be discharged in full. ING Bank N.V. (London branch) will send OAO Gazprom a notification of discharge of its secured liabilities in five days from the date of discharge of its secured liabilities in full;
date, when all Pledged Assets will be disposed of in accordance with foreclosure procedure;
date, when ING Bank N.V. (London branch) will receive from OAO Gazprom a relevant payment to unlock all Pledged Assets;
date of a written agreement to terminate the Agreement, signed by the Parties, or unlocking the Pledged Assets or other reasons, according to applicable law. The Agreement is governed by legislation of the Russian Federation in force. The interested persons are A. I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1802 dated 13.05.2011.
58. Contract with OAO Gazprom Neft concerning gas transportation arrangement services. The volume of gas transportation in the period from 01.01.2011 up to 31.12.2011 is 2,782.606 mmcm. The cost of services is determined on the basis of negotiated by the parties rate for gas transportation services through OAO Gazprom trunk pipe-lines established by the order of FTS in accordance with actual volume of gas transported and commodity-transportation job performed (net of VAT). The Contract comes into force from the signing date and is valid until full and proper fulfillment by the parties of admitted obligations. The interested persons are A.B. Miller, A.V. Kruglov, N.N. Dubik, V.A. Golubev, K.G. Seleznev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
59. Buy and sell agreement of shares of South Stream AG with Gazprom Germania GmbH. OAO Gazprom acquires belonging to Gazprom Germania GmbH 500 personal shares of South Stream AG (50% of chartered capital) with nominal price CHF100 each and total value of CHF50,000 at a price of CHF 13,160. The interested persons are A.I. Medvedev, A.V. Kruglov members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No.1741 dated 01.04.2011
60. Order No. 2 to the agency contract No. PNR-14-2010 dated 02.07.2010 with OOO Gazprom Centrremont, concerning contract support for comprehensive installation and commissioning works. Limited amount of reimbursable by OAO Gazprom expenses (including VAT paid by OOO Gazprom Centrremont to the third parties) is RR 32,414,600. The limited remuneration fee of OOO Gazprom Centrremont (including extra fees) is RR 68,675 (net of VAT). The interested persons are A.V. Kruglov, M.L. Sereda, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
61. Rental contract with ZAO Gazprom Neft Orenburg. The amount of lease fee for the period till 01.04.2011 is RR 15,527,478 (net of VAT). The amount of monthly lease fee effective from April to September 2011 is RR 5,175,826 (net of VAT). The amount of lease fee effective from 01.10.2011 up to 30.10.2011 is RR 5,008,864 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 01.01.2011. The interested persons are O.P. Pavlova, N.N. Dubik, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
62. Agreement No. 22/2010-3 concerning amendments to the contract for investment projects execution No. 53-887 dated 08.12.1999 with OAO Gazprom Kosmicheskies Sistemy due to determination of framework of execution of investment program for 2010. The interested persons are O.P. Pavlova, S.F. Khomyakov, M.L. Sereda, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010
63. Agreement No. 4/2010-3 concerning amendments to the contract for investment projects execution No. 01/0412-3716 dated 11.12.2009 with OOO Gazprom Centrremont due to determination of framework of execution of investment program for 2010. The interested persons are A.V. Kruglov, M.L. Sereda, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010
64. Addendum No.39 to the Contract No.22NPtr/k-2004 dated 06.10.2003 with OAO Novatek for gas transportation arrangement services. Gas transportation arrangement services are to be rendered during the period from 01.01.2011 up to 31.12.2013. The volumes of gas transportation are: in 2011 – 26,055.155 mmcm. in 2012 – 22,570.512 mmcm., in 2013 – 9,506.841 mmcm. The interested persons are K.G. Seleznev, B. Bergmann, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
65. Agreement No.1 to order No. 1 dated 23.08.2010 to the agency contract No. PNR-15-2010 dated 02.07.2010 with ZAO Gazprom invest Yug, concerning contract support for comprehensive installation and commissioning works. Limited amount of reimbursable by OAO Gazprom expenses (including VAT paid by ZAO Gazprom invest Yug to the third parties) is RR 33,250,000. The limited remuneration fee of ZAO Gazprom invest Yug (including extra fees) is RR 70,444.91 (net of VAT). The interested person is Y.Y. Golko, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
66. Agreement No.1 to the contract No.1045-08-2 dated 10.09.2008 OAO Gazprom Promgaz for performance of research work due to changes in time of work delivery and cost of work under sections 4,5,6,7, of Technical assignment. Establishing of, including objects of, exclusive OAO Gazprom rights on work products (object of rights of authorship). The time of work delivery is from 01.07.2008 10.01.2006 up to 30.09.2011. The cost of work is RR 10,169,491.52 (net of VAT). The interested person is V.V. Rusakova, member of OAO Gazprom's collegiate executive body. Approved by the Resolution No.1771 of OAO Gazprom's Board of Directors dated 11.04.2011.
67. Agreement No. 14/2010-3 concerning amendments to the contract for investment projects execution No. 42 dated 29.09.2003 with OOO Gazpromtrans due to determination of framework of execution of investment project of the investor for 2010. The interested persons are V.A. Golubev, Y.Y. Golko, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010

68. Agreement No. 15/2011-1 concerning amendments to the contract for investment projects execution No. 42 dated 29.09.2003 with ООО Газпромтранс due to specification of investment projects list and objects within investment projects and adjustment of the volume of investments for 2011. The cost of services of ООО Газпромтранс for 2011 is RR 238,218,000 net of VAT. The interested persons are V.A. Golubev, Y.Y. Golko, members of ОАО Газпром's collegiate executive body. Approved by the Resolution of ОАО Газпром's annual General Shareholders Meeting dated 25.06.2010.
69. Agreement No. 12/2010-2 concerning amendments to the contract for investment projects execution No. ID-1-2006 dated 04.10.2006 with ЗАО Газпром Инвест Юг due to specification of investment projects list and objects within investment projects and adjustment the volume of investments for 2010. The cost of services of ЗАО Газпром Инвест Юг for 2010 is RR 2,414,652,000 net of VAT. The terms and conditions of the agreement are applicable to the parties effective as of the date of signing. The interested person is Y.Y. Golko, member of ОАО Газпром's collegiate executive body. Approved by the Resolution of ОАО Газпром's annual General Shareholders Meeting dated 25.06.2010.
70. Order No. 6 to the agency contract No. PNR-15-2010 dated 02.07.2010 with ЗАО Газпром инвест Юг, concerning contract support for comprehensive installation and commissioning works. Limited amount of reimbursable by ОАО Газпром expenses (including VAT paid by ЗАО Газпром инвест Юг to the third parties) is RR 25,790,000. The limited remuneration fee of ЗАО Газпром инвест Юг (including extra fees) is RR 54,639.83 (net of VAT). The interested person is Y.Y. Golko, , member of ОАО Газпром's collegiate executive body. Approved by the Resolution of ОАО Газпром's annual General Shareholders Meeting dated 25.06.2010.
71. Agreement No. 28/2010-3 concerning amendments to the contract for investment projects execution No. YaGI-99 dated 01.01.1999 with ЗАО Ямалгазинвест due to determination of framework of execution of investment program for 2010. The interested persons are E.A. Vasilieva., V.V. Ilyushin, Y.Y. Golko, members of ОАО Газпром's collegiate executive body. Approved by the Resolution of ОАО Газпром's annual General Shareholders Meeting dated 25.06.2010
72. Guarantee agreement with ОАО Сбербанк Росии. ОАО Газпром is jointly and severally liable to ОАО Сбербанк Росии for the full size fulfillment by ОАО Газпром Космические Системы of its obligations to ОАО Сбербанк Росии arising from the agreement No.5409 between ОАО Сбербанк Росии and ОАО Газпром Космические Системы (hereinafter Credit agreement) , concerning opening of credit line for the reimbursement of the principal amount of the debt and payment of interest for credit use, payment for opening of credit line and use of limits under credit line, forfeits, reimbursement of documented court costs due to debt recovery and other documented losses of ОАО Сбербанк Росии caused by nonperformance or improper performance by ОАО Газпром Космические Системы of its obligations arising from Credit agreement. Responsibility of ОАО Газпром under the Credit agreement is limited to RR 5,000,000,000. ОАО Газпром is liable within 5 business days from the date of receipt from ОАО Сбербанк Росии of written notification about late payment by ОАО Газпром Космические Системы under Credit agreement to pay to ОАО Сбербанк Росии overdue amount including forfeits on the date of actual repayment of debt under the Credit agreement as well as court and other documented expenditures of ОАО Сбербанк Росии (hereafter Claimed amount). In case of ОАО Газпром failure to meet established in Contract agreement date of repay of Claimed amount, submitted by ОАО Сбербанк Росии, ОАО Газпром pays to ОАО Сбербанк Росии, beginning from the day next to arising from guarantee agreement date of obligations execution, for every day of late payment including the date of delinquency repayment a forfeit in the amount of 10.1% per annum from the sum of late payment, comprising obligations of ОАО Газпром Космические Системы to reimburse the principal amount of the debt, to pay interest for credit use, to pay for opening of credit line and use of limits under credit line, net of forfeits of ОАО Газпром Космические Системы. Agreement comes into force as of the date of signing by the parties and is effective up to the date coming in 13 years as of the date of signing inclusive. Before mentioned date the agreement ceases to be effective after performance in full of obligations of ОАО Газпром Космические Системы arising from Credit agreement or after performance in full of obligations of ОАО Газпром arising from guarantee agreement, or in other cases as required by the Legislation of the Russian Federation. The interested persons are the Russian Federation, the Shareholder of ОАО Газпром which owns more than 20% shares and M.L.Sereda, O.P. Pavlova, S.F. Khomyakov, members of ОАО Газпром's governance bodies. Approved by the Resolution of ОАО Газпром's Board of Directors No. 1831 dated 08.06.2011.
73. Guarantee agreement with ОАО Сбербанк Росии. ОАО Газпром is jointly and severally liable to ОАО Сбербанк Росии for the full size fulfillment by ОАО Газпром Космические Системы of its obligations to ОАО Сбербанк Росии arising from the agreement No.5410 dated 07.06.2011 between ОАО Сбербанк Росии and ОАО Газпром Космические Системы (hereinafter Credit agreement) , concerning opening of credit line for the reimbursement of the principal amount of the debt and payment of interest for credit use, payment for opening of credit line and use of limits under credit line, forfeits, reimbursement of documented court costs due to debt recovery and other documented losses of ОАО Сбербанк Росии caused by nonperformance or improper performance by ОАО Газпром Космические Системы of its obligations arising from Credit agreement. Responsibility of ОАО Газпром under the Credit agreement is limited to RR 5,000,000,000. ОАО Газпром is liable within 5 business days from the date of receipt from ОАО Сбербанк Росии of written notification about late payment by ОАО Газпром Космические Системы under Credit agreement to pay to ОАО Сбербанк Росии overdue amount including forfeits on the date of actual repayment of debt under the Credit agreement as well as court and other documented expenditures of ОАО Сбербанк Росии (hereafter Claimed amount). In case of ОАО Газпром failure to meet established in Contract agreement date of repay of Claimed amount, submitted by ОАО Сбербанк Росии, ОАО Газпром pays to ОАО Сбербанк Росии, beginning from the day next to arising from guarantee agreement date of obligations execution, for every day of late payment including the date of delinquency repayment a forfeit in the amount of 10.1% per annum from the sum of late payment, comprising obligations of ОАО Газпром Космические Системы to reimburse the principal amount of the debt, to pay interest for credit use, to pay for opening of credit line and use of limits under credit line, net of forfeits of ОАО Газпром Космические Системы. Agreement comes into force as of the date of signing by the parties and is effective up to the date coming in 13 years as of the date of signing inclusive. Before mentioned date the agreement ceases to be effective after performance in full of obligations of ОАО Газпром Космические Системы arising from Credit agreement or after performance in full of obligations of ОАО Газпром arising from guarantee agreement, or in other cases as required by the Legislation of the Russian Federation. The interested persons are the Russian Federation, the Shareholder of ОАО Газпром which owns more than 20% shares and M.L.Sereda, O.P. Pavlova, S.F. Khomyakov, members of ОАО Газпром's governance bodies. Approved by the Resolution of ОАО Газпром's Board of Directors No. 1830 dated 08.06.2011.
74. Paid services agreement with ОАО Газпром Промгаз. ОАО Газпром Промгаз undertakes to provide services on analysis of soft environmental benefit of the program of developing in East Siberia and Far East of unified gas production, transportation and supply system taking into consideration possibility gas export to the markets of China and other Asian-Pacific Region in accordance with assignment to provide services and ОАО Газпром is obliged to pay for such services. The cost of services under agreement is RR 3,500,000 plus VAT in the amount of RR 630,000. The total cost of services under the agreement including VAT is RR 4,130,000. Payment for the services is executed by transferring to the account of ОАО Газпром Промгаз cash within 30 calendar days as of the date of signing by the parties of act of acceptance of services rendered in the presence of exposed by ОАО Газпром Промгаз invoice. The time of services delivery is 9 months as of the date of signing of the agreement by the parties. Agreement comes into force from the signing date and is valid until the parties fulfill their obligations in full. The interested person is V.V. Rusakova, member of ОАО Газпром's collegiate executive body. Approved by the Resolution of ОАО Газпром's Board of Directors No. 1820 dated 26.05.2011.
75. Agreement No. 01/1600-S-76/2011 on amendments to the rental contract No 01/1600-D-36/2011 dated 30.11.2010 with ООО Газпромтранс due to specification of asset holdings list and lease fee. The amount of monthly lease fee effective from January to June 2011 is RR 14,586,246 (net of VAT); the amount of monthly lease fee effective from July to September 2011 is RR 645,389,845 (net of VAT). The amount of lease fee effective from 01.10.2011 up to 30.10.2011 is RR 624,570,817 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 01.01.2011. The interested persons are V.A. Golubev, Y.Y. Golko members of ОАО Газпром's collegiate executive body. Approved by the Resolution of ОАО Газпром's annual General Shareholders Meeting dated 25.06.2010.

76. Guarantee agreement with Sumitomo Mitsui Banking Corporation Europe Limited. OAO Gazprom irrevocably and unconditionally: guarantees to Sumitomo Mitsui Banking Corporation Europe Limited proper execution by OAO Gazprom Kosmicheskoye Sostoyaniye all of its liabilities under the Credit Facility Agreement, secured by OAO Gazprom's guarantee and Fee Agreement; undertakes to Sumitomo Mitsui Banking Corporation Europe Limited that in the event when OAO Gazprom Kosmicheskoye Sostoyaniye fails to pay an amount in due time, as per the Credit Facility Agreement, secured by OAO Gazprom's guarantee and/or Fee Agreement, or in relation thereof, OAO Gazprom shall in 10 business days from the date of receipt of a claim under the Guarantee agreement from Sumitomo Mitsui Banking Corporation Europe Limited, to pay the required amount, as if it were the principal; reimburse Sumitomo Mitsui Banking Corporation Europe Limited in 10 business days from the date of receipt by OAO Gazprom of a claim under the Guarantee Contract from Sumitomo Mitsui Banking Corporation Europe Limited for any losses, sustained by Sumitomo Mitsui Banking Corporation Europe Limited, if any guaranteed liability is or shall be unenforceable, invalid or illegal; the amount of losses shall equal the amount of reimbursement, payable to Sumitomo Mitsui Banking Corporation Europe Limited otherwise, if such events had not happened. OAO Gazprom's liability under the contract is limited by Euro 41,800,000. If OAO Gazprom fails to pay the amount, claimed by Sumitomo Mitsui Banking Corporation Europe Limited over the specified payment period or before expiry of such period, then OAO Gazprom shall also pay to Sumitomo Mitsui Banking Corporation Europe Limited an amount of penalties, payable as penalty interest under the Credit Facility Agreement, secured by OAO Gazprom's guarantee, accrued to the claimed amount, starting from the day, following the payment date and up to the date of actual payment by OAO Gazprom of such a claim, prior, at the moment or after a court ruling. The Contract comes into force as of the date of signing and will terminate at the earlier of the following events: final, unconditional and irrevocable payment of all sums, payable by OAO Gazprom Kosmicheskoye Sostoyaniye to Sumitomo Mitsui Banking Corporation Europe Limited under the Credit Facility Agreement, secured by OAO Gazprom's Guarantee and Fee Agreement, and also complete performance of all obligations of OAO Gazprom Kosmicheskoye Sostoyaniye under the Credit Facility Agreement, secured by OAO Gazprom's Guarantee and Fee Agreement, or OAO Gazprom unconditionally and irrevocably pays all amounts, payable by it under the guarantee contract, and such payment leads to unconditional and irrevocable fulfillment of all obligations of OAO Gazprom Kosmicheskoye Sostoyaniye under the Credit Facility Agreement, secured by OAO Gazprom's guarantee. The Contract is governed by English law. The interested persons are M.L. Sereda, O.P. Pavlova, S.F. Khomyakov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1832 dated 08.06.2011.
77. Agreement No. 13/2010-3 concerning amendments to the contract for investment projects execution No.ID-1-2006 dated 04.10.2006 with ZAO Gazprom Invest Yug due to determination of framework of execution of investment program for 2010. The interested person is Y.Y. Golko member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010
78. Insurance contract with OAO Sogaz. The property insurance amount according to the "Rules of corporate property insurance" equals to RR6,429,461,192,951, the property insurance amount according to the "Rules of equipment damage insurance" equals to RR917,079,533,262, the property insurance amount according to the "Rules of linear parts, technological equipment, gas and oil pipe lines insurance" equals to RR 4,045,016,971,425, the property insurance amount according to the "Rules of wells insurance" equals to RR 151,673,662,276, the property insurance amount according to the "Rules of floating drilling units and marine stationary platform insurance" (FDC Obsky-1) equals to RR1,752,765,300, the property insurance amount according to the "Rules of vessel insurance" in respect of UUV Pomor equals to RR 1,522,500, business interruption losses insurance according to the "Additional terms of business interruption losses insurance" equals to RR 1,500,000,000. Total insurance premium equals to RR 5,500,000,000. The contract validity period is from 01.07.2011 to 30.06.2012. The interested persons are A.B. Miller, N.N. Dubik, A.V. Kruglov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
79. License contract with OAO Gazprom Neft for use of trademarks. OAO Gazprom (Licensor) grants a exclusive license to OAO Gazprom Neft (License holder) for use of trademarks OAO Gazprom , , , registered in dark blue, blue, white color/color combination in State register of trademarks (service marks) of the Russian Federation, certificates for trademarks (service marks) No. 402278 dated 27.02.2010, No. 402279 dated 27.02.2010, No. 402280 dated 27.02.2010 (Licensor trademarks) for all the goods and services for which Licensor trademarks are registered. License holder has the right to use Licensor trademarks in following cases:
- on goods, labels which are produced, sold, demonstrated on exhibitions and fairs, put into operation by other means on the territory of Russian Federation/ stored or transported with this purpose, or imported to the Russian Federation;
 - for performing works and services, including exploitation of oil and gas fields, construction of oil and gas pipelines;
 - on business, supporting and other documents including those connected with the goods put into operation;
 - in offers concerning sale of the goods, performing of the services, for use in advertisements, charitable and sponsor events, printed publications, official blanks, outdoor signs including administrative and production buildings, multifunctional filling centers with accompanying kinds of motorway service, shops, car washes, cafes, car care centers/tire fitting, recreational centers, on transport, clothes and means of individual protection;
 - on License holder's stamp;
 - in the Internet;
 - in the License holder's corporate name.
- License holder pays to Licensor license remuneration for the right to use Licensor trademarks in form of all at once payment (lump-sum) in amount of RR 6,189,830.51 (net of VAT). The contract comes into force from the date of its state registration by the body of executive power liable for intellectual property. The interested persons are A.B. Miller, A.V. Kruglov, V.A. Golubev, K.G. Seleznev, N.N. Dubik, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
80. Agreement on repayment conditions for recourse claims (final loan of Gazprom TradeCo 1) with OAO Severneftegazprom. Subject to the guarantee contract with limited recourse and obligation to provide a loan for individual obligations of TradeCo 1, executed by OAO Gazprom, OAO Severneftegazprom, ZAO Gazprom YURGM Trading and UniCredit Bank AG and ING Bank N.V. (London branch) (hereinafter – Guarantee Contract). OAO Gazprom, acting as a guarantor, is entitled to recourse to OAO Severneftegazprom for any amounts, paid by OAO Gazprom in favor of ING Bank N.V. (London branch) subject to the Guarantee Contract (hereinafter – recourse claims). The Parties agree, that starting from the date, when OAO Gazprom makes any payment under the Guarantee Contract, OAO Severneftegazprom will be indebted to OAO Gazprom in the amount, equal to the total debt amount in relevant currency, in each case arising from recourse claims subject to the Guarantee Contract. The amount of debt under recourse claims is not to exceed the amount, equivalent to Euro 442,750, 000, fixed in U.S. dollars, Euros and Russian roubles as of the date of signing of the Project Financing Agreement for Yuzhno-Russkoye oil and gas field project between OAO Severneftegazprom, UniCredit Bank AG, ING Bank N.V. (London branch) and a group of banks-initial lenders (hereinafter - Loan Agreement). The total amount of debt daily accrues interest in the amount of the following annual interest rate:
- For amounts, payable in Euros – a sum of 2,50% and Euro IBOR for six months;
 - For amounts, payable in US dollars – a sum of 2,50% and LIBOR for six months;
 - and For amounts, payable in roubles - 11,4%.
- The interest rate may be changed by the Parties in writing. Failure to pay any amounts in due time subject to the Agreement will result in accrual of interest at 1% p.a. rate from the date the amount became due to its actual payment. Repayment of debt under recourse claims is to happen no later than 31.12.2019. The volume of liabilities and the liability limit of OAO Gazprom shall not exceed the equivalent of Euro 442,750,000, fixed in US dollars, Euros and Russian roubles as of the date of signing of the Loan Agreement. The Agreement is governed by legislation of the Russian Federation in force. The interested persons are A. I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1783 dated 13.04.2011.

81. Reimbursement Commitment Agreement due to ban of the World Bank on creating security interest with ING Bank N.V. (London branch). The Beneficiary (debtor) – OAO Severneftegazprom. Due to enforcement by the International Bank for Reconstruction and Development of its rights under General Terms of Loan Provision by the International Bank for Reconstruction and Development (hereinafter – IBRD General terms) versus the Russian Federation, OAO Gazprom is liable to perform relevant payments only when any claimed costs, claims, losses, expenses or liability happened when: The Russian Federation is a member country and borrower (as defined in IBRD General Terms); IBRD General Terms are binding for the Russian Federation; Minister of Finance of the Russian Federation or any other representative of the Government of the Russian Federation failed to present a letter in due form, addressed to OAO Severneftegazprom and OAO Gazprom (hereinafter – letter to the Russian Federation). The volume of obligations and liability limit of OAO Gazprom shall not exceed the equivalent of Euro 506 000 000,00, fixed in US dollars, Euros and Russian roubles as of the date of signing of the Project Financing Agreement for Yuzhno-Russkoye oil and gas field project between OAO Severneftegazprom, UniCredit Bank AG, ING Bank N.V. (London branch) and a group of banks-initial lenders. The Agreement comes into force as of the date of signing. The Agreement and reimbursement commitment, presented subject thereto, shall terminate upon the earlier of the dates below:
- date upon which the Russian Federation ceases to be a member country and borrower (as defined in IBRD General Terms);
 - date, when Security Agent notifies OAO Gazprom of the fact that it is satisfied that requirement of Section 6.02 of IBRD General Terms are not applicable to relevant security documents;
 - date of delivery of the letter of the Russian Federation to Security Agent;
 - date, when all relevant security documents terminate subject to their conditions.
- The Agreement and any disputes or claims, arising under the Agreement, are governed and construed under English law. The interested persons are, A. I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1778 dated 13.04.2011.
82. Express Agreement in relation to the Shareholder Agreement of OAO Severneftegazprom with OAO Severneftegazprom (the Company), Wintershall Holding GmbH (Shareholder), E.ON Ruhrgas E&P GmbH (Shareholder), UniCredit Bank AG (Facility Agent), ING Bank N.V. (London branch) (Joint and Several Creditor, Security Agent) and Credit Agricole Corporate and Investment Bank (Technical Bank). OAO Gazprom - Shareholder. Senior lenders: Facility Agent, Security Agent, each manager, Joint and Several Creditor, each service provider-bank, documentation bank, technical bank, each lender (including any shareholder), any hedge bank. Until the date of redemption by OAO Severneftegazprom of its debt and liabilities, payable to a Senior lender under any financing document, Shareholder is required to secure for the Facility Agent:
- no changes of significant provisions of the Shareholder Agreement, executed on June 05, 2009 by the Shareholders and OAO Severneftegazprom (hereinafter - Shareholder Agreement), and Charter of OAO Severneftegazprom, excluding specified cases;
 - provide for maintenance and performance by members of the Board of Directors of OAO Severneftegazprom, appointed by Shareholders, of significant terms and conditions of the long-term development plan, including those, related to maintaining the overall production of gas by OAO Severneftegazprom at the level of at least 20 bcm per year, excluding specified cases;
 - not to dispose of shares of OAO Severneftegazprom, ZAO Gazprom YURGM Trading and ZAO Gazprom YURGM Development, owned by relevant Shareholder;
 - not to instruct OAO Severneftegazprom to suspend gas production in full or to reduce gas production, excluding specified cases. Shareholder is entitled to buy at face value (including all interest and payments due as of the date of payment) a portion of the total debt, equal to the stake of a relevant Shareholder in such debt. OAO Gazprom irrevocably disclaims its pre-emptive rights for buy option for shares of OAO Severneftegazprom, available subject to the Shareholder Agreement and the Call Option Agreement, signed on September 25, 2009 by OAO Gazprom and Wintershall Holding GmbH, in favor of Security Agent, Joint and Several Lender and Facility Agent, up to the date of repayment of all present and future debt amounts, payable or executable by OAO Severneftegazprom in favor of a Senior lender under any financing document (hereinafter - Senior debt). The liability limit of OAO Gazprom shall not exceed the equivalent of Euro 506, 000,000, fixed in U.S. dollars, Euros and Russian roubles as of the date of signing of the Project Financing Agreement for Yuzhno-Russkoye oil and gas field project between OAO Severneftegazprom, UniCredit Bank AG, ING Bank N.V. (London branch) and a group of banks-initial lenders (hereinafter - Loan Agreement). The Agreement comes into force as of the date of disbursement of the initial loan amount under the Loan Agreement, excluding conditions, related to definitions and interpretations, representations and warranties of Shareholders and effect of the Agreement, coming into force as of the date of signing of the Agreement. The Agreement is terminated:
 - in the event of failure to make available the initial amount of loan under the Loan Agreement during 90 days as of the date of signing thereof;
 - on the date of Senior Debt repayment.
- The Agreement and any disputes or claims, arising under the Agreement, are governed and construed under English law. The interested persons are A. I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1774 dated 13.04.2011.
83. Shareholder Agreement of OAO Severneftegazprom shareholders (OAO Gazprom, Wintershall Holding GmbH, E.ON Ruhrgas E&P GmbH) with OAO Severneftegazprom. Shareholders made commitments to each other in the form of payment of monies or transfer of OAO Severneftegazprom shares after execution by a Shareholder of his tag along rights for acquisition of OAO Severneftegazprom subject to the Express Agreement for the Agreement of Shareholders of OAO Severneftegazprom, executed by OAO Gazprom, E.ON Ruhrgas E&P GmbH, Wintershall Holding GmbH, OAO Severneftegazprom, ING Bank N.V. (London branch), UniCredit Bank AG and Credit Agricole Corporate and Investment Bank. The volume of obligations and the liability limit of OAO Gazprom shall not exceed the equivalent of Euro 506,000,000, fixed in U.S. dollars, Euros and Russian roubles as of the date of signing of the Project Financing Agreement for Yuzhno-Russkoye oil and gas field project between OAO Severneftegazprom, UniCredit Bank AG, ING Bank N.V. (London branch) and a group of banks-initial lenders (hereinafter - Loan Agreement). The Agreement comes into force as of the date of disbursement of the initial loan amount and is effective till the Parties execute their obligations in full. The Agreement is terminated in the event of failure to make available the initial amount of loan under the Loan Agreement during 90 days as of the date of signing thereof. The Agreement and any disputes or claims, arising under the Agreement, are governed and construed under English law. The interested persons are A. I. Medvedev, O.P. Pavlova, V.V. Cherepanov, - members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1788 dated 13.04.2011.
84. Subordinated Debt Claim Assignment Agreement with ING Bank N.V. (London branch) (Security Agent). Transferors: OAO Gazprom, BASF SE, E.ON AG, ZAO Gazprom YURGM Trading, ZAO Gazprom YURGM Development, Wintershall Holding GmbH, Wintershall Vermögensverwaltungsgesellschaft mbH, E.ON Ruhrgas E&P GmbH. Beneficiary (debtor) – OAO Severneftegazprom. Senior lenders: Facility Agent, Security Agent, each of the managers, Joint and Several Lender, each service provider-bank, documentation bank, technical bank, each Lender (including any shareholder), any hedge bank. Each Transferor individually undertakes to Security Agent to pay or perform all obligations, payable by OAO Severneftegazprom to any Senior Lender under financing documents for Yuzhno-Russkoye oil and gas field project in connection with these, excluding any obligations or liability, which, when included, could lead to the Agreement contradicting any applicable laws. Obligations of Transferors are several. Each Transferor assigns to Security Agent all of its present or future rights, titles, benefits and interests, arising under subordinated debt or related to it, including rights for any amounts payable to this Transferor, and also full benefits from any security, options, unconditional guarantees, guarantee and guarantees in favor of this Transferor in relation to subordinated debt (hereinafter – assigned rights). In case of a Russian court ruling to initiate winding-up procedures for OAO Severneftegazprom, security may be immediately enforced, and the Security Agent may (upon submitting to Transferors an enforcement notice) prove existence of subordinated debt upon winding-up of OAO Severneftegazprom. Transferor liability to the Security Agent shall be:
- limited to a total amount, equaling the amount, recovered by the Security Agent via enforcement of contract in relation to assigned rights;
 - and satisfied only with funds, received from enforcement in relation to assigned rights.
- The Security Agent shall not have any recourse versus any Transferor's assets, excluding assigned rights. The liability limit of OAO Gazprom shall not exceed the equivalent of Euro 506,000,000, fixed in US dollars, Euros and Russian roubles as of the date of signing of the Project Financing Agreement for Yuzhno-Russkoye oil and gas field project between OAO Severneftegazprom, UniCredit Bank AG, ING Bank N.V. (London branch) and a group of banks-initial lenders (hereinafter - Loan Agreement). Security is valid as of the date of signing of the Agreement to the date of repayment of all present and future amounts, debt, liability and obligations payable or executable by OAO Severneftegazprom in favor of a Senior lender under any financing document. The Agreement and any disputes or claims, arising under the Agreement, are governed and construed under English law. The interested persons are. A. I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1779 dated 13.04.2011.

85. Agreement on obligation to register pledges of shares of OAO Severneftegazprom between shareholders of OAO Severneftegazprom (OAO Gazprom, Wintershall Holding GmbH, E. ON Ruhrgas E&P GmbH) and OAO Severneftegazprom (Borrower). Shareholders pledge all individually owned by each Shareholder shares of OAO Severneftegazprom in favor of ING Bank N.V. (London branch) as security for performance of obligations by OAO Severneftegazprom under the Project Financing Agreement for Yuzhno-Russkoye oil and gas field project between OAO Severneftegazprom, UniCredit Bank AG, ING Bank N.V. (London branch) and a group of banks-initial lenders (hereinafter - Loan Agreement). Each Shareholder must promptly submit all documents, related to pledge of shares, to OAO Severneftegazprom.
OAO Severneftegazprom undertakes to Shareholders:
to inform Shareholders in writing of receipt of complete set of documents, required for entry in the register of shareholders;
at the same time file on behalf of each Shareholder or provide for filing of documents by each Shareholder with the register of shareholders, required for registration of security;
provide for simultaneous registration of security in the register of shareholders; in the event of denial of registration in the register of shareholders of any of share pledge agreements, eliminate causes for such denial.
The Agreement and any disputes or claims, arising under the Agreement, are governed and construed under English law. The interested persons are A. I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of the Board of Directors OAO Gazprom No. 1803 dated 13.05.2011.
86. Additional agreement No. 11 to the gas supply contract No. 25Pk-2007 dated 13.12.2007 with OAO Severneftegazprom. The price for gas to be delivered from 10:00 01.07.2011 up to 10:00 01.01.2012 equals to RR981.55 for 1000 cm (net of VAT). The interested persons are A.I. Medvedev, O.P. Pavlova, V.V. Cherepanov members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010
87. Express Agreement for gas supply contract for Yuzhno-Russkoye oil and gas field project with OAO Severneftegazprom (Seller), ING Bank N.V. (London branch) (Security Agent). OAO Gazprom - Buyer. Senior lenders - Facility Agent, Security Agent, each of the managers, Joint and Several Lender, each service provider-bank, documentation bank, technical bank, each Lender (including any shareholder), any hedge bank. OAO Gazprom and OAO Severneftegazprom bear further responsibility for performance of all their obligations under Gas Supply Contract between OAO Gazprom and OAO Severneftegazprom dated 13.12.2007 (hereinafter - GSC). Security Agent and any other financing party will not have any obligations or be liable to OAO Gazprom or OAO Severneftegazprom under GSC due to availability of security, created under the Agreement for Pledge of Rights for GSC, to be executed by OAO Severneftegazprom as pledger and Security Agent as pledgeholder.
OAO Severneftegazprom and Security Agent hereby unconditionally authorize OAO Gazprom and instruct it to pay in full any amounts, payable under GSC (both before its termination and after such termination, without prejudice to offset rights under GSC), after enforcement event, and OAO Gazprom unconditionally and irrevocably agrees to perform the above actions until otherwise notified in writing by Security Agent. OAO Gazprom undertakes to Security Agent:
not to change GSC terms and conditions, not to terminate and not to take any actions to suspend execution of its own liabilities under GSC, unless otherwise provided by GSC and the Express Agreement;
not to demand increases of any forfeit penalty amounts, payable to the Seller, calculated in line with Article 10.1 GSC;
not to make any supplement agreements subject to GSC on gas price approval for delivery term, annual or quarterly volumes, differing from the volumes, secured by annual budget.
The liability limit of OAO Gazprom shall not exceed the equivalent of Euro 506,000,000, fixed in U.S. dollars, Euros and Russian roubles as of the date of signing of the Project Financing Agreement for Yuzhno-Russkoye oil and gas field project between OAO Severneftegazprom, UniCredit Bank AG, ING Bank N.V. (London branch) and a group of banks-initial lenders (hereinafter - Loan Agreement). The Express Agreement comes into force as of the date of disbursement of the initial loan amount under the Loan Agreement (excluding conditions, related to definitions and interpretations, notices, governing law and enforcement, coming into force as of the date of signing of the Agreement).
The Express Agreement is terminated when:
in the event of failure to make available the initial amount of loan under the Loan Agreement during 90 days as of the date of signing thereof;
on the date of repayment of all present and future amounts, debt, obligations and liabilities, payable or executable by OAO Severneftegazprom in favor of Senior lender under any financing document;
GSC termination.
The Express Agreement and any disputes or claims, arising under the Express Agreement, are governed and construed under English law. The interested persons are A. I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1773 dated 13.04.2011.
88. Loan agreement between Gazprom TradeCo 1 and OAO Severneftegazprom. Under insurty to TradeCo Gazprom provides OAO Severneftegazprom a loan in sum of not more than RR 12,600,000,000. OAO Gazprom can at any time increase loan amount through executing of supplement agreement. The term of loan repay is not later than 31.12.2019. Up to the date of repayment the total amount of loan accrues daily interest in the amount of 5.6% per annum. Interest rate can be changed under mutual parties' agreement. Forfeit in the amount of 1% per annum is charged for every day of late payment of any sum as of repayment date up to the date of actual payment. Total OAO Gazprom's liability is not to exceed RR 12,600,000,000. The agreement is governed by the legislation of the Russian Federation in force. The interested persons are A.I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No.1782 dated 13.04.2011.
89. Guarantee Agreement with limited right of claim and obligation to provide loan for individual liabilities; ZAO Gazprom YURGM Trading with OAO Severneftegazprom (Seller), ZAO Gazprom YURGM Trading (hereinafter - «TradeCo 1») (Buyer), UniCredit Bank AG (Facility Agent) and ING Bank N.V. (London branch) (Security Agent). OAO Gazprom - Guarantor. Senior lenders - Facility Agent, Security Agent, each of the managers, Joint and Several Lender, each service provider-bank, documentation bank, technical bank, each Lender (including any shareholder), any hedge bank.
OAO Gazprom irrevocably and unconditionally:
guarantees to Facility Agent prompt performance by OAO Severneftegazprom of its liabilities under the Project Financing Agreement for Yuzhno-Russkoye oil and gas field project between OAO Severneftegazprom, UniCredit Bank AG, ING Bank N.V. (London branch) and a group of banks-initial lenders (hereinafter - Loan Agreement), referred to below as - guaranteed liabilities;
undertakes to Facility Agent to pay subject to claim and payment procedures for the amount of guaranteed liabilities;
undertakes to Facility Agent to make a loan to OAO Severneftegazprom in accordance with claim and payment procedures for the amount, calculated in line with the terms of Guarantee Contract and on conditions, provided by the Loan Agreement of Gazprom TradeCo 1, made between OAO Gazprom and OAO Severneftegazprom.
Obligations volume and liability limit of OAO Gazprom:
for guaranteed liabilities - the amount, equivalent to Euro 442,750,000 (fixed in US dollars, Euros and Russian roubles as of the date of signing of the Loan Agreement); or
in relation to loan making obligation - RR 33,626,250,000.
OAO Gazprom's liability for failure to perform or improper performance of the Agreement: if any amounts payable under the Agreement will not be paid in due time, the debt will accrue interest starting from the established due date of payment and to the date of actual payment (both before and after court ruling) at a rate which is 1% higher than the rate under the Loan Agreement for payments in relevant currency and based on one month interest period.
The Agreement comes into force upon its execution (excluding conditions, related to OAO Gazprom's surety, loan and payment of amounts under the Agreement, coming into force as of the date of provision of the initial loan amount under the Loan Agreement).
The Agreement is terminated:
in the event of failure to make available the initial amount of loan under the Loan Agreement during 90 days as of the date of signing thereof;
on the date of repayment of all present and future amounts, debt, obligations and liabilities, payable or executable by OAO Severneftegazprom in favor of Senior lender under any financing document.
The Agreement and any disputes or claims, arising under the Agreement, are governed and construed under English law. The interested persons are A. I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1776 dated 13.04.2011.

90. Guarantee Agreement with limited right of claim and obligation to provide loan in relation to gas supply contract with OAO Severneftegazprom (Seller), UniCredit Bank AG (Facility Agent) and ING Bank N.V. (London branch) (Security Agent). OAO Gazprom - Guarantor. Senior lenders - Facility Agent, Security Agent, each of the managers, Joint and Several Lender, each service provider-bank, documentation bank, technical bank, each Lender (including any shareholder), any hedge. OAO Gazprom must make the following payments, if in the event of specific conditions, the amount payable by OAO Gazprom to OAO Severneftegazprom subject to Gas Supply Contract, dated 13.12.2007, between OAO Gazprom and OAO Severneftegazprom, will be less than the amount payable in the event such condition never arose. OAO Gazprom irrevocably and unconditionally: guarantees to Facility Agent prompt performance by OAO Severneftegazprom of its liabilities under the Project Financing Agreement for Yuzhno-Russkoye oil and gas field project between OAO Severneftegazprom, UniCredit Bank AG, ING Bank N.V. (London branch) and a group of banks-initial lenders (hereinafter - Loan Agreement), referred to below as - guaranteed liabilities; undertakes to Facility Agent to pay subject to established procedures the amount of guaranteed liabilities; undertakes to Facility Agent to make a loan to OAO Severneftegazprom in accordance with the established procedures for the amount, calculated in line with the terms of the Contract and on conditions, provided by the Loan Agreement in relation to surety, made between OAO Gazprom and OAO Severneftegazprom. Obligations volume and liability limit of OAO Gazprom: for guaranteed liabilities - the amount, equivalent to Euro 506,000,000, fixed in US dollars, Euros and Russian roubles as of the date of signing of the Loan Agreement; in relation to loan making obligation- RR 38,430,000,000. OAO Gazprom's liability for failure to perform or improper performance of the Guarantee Agreement: if any amounts payable under the Agreement will not be paid in due time, the debt will accrue interest starting from the established due date of payment and to the date of actual payment (both before and after court ruling) at a rate which is 1% higher than the rate under the Loan Agreement for payments in relevant currency and based on one month interest period. The Agreement comes into force upon its execution (excluding conditions, related to OAO Gazprom's surety, loan and payment of amounts under the Agreement, coming into force as of the date of provision of the initial loan amount under the Loan Agreement). The Agreement is terminated: in the event of failure to make available the initial amount of loan under the Loan Agreement during 90 days as of the date of signing thereof; on the date of repayment of all present and future amounts, debt, obligations and liabilities, payable or executable by OAO Severneftegazprom in favor of Senior lender under any financing document; or on December 31, 2045. The Agreement and any disputes or claims, arising under the Agreement, are governed and construed under English law. The interested persons are A. I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1775 dated 13.04.2011.
91. Loan agreement between Gazprom TradeCo 1 and OAO Severneftegazprom. Under insurty to TradeCo Gazprom provides OAO Severneftegazprom a loan in sum of not more than RR 9,000,000,000. OAO Gazprom can at any time increase loan amount through executing of supplement agreement. The term of loan repay is not later than 31.12.2019. Up to the date of repayment the total amount of loan accrues daily interest in the amount of 5.6% per annum. Interest rate can be changed under mutual parties' agreement. Forfeit in the amount of 1% per annum is charged for every day of late payment of any sum as of repayment date up to the date of actual payment. Total OAO Gazprom's liability is not to exceed RR 9,000,000,000. The agreement is governed by the legislation of the Russian Federation in force. The interested persons are A.I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1784 dated 13.04.2011.

92. Agreement of Lenders with initial lenders, Wintershall Holding GmbH, Wintershall Vermögensverwaltungsgesellschaft mbH, E.ON Ruhrgas E&P GmbH, E.ON AG, BASF SE, UniCredit Bank AG, ING Bank N.V., ZAO Gazprom YURGM Trading, ZAO Gazprom YURGM Development and OAO Severneftegazprom. Initial lenders - Banca IMI S.P.A., London branch, Credit Agricole Corporate and Investment Bank, Gazprombank (open joint-stock company), ING Bank N.V., London branch, Mizuho Corporate Bank Nederland N.V., Natixis, Societe Generale, Sumitomo Mitsui Finance Dublin Limited, The Bank of Tokyo-Mitsubishi UFG, Ltd., UniCredit Bank AG, UniCredit Bank Austria AG, BNPParibas, WestLB AG, London branch, DZ Bank AG. Guarantors ZAO Gazprom YURGM Trading, ZAO Gazprom YURGM Development (hereinafter - Guarantors of TradeCo) - OAO Gazprom, BASF SE, E.ON AG. Buyers - OAO Gazprom, ZAO Gazprom YURGM Trading, ZAO Gazprom YURGM Development. Guarantors - OAO Gazprom, ZAO Gazprom YURGM Trading, ZAO Gazprom YURGM Development. Subordinated lenders - OAO Gazprom, Wintershall Holding GmbH, Wintershall Vermögensverwaltungsgesellschaft mbH, E.ON RUHRGAS E&P GMBH. Shareholders - OAO Gazprom, Wintershall Holding GmbH, E.ON RUHRGAS E&P GMBH. Facility Agent - UniCredit Bank AG. Joint and Several Lender - ING Bank N.V. (London branch), Security Agent - ING Bank N.V. (London branch). Senior lenders - Facility Agent, Security Agent, each of the managers, Joint and Several Lender, each service provider-bank, documentation bank, technical bank, each Lender (including any shareholder), any hedge bank. Ranking of debt by payment claim rights and payment priority: First priority - all present and future amounts, debt, liability and obligations payable or unfulfilled by OAO Severneftegazprom in favor of Senior lender under any financing document (hereinafter - Senior debt); Second priority - all current and future amounts, debt, liability and obligations (actual or conditional), payable or unfulfilled by OAO Severneftegazprom (hereinafter - subordinated debt): In Favor of TradeCo Guarantort due to any recourse of TradeCo Guarantor, arising due to guarantee for TradeCo and any loans, made by TradeCo Guarantor to OAO Severneftegazprom in relation to TradeCo guarantees; In favor of Buyer in relation to any claim of Buyer under Gas Supply Contract of 13.12.2007, executed by OAO Gazprom and OAO Severneftegazprom; In favor of Guarantor due to any recourse of Guarantor, arising due to guarantee for Buyer and any loans, made by Guarantor to OAO Severneftegazprom in relation to Buyer's guarantees; In favor of Subordinated lender (or his affiliate) in relation to subordinated loans, provided to OAO Severneftegazprom upon execution of an agreement between lenders; In relation to all present and future dividend, declared by OAO Severneftegazprom, but not paid to any Shareholder; and any other current and future amounts, debt, liability and obligations (actual or conditional), payable, composing debt or sustained by OAO Severneftegazprom to TradeCo Guarantors, Buyers, Guarantors, Subordinated lenders and Shareholders (hereinafter - Subordinated financing parties) in relation to implementation of Yuzhno-Russkoye oil and gas field project, excluding Senior debt, payable to them. The volume of obligations and the liability limit of OAO Gazprom shall not exceed the equivalent of Euro 506,000,000, fixed in US dollars, Euros and Russian roubles as of the date of signing of the Project Financing Agreement for Yuzhno-Russkoye oil and gas field project between OAO Severneftegazprom, UniCredit Bank AG, ING Bank N.V. (London branch) and a group of banks-initial lenders (hereinafter - Loan Agreement). OAO Gazprom's liability for failure to perform or improper performance of the Agreement: interest for OAO Gazprom's past-due performance of its obligations is paid at a rate, equal to Senior Lender's funding costs of the unpaid amount plus 1% p.a. The Agreement comes into force as of the date of availability of the initial loan amount under the Loan Agreement. The Agreement is terminated: in the event of failure to make available the initial amount of loan under the Loan Agreement during 90 days as of the date of signing thereof; on the date of Senior Debt repayment. The Agreement and any disputes or claims, arising under the Agreement, are governed and construed under English law. The interested persons are A.B. Miller, M.L. Sereda, E.A. Vasilieva, A.V. Kruglov, K.G. Seleznev, A. I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1772 dated 13.04.2011.

93. Claims Subordination Agreement with OAO Severneftegazprom, ZAO Gazprom YURGM Trading, ZAO Gazprom YURGM Development, BASF SE, E.ON AG, Wintershall Holding GmbH, Wintershall Vermögensverwaltungsgesellschaft mbH and E.ON Ruhrgas E&P GmbH. Borrower – OAO Severneftegazprom. TradeCo Guarantors – OAO Gazprom, BASF SE, E.ON AG. Buyers – OAO Gazprom, ZAO Gazprom YURGM Trading, ZAO Gazprom YURGM Development. Guarantors – OAO Gazprom, ZAO Gazprom YURGM Trading, ZAO Gazprom YURGM Development. Subordinated lenders – OAO Gazprom, Wintershall Holding GmbH, Wintershall Vermögensverwaltungsgesellschaft mbH, E.ON RUHRGAS E&P GMBH. Shareholders – OAO Gazprom, Wintershall Holding GmbH, E.ON RUHRGAS E&P GMBH. Senior lenders – Facility Agent, Security Agent, each of the managers, Joint and Several Lender, each service provider-bank, documentation bank, technical bank, each Lender (including any shareholder), any hedge bank.
- Ranking of subordinated debt by payment claim rights and payment priority:
- First priority – all current or future amounts (actual or conditional), debt, cash and other obligations, payable to, payable by or sustained by OAO Severneftegazprom in favor of Buyer (or its permitted assigns or purchasers) in relation to any claim of Buyer under gas supply contracts, made by OAO Severneftegazprom with OAO Gazprom, ZAO Gazprom YURGM Trading, ZAO Gazprom YURGM Development under implementation of Yuzhno-Russkoye oil and gas field project (hereinafter – GSC);
- Second priority – all current or future amounts (actual or conditional), debt, cash and other obligations, payable to, payable by or sustained by OAO Severneftegazprom in favor of Guarantor (or its permitted assigns or purchasers) in relation to any recourse rights of Guarantor, arising from Guarantor's surety, and loans, provided by Guarantor to OAO Severneftegazprom in relation to Guarantor's surety;
- Third priority – all current or future amounts, debt, cash and other obligations (actual or conditional), payable to, payable by or sustained by OAO Severneftegazprom in favor of TradeCo Guarantor (or its permitted assigns or purchasers) in relation to any recourse rights of TradeCo Guarantor, arising from guarantee for TradeCo and loans, provided by TradeCo Guarantor to OAO Severneftegazprom in relation to guarantee for TradeCo;
- Fourth priority – all current and future amounts, debt, cash and other obligations (actual or conditional), payable to, payable by or sustained by OAO Severneftegazprom in favor of Subordinated lender (or his affiliates, or its permitted assigns or purchasers);
- Fifth priority – all dividends, declared by OAO Severneftegazprom, but not paid to Shareholders (or their permitted assigns or purchasers).
- For assignment of debt, the assigned debt retains its payment claim rights and payment priority, available to the debt prior to its assignment. The volume of obligations and the liability limit of OAO Gazprom shall not exceed the equivalent of Euro 506,000,000, fixed in U.S. dollars, Euros and Russian roubles as of the date of signing of the Project Financing Agreement for Yuzhno-Russkoye oil and gas field project between OAO Severneftegazprom, UniCredit Bank AG, ING Bank N.V. (London branch) and a group of banks-initial lenders (hereinafter – Loan Agreement). The Agreement comes into force as of the date of availability of the initial loan amount under the Loan Agreement and shall remain in force until final and full payment of all current or future amounts, debt, obligations and liabilities, payable or executable by OAO Severneftegazprom in relation to: loans, provided by Subordinated Lenders; Senior lender under any financing document.
- The Agreement is terminated in the event of failure to make available the initial amount of loan under the Loan Agreement during 90 days as of the date of signing thereof. The Agreement and any disputes or claims, arising under the Agreement, are governed and construed under English law. The interested persons are, A. I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1786 dated 13.04.2011.
94. Guarantee Agreement with limited right of claim and obligation to provide loan for individual liabilities of ZAO Gazprom YURGM Development with OAO Severneftegazprom (Seller), ZAO Gazprom YURGM Development (hereinafter – «TradeCo 2») (Buyer), UniCredit Bank AG (Facility Agent) and ING Bank N.V. (London branch) (Security Agent). Senior lenders – Facility Agent, Security Agent, each of the managers, Joint and Several Lender, each service provider-bank, documentation bank, technical bank, each Lender (including any shareholder), any hedge bank.
- OAO Gazprom irrevocably and unconditionally: guarantees to Facility Agent prompt performance by OAO Severneftegazprom of its liabilities under the Project Financing Agreement for Yuzhno-Russkoye oil and gas field project between OAO Severneftegazprom, UniCredit Bank AG, ING Bank N.V. (London branch) and a group of banks-initial lenders (hereinafter – Loan Agreement), referred to below as – guaranteed liabilities; undertakes to Facility Agent to pay the amount of guaranteed liabilities; undertakes to Facility Agent to make a loan to OAO Severneftegazprom in accordance with established procedures for the amount, calculated in line with the terms of Guarantee Contract and on conditions, provided by the Loan Agreement of Gazprom TradeCo 2, made between OAO Gazprom and OAO Severneftegazprom.
- Obligations volume and liability limit of OAO Gazprom: for guaranteed liabilities – the amount, equivalent to Euro 316,250,000 fixed in US dollars, Euros and Russian roubles as of the date of signing of the Loan Agreement; in relation to loan making obligation – RR 24,018,750,000.
- OAO Gazprom's liability for failure to perform or improper performance of the Agreement: if any amounts payable under the Agreement will not be paid in due time, the debt will accrue interest starting from the established due date of payment and to the date of actual payment (both before and after court ruling) at a rate which is 1% higher than the rate under the Loan Agreement for payments in relevant currency and based on one month interest period.
- The Agreement comes into force upon its execution (excluding conditions, related to OAO Gazprom's surety, loan and payment of amounts under the Agreement, coming into force as of the date of provision of the initial loan amount under the Loan Agreement).
- The Agreement is terminated: in the event of failure to make available the initial amount of loan under the Loan Agreement during 90 days as of the date of signing thereof; on the date of repayment of all present and future amounts, debt, obligations and liabilities, payable or executable by OAO Severneftegazprom in favor of Senior lender under any financing document.
- The Agreement and any disputes or claims, arising under the Agreement, are governed and construed under English law. The interested persons are A. I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1777 dated 13.04.2011.
95. Loan agreement in regard to guarantee with OAO Severneftegazprom. In accordance with guarantee with limited right of claim and obligation to lent a loan in regard to conditions of accrual of right of claim arising from the Contract of gas delivery between OAO Gazprom and OAO Severneftegazprom, OAO Gazprom dated 13.12.2007, OAO Gazprom is obliged to support lending in the amount of not to exceed RR 14,400,000,000. OAO Gazprom can at any time increase loan amount by means of completing of an additional agreement. The term of loan repay is not later than 31.12.2019. Interests at a size of 5.6% of loan amount per annum are charged daily up to the date of loan repay. The interest rate can be changed under agreement between the parties. Interests at a rate of 1% per annum are charged for any sum of late payment from the date when payment is to be executed up to the date of actual reimbursement. The agreement is governed by legislation of The Russian Federation in force. The interested persons are A.I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1780 dated 13.04.2011.

96. Agreement on repayment conditions for recourse claims (final loan in relation to surety) with ОАО Severneftegazprom. Subject to the guarantee contract with limited recourse and obligation to provide a loan in relation to a gas supply agreement, made between ОАО Gazprom, ОАО Severneftegazprom and UniCredit Bank AG, ING Bank N.V. (London branch) for implementation of Yuzhno-Russkoye oil and gas field project (hereinafter – Guarantee Contract), ОАО Gazprom, acting as a guarantor, is entitled to recourse to ОАО Severneftegazprom for any amounts, paid by ОАО Gazprom in favor of ING Bank N.V. (London branch) subject to the Guarantee Contract (hereinafter – recourse claims). The Parties agree, that starting from the date, when ОАО Gazprom makes any payment under the Guarantee Contract, ОАО Severneftegazprom will be indebted to ОАО Gazprom in the amount, equal to the total debt amount in relevant currency, in each case arising from recourse claims subject to the Guarantee Contract. The amount of debt under recourse claims is not to exceed the amount, equivalent to Euro 506, 000, 000, fixed in U.S. dollars, Euros and Russian roubles as of the date of signing of the Project Financing Agreement for Yuzhno-Russkoye oil and gas field project between ОАО Severneftegazprom, UniCredit Bank AG, ING Bank N.V. (London branch) and a group of banks-initial lenders (hereinafter - Loan Agreement). The total amount of debt daily accrues interest in the amount of the following annual interest rate:
For amounts, payable in Euros – a sum of 2,50% and Euro IBOR for six months;
For amounts, payable in US dollars – a sum of 2,50% and LIBOR for six months;
And For amounts, payable in roubles - 11,4%.
The interest rate may be changed by the Parties in writing.
Failure to pay any amounts in due time subject to the Agreement will result in accrual of interest at 1% p.a. rate from the date the amount became due to its actual payment. Repayment of debt under recourse claims is to happen no later than 31.12.2019. The volume of liabilities and the liability limit of ОАО Gazprom shall not exceed the equivalent of Euro 506 000 000,00, fixed in US dollars, Euros and Russian roubles as of the date of signing of the Loan Agreement. The Agreement is governed by legislation of the Russian Federation in force. The interested persons are A. I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of ОАО Gazprom's collegiate executive body. Approved by the Resolution of ОАО Gazprom's Board of Directors No. 1781 dated 13.04.2011.
97. Agreement on repayment conditions for recourse claims (final loan of Gazprom TradeCo 2) with ОАО Severneftegazprom. Subject to the guarantee contract with limited recourse and obligation to provide a loan for individual obligations of TradeCo 2, made between ОАО Gazprom, ОАО Severneftegazprom, ЗАО Gazprom YURGM Development and UniCredit Bank AG and ING Bank N.V. (London branch) (hereinafter – Guarantee Contract) ОАО Gazprom, acting as a guarantor, is entitled to recourse to ОАО Severneftegazprom for any amounts, paid by ОАО Gazprom in favor of ING Bank N.V. (London branch) subject to the Guarantee Contract (hereinafter – recourse claims). The Parties agree, that starting from the date, when ОАО Gazprom makes any payment under the Guarantee Contract, ОАО Severneftegazprom will be indebted to ОАО Gazprom in the amount, equal to the total debt amount in relevant currency, in each case arising from recourse claims subject to the Guarantee Contract. The amount of debt under recourse claims is not to exceed the amount, equivalent to Euro 316,250,000, fixed in U.S. dollars, Euros and Russian roubles as of the date of signing of the Project Financing Agreement for Yuzhno-Russkoye oil and gas field project between ОАО Severneftegazprom, UniCredit Bank AG, ING Bank N.V. (London branch) and a group of banks-initial lenders (hereinafter - Loan Agreement). The total amount of debt daily accrues interest in the amount of the following annual interest rate:
For amounts, payable in Euros – a sum of 2,50% and Euro IBOR for six months;
For amounts, payable in US dollars – a sum of 2,50% and LIBOR for six months;
And For amounts, payable in roubles - 11,4%.
Repayment of debt under recourse claims is to happen no later than 31.12.2019. The volume of liabilities and the liability limit of ОАО Gazprom shall not exceed the equivalent of Euro 316,250,000, fixed in U.S. dollars, Euros and Russian roubles as of the date of signing of the Loan Agreement. The Agreement is governed by legislation of the Russian Federation in force. The interested persons are A. I. Medvedev, O.P. Pavlova, V.V. Cherepanov, members of ОАО Gazprom's collegiate executive body. Approved by the Resolution of ОАО Gazprom's Board of Directors No. 1785 dated 13.04.2011.
98. Addendum No. 11 to the contract No.22NPphg/k-2007 dated 23.07.2007 with ОАО Novatek due to adjustment of the volume of gas withdrawal and rewording of the contract. The volume of pumping, storage and withdrawal of gas comprises 514.833 mmcm. The interested person is K.G. Seleznev, member of ОАО Gazprom's collegiate executive body. Approved by the Resolution of ОАО Gazprom's annual General Shareholders Meeting dated 25.06.2010.
99. Agency order to the agency contract No. 50-60/158pr dated 12.12.2006 with ООО Gazprom Komplektatsiya, concerning contract support of delivery of goods for ОАО Gazprom needs through tender procedures on the right to conclude mentioned contracts. Time of work delivery – 2011. Total cost of goods (including VAT) comprises approximately RR 734,432,000. The final cost of goods is determined following the results of tenders, arranged by ООО Gazprom Komplektatsiya. Estimated sum of agency remuneration is RR 10,580,800 (net of VAT). The interested person is I.Y. Fedorov, member of ОАО Gazprom's collegiate executive body. Approved by the Resolution of ОАО Gazprom's annual General Shareholders Meeting dated 25.06.2010.
100. Additional agreement No. 1 to the agency contract No. PNR-14-2010 dated 02.07.2010 with ООО Gazprom Centremont to provide contract support for comprehensive installation and commissioning work “under pressure” on ОАО Gazprom facilities being put in use under contracts for investment projects execution and other services required for execution of works “under pressure” due to specification of essential elements of the parties. The interested persons are A.V. Kruglov, M.L. Sereda members of ОАО Gazprom's governance bodies. Approved by the Resolution of ОАО Gazprom's annual General Shareholders Meeting dated 30.06.2011.
101. Order No.3 to the agency contract No. PNR-2-2010 dated 03.06.2010 with ОАО Yamalgazinvest, concerning contract support for comprehensive installation and commissioning works. Limited amount of reimbursable by ОАО Gazprom expenses (including VAT paid by ОАО Yamalgazinvest to the third parties) is RR 481,227,203,028.20. The limited remuneration fee of ОАО Yamalgazinvest (including extra fees) is RR 481,362.35 net of VAT. The interested persons are E.A. Vasilieva A.V., Y.Y. Golro, V.V. Ilyushin, members of ОАО Gazprom's collegiate executive body. Approved by the Resolution of ОАО Gazprom's annual General Shareholders Meeting dated 30.06.2011.
102. Order No.3 to the agency contract No. PNR-14-2010 dated 02.07.2010 with ООО Gazprom Centremont, concerning contract support for comprehensive installation and commissioning works. Limited amount of reimbursable by ОАО Gazprom expenses (including VAT paid by ООО Gazprom Centremont to the third parties) is RR 142,237,200. The limited remuneration fee of ООО Gazprom Centremont (including extra fees) is RR 301,350 net of VAT. The interested persons are A.V. Kruglov, M.L. Sereda members of ОАО Gazprom's governance bodies. Approved by the Resolution of ОАО Gazprom's annual General Shareholders Meeting dated 30.06.2011.
103. Contract with ОАО Gazprom Promgaz for performance of the research work. ОАО Gazprom binds and ОАО Gazprom Promgaz commits to execute research work. The theme: "Research support of Kuzbass methane-coal fields exploitation". The time of work delivery is from 01.07.2010 up to 31.12.2012. The cost of work is RR 139,830,500 (net of VAT). The interested person is V.V. Rusakova, member of ОАО Gazprom's collegiate executive body. Approved by the Resolution of the ОАО Gazprom's annual General Shareholders Meeting dated 30.06.2011.
104. Contract with ОАО Gazprom Promgaz for performance of the research work. ОАО Gazprom binds and ОАО Gazprom Promgaz commits to execute research work. The theme: "Developing of General scheme of gas supply and gasification of Kemerovskaya Region". The time of work delivery is from 01.07.2010 up to 31.07.2012. The cost of work is RR 49,000,000 (net of VAT). The interested person is V.V. Rusakova, member of ОАО Gazprom's collegiate executive body. Approved by the Resolution of the ОАО Gazprom's annual General Shareholders Meeting dated 30.06.2011.
105. Agreement No. 5/2011-1 concerning amendments to the contract for investment projects execution No. 01/0412-3716 dated 11.12.2009 with ООО Gazprom Centremont due to changes in investment program for 2011. The cost of services of ООО Gazprom Centremont for 2011 is RR 452,434,254.24 net of VAT. The interested persons are A.V. Kruglov, M.L. Sereda members of ОАО Gazprom's governance bodies. Approved by the Resolution of ОАО Gazprom's annual General Shareholders Meeting dated 30.06.2011.
106. Rental contract with ЗАО Gazprom Neft Orenburg. The amount of lease fee for the period up to 01.06.2011 is RR 26,008,668 (net of VAT). The amount of monthly lease fee effective from June to September 2011 is RR 13,004,334 (net of VAT). The amount of lease fee effective from 01.10.2011 up to 30.10.2011 is RR 12,584,839 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 01.04.2011. The interested persons are O.P. Pavlova, N.N. Dubik, V.V. Cherepanov, members of ОАО Gazprom's collegiate executive body. Approved by the Resolution of ОАО Gazprom's annual General Shareholders Meeting dated 25.06.2010.
107. Agreement No. 29/2011-1 concerning amendments to the contract for investment projects execution No.YaGI-99 dated 01.01.1999 with ЗАО Yamalgazinvest due to specification of investment projects list and changes in investment program for 2011. The cost of services of ЗАО Yamalgazinvest for 2011 is RR 3,094,951,200 net of VAT. The interested persons are E.A. Vasilieva, Y.Y. Golko, V.V. Ilyushin, members of ОАО Gazprom's collegiate executive body. Approved by the Resolution of ОАО Gazprom's annual General Shareholders Meeting dated 30.06.2011.
108. Agreement No. 24/2011-1 concerning amendments to the contract for investment projects execution No.53-577 dated 09.08.1999 ЗАО Gaztelecom due to specification of investment projects list and changes in investment program for 2011. The cost of services of ЗАО Gaztelecom for 2011 is RR 6,217,000. The interested person is M.L.Sereda, member of ОАО Gazprom's Board of Directors. Approved by the Resolution of ОАО Gazprom's annual General Shareholders Meeting dated 25.06.2010.
109. Agreement No. 7/2011-1 concerning amendments to the contract for investment projects execution No.1 dated 03.12.2008 with ЗАО Gazprom Neft Orenburg due to specification of investment projects list and changes in investment program for 2011. The cost of services of ЗАО Gazprom Neft Orenburg for 2011 is RR 355,900 net of VAT. The interested persons are O.P.Pavlova, N.N. Dubik, V.V. Cherepanov, members of ОАО Gazprom's collegiate executive body. Approved by the Resolution of ОАО Gazprom's annual General Shareholders Meeting dated 30.06.2011.

110. Additional agreement No. 1 to the contract with TOO KazRosGaz concerning gas transportation arrangement services through the territory of the Russian Federation in 2011 due to change of volume of gas transportation. The volume of gas transportation through gas transportation system of Russia is up to 8,892 mmcm. The interested persons are A.I. Medvedev, K.G. Seleznev, V.A. Golubev, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
111. Order No.7 to the agency contract No. PNR-15-2010 dated 02.07.2010 with ZAO Gazprom invest Yug, concerning contract support for comprehensive installation and commissioning works. Limited amount of reimbursable by OAO Gazprom expenses (including VAT paid by ZAO Gazprom invest Yug to the third parties) is RR 235,278,675.57. The limited remuneration fee of ZAO Gazprom invest Yug (including extra fees) is RR 498,471.77 (net of VAT). The interested person is Y.Y. Golko, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
112. Additional agreement No.3 to the gas supply contract No. 30Pk-2010/2009-690-M dated 27.01.2010 with OAO Novatek 1 due to change of volume of gas supply in 2011. The volume of gas supply in 2011 is up to 17,200,000 mmcm. The interested persons are K.G. Seleznev, A.I. Akimov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
113. Addendum No. 12 to the contract No.22NPphg/k-2007 dated 23.07.2007 with OAO Novatek due to change of volume of gas pumping, storage and withdrawal. The volume of gas pumping, storage and withdrawal comprises 2,514.833 mmcm. The interested persons are K.G. Seleznev, A.I. Akimov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
114. Addendum No.40 to the contract No.22NPtr/k-2004 dated 06.10.2003 with OAO Novatek for gas transportation arrangement services due to changes in time of gas transportation arrangement services delivery and gas transportation volume. Gas transportation arrangement services are to be rendered during the period from 01.01.2011 up to 31.12.2014. The volumes of gas transportation are: in 2011 - 29,650,717 mmcm, in 2012 - 25,749.874 mmcm, in 2013 - 13,598.330 mmcm, in 2014 - 4,076.889 mmcm. The interested persons are K.G. Seleznev, A.I. Akimov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
115. Addendum No. 1 to the contract No. 12NPtr/k-2011 dated 30.03.2011 for gas transportation arrangement services with OAO Gazprom Neft due to change of volume of gas transportation in 2011. The volume of gas transportation in 2011 is 2,832.606 mmcm. The interested persons are A.B. Miller, A.V. Kruglov, V.A. Golubev, K.G. Seleznev, N.N. Dubik, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
116. Addendum No.49 to the contract No.1GLa-2000 dated 16.11.1999 with AO Latvijas Gaze for the natural gas supply to Latvian Republic for 2000-2030 due to adjustments of volume of gas pumping to UGSF and amount of advance payments. The volume of OAO Gazprom gas pumping to UGSF for needs of Latvijas Gaze in pumping season 2011 will be up to 600 mmcm. The interested persons are K.G. Seleznev, V.V. Rusakova, E.E. Karpel, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
117. Additional agreement No. 3 to the commission contract No. GE 01/09 dated 07.12.2009 with OOO Gazprom Export due to specification of range and qualitative characteristics of Goods intended for realization. The interested person is A.I. Medvedev, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
118. Agreement No.1 to the contract No. 1552-0750-09-2 dated 11.11.2009 with OAO Gazprom Promgaz for performance of research work due to changes in time of work delivery under section 7 of Technical assignment and Calendar Schedule. The time of work delivery under the contract in general established from 01.07.2009 up to 30.12.2011. Agreement comes into force from the signing date. The terms and conditions of the agreement are applicable to the parties effective from 31.12.2010. The interested person is V.V. Rusakova, member of OAO Gazprom's collegiate executive body. Approved by the Resolution No.1856 of OAO Gazprom's Board of Directors dated 12.08.2011.
119. Agreement No.1 to the contract No. 1553-1600-09-2 dated 07.09.2009 with OAO Gazprom Promgaz for performance of research work due to changes in time of work delivery under points 5.3, 5.4 of section 5 and section 7 of Technical assignment and Calendar Schedule. The time of work delivery under the contract in general is established from 01.07.2009 up to 31.10.2011. Agreement comes into force from the signing by the parties date. The terms and conditions of the agreement are applicable to the parties effective from 30.10.2010. The interested person is V.V. Rusakova, member of OAO Gazprom's collegiate executive body. Approved by the Resolution No.1855 of OAO Gazprom's Board of Directors dated 12.08.2011.
120. Contract with OAO Gazprom Promgaz for performance of the research work. OAO Gazprom binds and OAO Gazprom Promgaz commits to execute research work. The theme: "Information analysis of oil-gas bearing capacities and estimate of hydrocarbon resources of the Republic of Buryatia; determination of prospects and directions of geologic exploration works, developing of proposals for mineral raw materials base formation. Evaluation of hydrocarbon resources of the Republic of Buryatia and possibilities of its exploitation for purposes of gasification. The time of work delivery under the contract in general is established from 01.07.2011 up to 30.06.2012. The cost of work is RR 8,630,000 (net of VAT). The interested person is V.V. Rusakova, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
121. Paid services agreement with OAO Gazprom Gazoraspredelenye. OAO Gazprom Gazoraspredelenye commits to render during the period from February 24 to May 29, 2009 to OAO Gazprom services in organizing and holding the conference "Improving the efficiency of business processes in the distribution and use of gas", within a framework of International specialized exhibition for gas industry and equipment for gas supply services "ROS-GAZ-EXPO 2009"; and OAO Gazprom agrees to pay for services rendered. The cost of work amounts to RR 423,728.81 (net of VAT). Payment for the services is executed by transferring to the account of OAO Gazprom Gazoraspredelenye cash within 30 calendar days as of the date of signing of the act of acceptance of services rendered in the presence of exposed by OAO Gazprom Gazoraspredelenye invoice. Agreement comes into force from the signing date and is valid until the parties fulfill their obligations in full. The terms and conditions of the agreement are applicable to the parties effective from 24.02.2009. The interested persons are K.G. Seleznev, O.P. Pavlova, V.V. Ilyushin, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1851 of dated 28.07.2011.
122. Guarantee agreement with GPB (OJSC). OAO Gazprom is responsible before GPB (OJSC) for the fulfillment by OOO Gazprom Torgservice of its obligations arising out of bank guarantee contract No. 2353GA/11-P dated 09.06.2011 between GPB (OJSC) and OOO Gazprom Torgservice including obligations of OOO Gazprom Torgservice for the reimbursement to GPB (OJSC) in accordance with recourse of all sums paid by Gazprombank (OJSC) to the Interregional Federal Tax Service inspectorate of Moscow No. 48 in the amount of RR 293,325,868 under bank guarantee, provided for the period from 09.06.2011 up to 09.06.2012 for the support of obligations of OOO Gazprom Torgservice to pay to the budget taxes, fines, forfeit in accordance with the judgment of Interregional Federal Tax Service inspectorate of Moscow No. 48 about bringing to tax responsibility for tax law violation No. 150/20-11/14 dated 15.02.2011 Responsibility of OAO Gazprom under the agreement is limited to RR 296,271,664.23. In case of nonperformance of guarantee agreement obligations by OAO Gazprom, (GPB OJSC) has the right to claim the payment of forfeit in the sum of 0.03% for each day of late payment by giving written notice to OAO Gazprom. Agreement comes into force from the signing date and is valid till 09.09.2011. The interested persons are A.B. Miller, M.L. Sereda, E.A. Vasilieva, A.V. Kruglov, O.P. Pavlova, members of OAO Gazprom's governance bodies. Approved by the resolution No. 1554 of OAO Gazprom's Board of Directors dated 29.03.2010. Agreement is valid from 13.11.2009 up to 12.11.2010. The interested persons are A.B. Miller, M.L. Sereda, E.A. Vasilieva, A.V. Kruglov, K.G. Seleznev, A.I. Akimov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
123. Agreement No. 14/2011-1 concerning amendments to the contract for investment projects execution No. ID-1-2006 dated 04.10.2006 with ZAO Gazprom Invest Yug due to specification of investment projects list and change of investment program for 2011. The cost of services of ZAO Gazprom Invest Yug for 2011 is RR 2,871,663,000 net of VAT. The interested person is Y.Y. Golko, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
124. Additional agreement No.1 to liability insurance contract No. 10DO0253 dated 01.10.2010 with OAO Sogaz due to changes in the list of insured persons. Insured persons are T.A. Kulibayev, A.I. Akimov, V.A. Mau, and I.Kh. Yusufov. Beneficiaries are private persons and legal bodies in benefit of which the contract and who could be harmed, including OAO Gazprom shareholders, debtors, creditors and personnel as well as Government in the name of its authorized bodies and representatives. Individual insurance premium equals to RRequivalent of US \$ 2,000 for one insured person. The amount of total insurance premium under the contract is not changed. The agreement comes into force as of the date of signing and is effective up to 30.06.2011. The interested persons are A.B. Miller, N.N. Dubik and A.V. Kruglov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1858 dated 23.08.2011.

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149. Additional agreement No. 1 to the bank account contract No. BA/1-1557 dated 15.11.2006 with GPB (OJSC) due to change of interest charging on funds remaining on the account. The interested persons are A.B. Miller, M.L. Sereda, E.A. Vasilieva, A.V. Kruglov, K.G. Seleznev, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
150. Additional agreement No. 1 to the bank account contract No. 810-1-0001/2006 dated 24.11.2006 with GPB (OJSC) due to change of interest charging on funds remaining on the account. The interested persons are A.B. Miller, M.L. Sereda, E.A. Vasilieva, A.V. Kruglov, K.G. Seleznev, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom annual General Shareholders Meeting dated 25.06.2010.
151. Additional agreement No. 1 to the bank account contract No. 810-3-0001/2006 dated 24.11.2006 with GPB (OJSC) due to change of interest charging on funds remaining on the account. The interested persons are A.B. Miller, M.L. Sereda, E.A. Vasilieva, A.V. Kruglov, K.G. Seleznev, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
152. Additional agreement No. 1 to the bank account contract with GPB (OJSC) dated 24.11.2006 due to setting up of current account and change of interest charging on funds remaining on the account. The interested persons are A.B. Miller, M.L. Sereda, E.A. Vasilieva, A.V. Kruglov, K.G. Seleznev, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
153. Addendum No. 2/11 to the gas supply contract No. MRG/np-2010 dated 30.07.2010 with OOO Gazprom mezhregiongaz due to changes of volumes of gas deliveries and price for gas. The volume of gas supply in 2011 is 175.2 mmcm. The price for gas produced by OAO Kamchatgazprom and supplied by OOO Mezhregiongaz for further sale to consumers in the Kamchatskiy Kray of the Russian Federation (except Sobolevskiy district) amounts to RR3,810 for 1000 mmcm. The price for gas produced by Exxon Oil and Gas Ltd., supplied by OOO Mezhregiongaz for further sale for utilization of inter-settlement gas pipeline from GDS in Vladivostok amounts to RR 4,392 for 1000 mmcm, (net of VAT). The interested person is K.G. Seleznev, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010. contract No. MRG/np-2010/1-007/10 dated 30.07.2010 with. The interested person is K.G. Seleznev, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
154. Confidentiality agreement with V.A. Mau. V.A. Mau (member of Board of Directors) exercising his authorities in compliance with legislation of the Russian Federation, OAO Gazprom Charter, Statutes of OAO Gazprom's Board of Directors and other OAO Gazprom corporate documents undertakes an obligation of nondisclosure of commercial classified information and other confidential information of OAO Gazprom and its contracting parties. The agreement comes into force as of the date of signing by the parties and is effective within 5 years since termination of authorities of a member of OAO Gazprom's Board of Directors. Should the authorities of a member of OAO Gazprom's Board of Directors terminate on the date of OAO Gazprom General Shareholders Meeting and on the same day he is elected to the Board of Directors for a new term, the power of the agreement does not terminate. The interested person is V.A. Mau, member of OAO Gazprom's Board of Directors. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1880 dated 23.09.2011.
155. Confidentiality agreement with T.A. Kulibayev. T.A. Kulibayev (member of Board of Directors) exercising his authorities in compliance with legislation of the Russian Federation, OAO Gazprom Charter, Statutes of OAO Gazprom's Board of Directors and other OAO Gazprom corporate documents undertakes an obligation of nondisclosure of commercial classified information and other confidential information of OAO Gazprom and its contracting parties. The agreement comes into force as of the date of signing by the parties and is effective within 5 years since termination of authorities of a member of OAO Gazprom's Board of Directors. Should the authorities of a member of OAO Gazprom's Board of Directors terminate on the date of OAO Gazprom General Shareholders Meeting and on the same day he is elected to the Board of Directors for a new term, the power of the agreement does not terminate. The interested person is T.A. Kulibayev, member of OAO Gazprom's Board of Directors. Approved by the resolution of OAO Gazprom's Board of Directors No. 1879 dated 23.09.2011.
156. Indemnity Agreement for postponed debt security between Guarantors (Sponsors): Shell Petroleum N.V., Mitsui & Co., Ltd., Mitsubishi Corporation, OAO Gazprom and Facility Agent (for and on behalf of financing parties) - The Bank of Tokyo-Mitsubishi UFJ, Ltd. Beneficiaries: Sakhalin Energy Investment Company Ltd (hereinafter – Company), Financing parties, represented by The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Facilities:
NCS-2,
Onshore processing facility,
Land rental agreement for Port territory with any LNG plant onshore facilities and Oil Export Terminal onshore facilities, located at the plot of land, leased under the Land rental agreement for Port territory,
Land rental agreement N Y-04039, to be executed by the Company (hereinafter – Rental Agreement N Y-04039), with any LNG plant onshore facilities and Oil Export Terminal onshore facilities, located at the plot of land, leased under the Rental agreement N Y-04039,
CEB-1 and rights under the relevant long-term land rental agreement, governed by laws of the Russian Federation.
Each individual Sponsor unconditionally and finally guarantees to financing parties to indemnify them for a relevant percentage of any loss of value or losses of financing parties under financing documents (hereinafter - indemnity), arising only as a result of:
(a) the Company's failure to complete required registration formalities for its ownership title or lease right for relevant facilities after the date, when registration of ownership title or lease right of the Company for relevant facilities became available for the first time; or
(b) pre-emptive rights or conflicting interests in relation to existing facilities after the date, when registration of pledge for relevant facilities became available for the first time, for each specific case, arising for any reason, including:
Force of law;
Attachment of property;
Assignment of ownership title by the Company;
registration of ownership title or lease right for any relevant facility to any third party, preventing exercise of rights, required for the Company to implement a project; or any violation by the Company of its obligations, established in Article 20.4 of Agreement on General Financing Terms dated 16.06.2008.
Indemnity applies only upon enforcement of judgment and to those losses, that the financing parties cannot recover from the Company after taking all reasonable actions to protect and maintain their position in relation to pre-emptive right or conflicting interests for relevant facility and receipt of all such amounts from the Company.
OAO Gazprom's liability limit is US \$ 4,700,000,000.
Sponsors' liabilities expire:
Starting from the date of duly registered Company's ownership title or starting from the date of pledge for:
NCS-2,
Onshore processing facility,
Each facility, forming the onshore part of LNG plant and Oil Export Terminal onshore facilities, located at the plots, leased under the Land rental agreement for Port territory and rental agreement N Y-04039,
CEB-1 and rights under the relevant long-term land rental agreement, governed by laws of the Russian Federation;
Starting from the date of duly registered Company's lease right or starting from the date of pledge for the leased plot:
Under Land rental agreement for Port territory,
Under rental agreement N Y-04039,
provided any reference to "pledge" means first priority pledge, structured by the Company subject to laws of the Russian Federation in favor of Mizuho Corporate Bank, Ltd. as joint and several lender in relation to the loan, provided to the Company on 16.06.2008 by Japan Bank for International Cooperation, satisfactory to The Bank of Tokyo-Mitsubishi UFJ, Ltd. in form and content
The Agreement is governed and construed under English law. The interested persons are V.A. Golubev, A. I. Medvedev, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1709 dated 20.01.2011.
157. Contract with ZAO Yamalgazinvest, concerning alienation of exclusive right for the purpose of dual ownership. ZAO Yamalgazinvest for the purpose of dual ownership transfers to OAO Gazprom the exclusive right on useful model "Design of road dressings for auto roads (variants)", confirmed by the patent of the Russian Federation on useful model No. 56409, OAO Gazprom pays to ZAO Yamalgazinvest all at once fixed remuneration fee in the amount of RR 20,000 (VAT free). The interested persons are E.A. Vasilieva, V.V. Ilyushin, Y.Y. Golko, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
158. Contract with ZAO Yamalgazinvest, concerning alienation of exclusive right for the purpose of dual ownership. ZAO Yamalgazinvest for the purpose of dual ownership transfers to OAO Gazprom the exclusive right on useful model "Design of fixturing of ground slope", confirmed by the patent of the Russian Federation on useful model No. 57300, OAO Gazprom pays to ZAO Yamalgazinvest all at once fixed remuneration fee in the amount of RR 20,000 (VAT free). The interested persons are E.A. Vasilieva, V.V. Ilyushin, Y.Y. Golko, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.

159. Contract with ZAO Yamalgazinvest, concerning alienation of exclusive right for the purpose of dual ownership. ZAO Yamalgazinvest for the purpose of dual ownership transfers to OAO Gazprom the exclusive right on invention "3-D carcass with cellular structure for reinforcement of ground (variants) and a strip for its production", confirmed by the patent of the Russian Federation on invention No. 2323301. OAO Gazprom pays to ZAO Yamalgazinvest all at once fixed remuneration fee in the amount of RR 20,000 (VAT free). The interested persons are E.A. Vasilieva, V.V. Ilyushin, Y.Y. Golko, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
160. Contract with ZAO Yamalgazinvest, concerning alienation of exclusive right for the purpose of dual ownership. ZAO Yamalgazinvest for the purpose of dual ownership transfers to OAO Gazprom the exclusive right on useful model "Matching of road embankment with rotte underlying course", confirmed by the patent of the Russian Federation on useful model No. 56408. OAO Gazprom pays to ZAO Yamalgazinvest all at once fixed remuneration fee in the amount of RR 20,000 (VAT free). The interested persons are E.A. Vasilieva, V.V. Ilyushin, Y.Y. Golko, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
161. Guarantee agreement with GPB (OJSC) OAO Gazprom is responsible for the fulfillment by OOO Gazpromviet (Beneficiary (Debtor) of its obligations to GPB (OJSC) in full, arising out of the credit agreement No. 182/11-R dated 17.06.2011 (Credit agreement) concerning opening of credit line, including reimbursement of the principal amount of the debt and payment of the credit interest within the period of credit use according to the Credit agreement. Responsibility under the agreement is limited to RR 125,494,521. In case of nonperformance or improper performance of supported by the guarantee obligation by OOO Gazpromviet OAO Gazprom and OOO Gazpromviet are jointly and severally liable. In case of nonperformance of guarantee agreement obligations by OAO Gazprom, OAO Gazprombank (OJSC) has the right to claim the payment of forfeit in the sum of 0.03% for each day of late payment by giving written notice to OAO Gazprom. Agreement comes into force from the signing date and is valid till 10.09.2014. The interested persons are A.B. Miller, M.L. Sereda, E.A. Vasilieva, A.V. Kruglov, K.G. Seleznev, A.I. Akimov, V.V. Cherepanov, members of OAO Gazprom's governance bodies. Approved by the Resolution of Gazprom's Board of Directors No. 1887 of OAO dated 29.09.2011.
162. Additional agreement No. 1 to the contract of raw materials supply No. ST 01/10 dated 01.09.2009 with ZAO Gazprom neft Orenburg due to change of volume of raw materials supply. The volumes of raw materials supply in 3Q and 4Q of 2011 amounts up to 325 thousand tons, in 2012 – 532.20 thousand tons, in 2013 – 807.50 thousand tons, in 2014 – 1109.20 thousand tons. The interested persons are O.P.Pavlova, N.N. Dubik, V.V. Cherepanov, members of OAO Gazprom executive collegiate body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
163. Guarantee agreement with State Corporation on Construction of Olympic Venues and Development of Sochi as Mountain Climatic Resort (SC "Olympstroy"). OAO Gazprom is responsible for full size performance by OOO Gazprom Mezhregiongaz (beneficiary: Investor (Debtor) of obligations before SC "Olympstroy" arising out of the Agreement No.02-8/1-2173 dated 30.07.2010 between SC "Olympstroy" and OOO Gazprom Mezhregiongaz (hereinafter Agreement) concerning construction of Olympic facility – "Gas pipeline to Adlerskaya TES (design and survey works, construction)" which is enclosed in The Program of Construction of Olympic Venues and Development of Sochi as Mountain Climatic Resort (hereinafter Olympic facility). The size of refund under guarantee depends on volume of investments and is equal to 5% of the total investments to the construction of Olympic facility. Responsibility arising from the Agreement is limited to RR 96,131,900, including payments of interests, legal costs and other losses of SC "Olympstroy" caused by nonperformance or improper performance by OOO Gazprom Mezhregiongaz of its obligations. In case of nonperformance of obligation by OAO Gazprom under Guarantee agreement SC "Olympstroy" have the right to demand forfeit in size of 0.01% of the sum of nonpayment for every day of delay by means of advice note to OAO Gazprom. Agreement comes into force as of the date of signing and is effective on expiry of 90 business days from the date of construction termination established in the Agreement. The interested person is K.G. Seleznev, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No.1889 dated 30.09.2011.
164. Guarantee agreement with State Corporation on Construction of Olympic Venues and Development of Sochi as Mountain Climatic Resort (SC "Olympstroy"). OAO Gazprom is responsible for full size performance by OOO Gazprom Mezhregiongaz of obligations before SC "Olympstroy" arising out of the Agreement No.02-8/1-2174 dated 30.07.2010 between SC "Olympstroy" and OOO Gazprom Mezhregiongaz (hereinafter Agreement) concerning construction of Olympic facility – "The second line of gas pipeline Adler - Krasnaya Polyana – Esto – Sadok (design and survey works, construction)" which is enclosed in The Program of Construction of Olympic Venues and Development of Sochi as Mountain Climatic Resort (hereinafter Olympic facility). The size of refund under guarantee depends on volume of investments and is equal to 5% of the total investments to the construction of Olympic facility. Responsibility arising from the Agreement is limited to RR93,588,345, including payments of interests, legal costs and other losses of SC "Olympstroy" caused by nonperformance or improper performance by OOO Gazprom Mezhregiongaz of its obligations. In case of nonperformance of obligation by OAO Gazprom under Guarantee agreement SC "Olympstroy" have the right to demand forfeit in size of 0.01% of the sum of nonpayment for every day of delay by means of advice note to OAO Gazprom. Agreement comes into force as of the date of signing and is effective on expiry of 90 business days from the date of construction termination established in the Agreement. The interested person is K.G. Seleznev, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No.1889 dated 30.09.2011.
165. Confidentiality agreement with A.I.Akimov. A.I.Akimov (member of Board of Directors) exercising his authorities in compliance with legislation of the Russian Federation, OAO Gazprom Charter, Statutes of OAO Gazprom's Board of Directors and other OAO Gazprom corporate documents undertakes an obligation of nondisclosure of commercial classified information and other confidential information of OAO Gazprom and its contracting parties. The agreement comes into force as of the date of signing by the parties and is effective within 5 years since termination of authorities of a member of OAO Gazprom's Board of Directors. Should the authorities of a member of OAO Gazprom's Board of Directors terminate on the date of OAO Gazprom General Shareholders Meeting and on the same day he is elected to the Board of Directors for a new term, the power of the agreement does not terminate. The interested person is A.I.Akimov, member of OAO Gazprom's Board of Directors. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1878 dated 23.09.2011.
166. Agreement No. 1 to order No. 5 dated 10.03.2011 to the agency contract No. PNR-15-2010 dated 02.07.2010 with ZAO Gazprom invest Yug, concerning contract support for comprehensive installation and commissioning works. Limited amount of reimbursable by OAO Gazprom expenses (including VAT paid by ZAO Gazprom invest Yug to the third parties) is RR 24,510,000. The limited remuneration fee of ZAO Gazprom invest Yug (including extra fees) is RR 51,927.96 (net of VAT). The interested person is Y.Y. Golko, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
167. Agreement to the contract No. 2036-1030-10-2 dated 30.08.2010 with OAO Gazprom Promgaz for performance of research work due to changes of sections 5,6,7 of Technical assignment and Calendar Schedule. Agreement comes into force from the signing date. The terms and conditions of the agreement are applicable to the parties effective from 30.12.2010. The interested person is V.V. Rusakova, member of OAO Gazprom's collegiate executive body. Approved by the Resolution No.1888 of OAO Gazprom's Board of Directors dated 29.09.2011.
168. Order No. 2 to the agency contractNo. PNR-13-2010 dated 29.06.2010 with OOO Gazpromtrans, concerning contract support for comprehensive installation and commissioning works. Limited amount of reimbursable by OAO Gazprom expenses (including VAT paid by OOO Gazpromtrans to the third parties) is RR 69,026,932. The limited remuneration fee of OOO Gazpromtrans (including extra fees) is RR 146,243.50 (net of VAT). The interested persons are V.A. Golubev, Y.Y. Golko, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
169. Contract with OAO Gazprom Promgaz for performance of the research work. OAO Gazprom binds and OAO Gazprom Promgaz commits to execute the research work. The theme: "Perfecting of gas conversion technology on the basis of bi-functional catalyst agent with getting GtL and developing of proposals for implementation of adopted technological solutions in trial-industrial scale. The cost of work is RR 287,775,850 (net of VAT). The time of work delivery under the contract in general is from 01.07.2011 up to 15.11.2013. The interested person is V.V. Rusakova, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
170. Contract for fixed assets stock-taking with OOO Gazprom Komplektatsiya. The cost of work is RR 124,128 (net of VAT). The time of service delivery is from 31.10.2011 up to 19.12.2011. The interested person is I.Y. Fedorov, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
171. Contract for fixed assets stock-taking with OAO Gazprom Kosmicheskije Sistemy. The cost of work is RR 24,396 (net of VAT). The time of service delivery is from 31.10.2011 up to 19.12.2011. The interested persons are O.P. Pavlova, S.F. Khomyakov, M.L. Sereda, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.

172. Contract for fixed assets stock-taking with OAO Gazprom gasoraspredelenye. The cost of work is RR 1,631,415 (net of VAT). The time of service delivery is from 31.10.2011 up to 19.12.2011. The interested persons are K.G. Seleznev, O.P. Pavlova, V.V. Ilyushin, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
173. Contract for fixed assets stock-taking with OOO Gazprom Mezhregiongaz. The cost of work is RR 1,075.00 (net of VAT). The time of service delivery is from 31.10.2011 up to 19.12.2011. The interested person is K.G. Seleznev, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
174. Contract for fixed assets stock-taking with OOO Gazprom Centrremont. The cost of work is RR 1,155 (net of VAT). The time of service delivery is from 31.10.2011 up to 19.12.2011. The interested persons are A.V. Kruglov, M.L. Sered, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
175. Contract for fixed assets stock-taking with OAO Centrغاز. The cost of work is RR 1,772 (net of VAT). The time of service delivery is from 31.10.2011 up to 19.12.2011. The interested persons are, M.L. Sereda, V.A. Golubev, Y.Y. Golko, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
176. Contract with OAO Beltransgaz, concerning natural gas transportation through the territory of the Republic of Belarus in 2012-2014. The volume of gas transportation through gas transportation system of OAO Beltransgaz in 2012 is 16,079.0 mmcm; in 2013 – 16,079.0 mmcm; in 2014 – 16,158.9 mmcm. The volume of gas transportation through the gas pipeline "Yamal-Europe" in 2012 is 28,302.9 mmcm; in 2013 – 27,237.8 mmcm; in 2014 – 26,265.5 mmcm. The total estimated cost of natural gas transportation services through the territory of the Republic of Belarus amounts in 2012 approximately to US \$ - 467,300,000 including VAT. The contract comes into force as of the date of signing and its terms and conditions are applicable to the parties effective from 01.01.2012. The contract is in power up to 31.12.2014 under following conventions:
Efficacy of the Agreement between the Government of the Russian Federation and the Government of the Republic of Belarus on conditions of buy-sell of shares and further activities of OAO Beltransgaz dated 25.11.2011;
Efficacy of the Agreement between the Government of the Russian Federation and the Government of the Republic of Belarus on procedure of prices (rates) formation in regard to natural gas supply to the Republic of Belarus and its transportation through pipelines located on the territory of the Republic of Belarus dated 25.11.2011;
Accomplishment of proper transfer to OAO Gazprom by the State Property Committee of the Republic of Belarus of belonging to the Republic of Belarus OAO Beltransgaz shares (50% of chartered capital) in accordance with buy-sell contract dated 25.11.2011. The interested persons are V.A. Golubev, N.N. Dubik, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
177. Contract with OAO Beltransgaz, concerning natural gas supply to the Republic of Belarus in 2012-2014. The volume of gas supply in 2012 is 22.5 bcm; in 2013 – 23.0 bcm; in 2014 – 23.0 bcm. The price for gas for domestic consumption of the Republic of Belarus in the period from 01.01.2012 up to 31.12.2012 is established in amount of US \$ 165.6 for mmcm. Calculated price for gas being delivered in 2012 is US \$ 3,726,000,000, VAT included. The contract comes into force as of the date of signing and its terms and conditions are applicable to the parties effective from 01.01.2012. The contract is in power up to 31.12.2014 under following conventions:
Efficacy of the Agreement between the Government of the Russian Federation and the Government of the Republic of Belarus on conditions of buy-sell of shares and further activities of OAO Beltransgaz dated 25.11.2011;
Efficacy of the Agreement between the Government of the Russian Federation and the Government of the Republic of Belarus on procedure of prices (rates) formation in regard to natural gas supply to the Republic of Belarus and its transportation through pipelines located on the territory of the Republic of Belarus dated 25.11.2011;
Accomplishment of proper transfer to OAO Gazprom by the State Property Committee of the Republic of Belarus of belonging to the Republic of Belarus OAO Beltransgaz shares (50% of chartered capital) in accordance with buy-sell contract dated 25.11.2011;
And as for settlements – up to their execution in full.
The interested persons are V.A. Golubev, N.N. Dubik, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
178. Agreement to the contract of the voluntary medical insurance of individuals with OAO SOGAZ dated 28.12.2010 due to adjustment of number of insured persons, change of list of health care institutions attached to the programs of voluntary insurance No. 1, 2, 3, 4, 5, 6. The total number of insured persons is 7,680 persons. The total insurance sum amounts to RR 79,969,758,600. The total insurance premium is RR 181,900,960.0. The interested persons are A.B. Miller, N.N. Dubik, A.V. Kruglov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
179. Addendum No.41 to the Contract No.22NPtr/k-2004 dated 06.10.2003 with OAO Novatek for gas transportation arrangement services due to change of volumes of gas transportation. The volume of gas transportation are: in 2012 - 26,195,524 mmcm., in 2013 – 14,038,455 mmcm., in 2014, 587,014 mmcm. The interested persons are K.G. Seleznev, A.I. Akimov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
180. Addendum No. 13 to contract No.22NPphg/k-2007 dated 23.07.2007 with OAO NOVATEK due to adjustments of volumes of gas withdrawal from UGSF in Q42011. The volume of gas withdrawal from UGSF in Q42011 is 369,959 mmcm. The interested persons are K.G. Seleznev, A.I. Akimov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
181. Liability insurance contract with OAO Sogaz. The subject of the contract is insurance of OAO Gazprom and/or insured persons liability against infliction of harm to the third persons in result of unwitting erratic actions of insured persons performing management activity in accordance with "Rules of liability insurance of executive officers and governance bodies of corporate entities" of OAO Sogaz dated 29.04.2005. The insurance amount (total liability limit) equals to RR equivalent of US \$ 100,000,000 on the exchange rate of Central Bank of Russian Federation on the date of payment. Total insurance premium equals to RRequivalent of US \$ 1,575,000. Insurance contract is effective within one year, coming in force at 00:00 01.10.2011 (date of beginning of Insurance period) and is valid up to 24:00 30.09.2012 (date of termination of Insurance period). The interested persons are A.B. Miller, N.N. Dubik and A.V. Kruglov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
182. Contract for fixed assets stock-taking with OAO Gazprom neftechim Salavat. The cost of work is RR24, 781 (net of VAT). The time of service delivery is from 31.10.2011 up to 19.12.2011. The interested person is K.G. Seleznev, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
183. Contract for fixed assets stock-taking with ZAO Yamalgazinvest. The cost of work is RR 14,438 (net of VAT). The time of service delivery is from 31.10.2011 up to 19.12.2011. The interested persons are E.A. Vasilieva, V.V. Ilyushin, Y.Y. Golko members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
184. Contract for fixed assets stock-taking with OOO Gazpromtrans. The cost of work is RR 85,930 (net of VAT). The time of service delivery is from 31.10.2011 up to 19.12.2011. The interested persons are, V.A. Golubev, Y.Y. Golko, members of OAO Gazprom executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
185. Contract for fixed assets stock-taking with ZAO Gaztelecom. The cost of work is RR 569,519 (net of VAT). The time of service delivery is from 31.10.2011 up to 19.12.2011. The interested person is M.L. Sereda, member of OAO Gazprom's Board of Directors. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
186. Contract for fixed assets stock-taking with OAO Vostokgazprom. The cost of work is RR2000 (net of VAT). The time of service delivery is from 31.10.2011 up to 19.12.2011. The interested persons are M.L. Sereda, K.G. Seleznev, A.V. Kruglov, E.A. Vasilieva, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
187. Contract for fixed assets stock-taking with OAO Gazprom Neft. The cost of work is RR896 (net of VAT). The time of service delivery is from 31.10.2011 up to 19.12.2011. The interested persons are A.B. Miller, A.V. Kruglov, V.A. Golubev, K.G. Seleznev, N.N. Dubik, O.P. Pavlova, V.V. Cherepanov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
188. Contract for fixed assets stock-taking with ZAO Gazprom invest Yug. The cost of work is RR 2,150 (net of VAT). The time of service delivery is from 31.10.2011 up to 19.12.2011. The interested person is Y.Y. Golko, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
189. Contract for fixed assets stock-taking with DOAO Centrenergogaz. The cost of work is RR 29,494 (net of VAT). The time of service delivery is from 31.10.2011 up to 19.12.2011. The interested person is M.L. Sereda, member of OAO Gazprom's Board of Directors. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
190. Contract for fixed assets stock-taking with OAO Druzhba. The cost of work is RR 22,192 (net of VAT). The time of service delivery is from 01.12.2011 up to 23.01.2012. The interested person is A.N. Kozlov, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.


191. Contract for fixed assets stock-taking with ZAO Gazprom neft Orenburg. The cost of work is RR 160,861 (net of VAT). The time of service delivery is from 31.10.2011 up to 19.12.2011. The interested persons are O.P.Pavlova, N.N. Dubik, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
192. Contract for fixed assets stock-taking with OAO Gazprom Promgaz. The cost of work is RR 50,400 (net of VAT). The time of service delivery is from 31.10.2011 up to 19.12.2011. The interested person is V.V. Rusakova, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
193. Rental contract with OAO Druzhba. The amount of monthly lease fee effective from December 2011 to October 2012 is RR 14,358,553 (net of VAT). The contract comes into force as of the date of signing and is effective up to 31.10.2012. The interested person is A.N. Kozlov, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
194. Paid services agreement with ZAO Gaztelecom. ZAO Gaztelecom commits to provide services for OAO Gazprom concerning developing of feasibility report for creation of joint venture of ZAO Gaztelecom and AO Comita in accordance with the Assignment to provide services, and OAO Gazprom is obliged to accept and pay for provided services. The cost of work under the agreement is RR 5,043,000 (net of VAT at a rate established by legislation in force). OAO Gazprom within 30 days as of the date of signing of the agreement in accordance with issued by ZAO Gaztelecom invoice executes advance payment in the amount of 30% of the cost of work under agreement which amounts to RR 1,512,900 (net of VAT at a rate established by legislation in force). The time of work delivery is from 15.12.2010 up to 31.03.2011. Agreement comes into force from the signing date and is valid until the parties fulfill their obligations. The terms and conditions of the agreement are applicable to the parties effective as of 15.12.2010. The interested person is M.L. Sereda, member of OAO Gazprom's Board of Directors. Approved by the Resolution No.1859 of OAO Gazprom's Board of Directors dated 23.08.2011.
195. Agreement on amendments to additional agreement No. 10 dated 14.07.2008 to the consulting services contract No. 01/0412-1910 dated 01.08.2006 with GPB (OJSC) due to prolongation of time of consulting services delivery by GPB (OJSC) within the "Sakhalin-2" project. The time of services delivery is up to 30.06.2012. The agreement comes to force as of the date of signing by the parties. The terms and conditions of the agreement are applicable to the parties effective from 30.12.2010. The interested persons are A.B. Miller, M.L. Sereda, E.A. Vasilieva, A.V. Kruglov, K.G. Seleznev, A.I. Akimov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's Board of Directors No.1896 dated 14.11.2011.
196. Agreement No. 8/2011-2 concerning amendments to the contract for investment projects execution No.1 dated 03.12.2008 with ZAO Gazprom Neft Orenburg due changes in investment program for 2011. The cost of services of ZAO Gazprom Neft Orenburg for 2011 is RR 415,222.03 (net of VAT). The interested persons are O.P.Pavlova, N.N. Dubik, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
197. Additional agreement No. 4 to the commission contract No. GE 01/09 dated 07.12.2009 with OOO Gazprom Export due to specification of qualitative characteristics and range of Goods (products of refinery). The interested person is A.I. Medvedev, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
198. Additional agreement No.1 to the insurance contract No.11 LA 0201 dated 30.12.2010 with OAO SOGAZ concerning accidents and diseases due to changes in the list of insured persons. Total number of insured persons is 2,091. Total sum insured is RR 151,011,750. Total insured premium is RR 28,498,024.26. The interested persons are A.B. Miller, N.N. Dubik, A.V. Kruglov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
199. Rental contract with OAO Gazoraspredelenye. The amount of lease fee for the period up to 30.10.2011 is RR 405,599 (net of VAT). The contract comes into force as of the date of signing and is effective up to 31.10.2011. The terms and conditions of the contract are applicable to the parties effective from 01.09.2011. The interested persons are K.G. Seleznev, O.P. Pavlova, V.V. Ilyushin, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
200. Amendments to the life insurance contract No. 001GF000034/08 dated 14.05.2008 OOO SK SOGAZ- ZHIZN due to incorporation of new persons in the list of insured persons. Insured persons are O.E. Aksyutin, V.V. Cherepanov. Beneficiaries are insured persons or persons appointed by them as beneficiaries, or inheritors of insured persons. Total insurance sum for insured persons is RR 16,855,451. Total insurance premium for insured persons is RR 10,860,344.81. Amendments come into force from 25.12.201. The interested persons are O.E. Aksyutin, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution No. 1906 of OAO Gazprom's Board of Directors dated 06.12.2011.
201. Agreement No. 23/2011-2 concerning amendments to the contract for investment projects execution No. 53-887 dated 08.12.1999 with OAO Gazprom Kosmicheskies Sistemy due to changes in investment program for 2011. The cost of services of OAO Gazprom Kosmicheskies Sistemy for 2011 is RR 346,103.70 (net of VAT). The interested persons are O.P. Pavlova, S.F. Khomyakov, M.L. Sereda, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
202. License contract with OAO Gazprom neftechim Salavat for use of trademarks. OAO Gazprom (Licensor) grants an ordinary (non exclusive) license to OAO Gazprom neftechim Salavat (License holder) for use of trademarks OAO Gazprom – Gazprom and ® registered in State register of trademarks (service marks) of the Russian Federation, certificates for trademarks (service marks) No. 228275 dated 19.11.2002, No.228276 dated 19.11.2002, No. 220181 dated 03.09.2002 (hereinafter Licensor trademarks) for all goods and services for which Licensor trademarks are registered. License holder has the right to use Licensor trademarks in following cases:
 - on goods, labels, packages of goods which are produced, sold, offered for sale, sold, demonstrated on exhibitions and fairs, put into operation by other means on the territory of the Russian Federation/ stored or transported with this purpose, or imported to the Russian Federation;
 - during performing of works and services;
 - on business, supporting and other documents including those connected with goods put into operation;
 - in offers concerning sale of the goods, performing of the services, for use in advertisements, printed publications, official blanks, outdoor signs;
 - in the Internet;
 - in the License holder's corporate name;
 - on License holder's stamp.License remuneration for the right to use any trademark is adjusted quarterly and equals to 300 minimum statutory monthly pay (MSMP) established by legislation of the Russian Federation in force on the date of signing of acceptance acts (net of VAT). The interested person is K.G. Seleznev, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
203. Agreement No. 1 to the order No. 2 dated 14.11.2011 to the agency contract No. PNR-13-2010 dated 29.06.2010 with OOO Gazpromtrans, concerning contract support for comprehensive installation and commissioning works. Limited amount of reimbursable by OAO Gazprom expenses (including VAT paid by OOO Gazpromtrans to the third parties) is RR 104,837,266.84. The limited remuneration fee of OOO Gazpromtrans (including extra fees) is RR222,112.85 (net of VAT). The interested persons are V.A. Golubev, Y.Y. Golko, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
204. Rental contract with ZAO Gaztelecom. The amount of lease fee for the period up to 01.12.2011 is RR 8,680,379 (net of VAT); the amount of monthly lease fee effective from December 2011 to September 2012 is RR 8,396,969 (net of VAT). The amount of lease fee effective from 01.10.2012 up to 29.10.2012 is RR 7,855,229 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 31.10.2011. The interested person is M.L. Sereda, a member of OAO Gazprom's Board of Directors. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
205. Additional agreement No. 12 to the gas supply contract No. 25PK-2007 dated 13.12.2007 with OAO Severneftegazprom due to adjustments of volumes of gas deliveries and prices for gas in 2012. The volume of gas supply in the period from 10:00 01.01.2012 up to 10:00 01.01.2013 is 9,961,448 mcm. The price for gas to be delivered from 10:00 01.01.2012 up to 10:00 01.07.2012 equals to RR 1,276.35 for 1000 cm (net of VAT). The interested persons are A.I. Medvedev, O.P. Pavlova, V.V. Cherepanov members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
206. Contract with OAO SOGAZ concerning accident and disease insurance of employees. Total insurance amount equals to RR 113,797,275,000. Total insurance premium equals to RR 29,394,315. The Contract is effective from 00:00 01.01.2012 up to 31.12.2012 inclusive. The validity of the contract terminates at 24:00 MSK 31.12.2012. The interested persons are A.B. Miller, N.N. Dubik, A.V. Kruglov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
207. Contract of voluntary medical insurance with OAO SOGAZ. The total insurance sum is RR 89,469,000,000 the total insurance premium under the contract is RR 175,202,000. The contract comes into force from 01.01.2012, and is effective up to 31.12.2012. The interested persons are A.B. Miller, N.N. Dubik, A.V. Kruglov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
208. Agreement to the contract No. 11 LM 0010 dated 28.12.2010 of voluntary medical insurance with OAO SOGAZ due to specification of insured persons' list. The total number of insured persons as of 21.12.2011 is 7,895 people. The total insurance sum is RR 82,252,401,800. The total insurance premium is RR 182,734,979.02. The interested persons are A.B. Miller, N.N. Dubik, A.V. Kruglov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.

209. Rental contract with OAO Druzhba. OAO Gazprom undertakes to lend for a fee to OAO Druzhba for possession and use beneficially owned by OAO Gazprom property having an address at: v. Rogozinino of Naro-Fominskiy District of Moskovskaya Region. The property is lent to OAO Druzhba for support of primary activities defined in OAO Druzhba Charter. The amount of lease fee is RR33,971,010 including effective from 01.01.2010 up to 31.12.2011 is RR27,176,808 (net of VAT) and from 01.01.2012 up to 30.06.2012 – RR 6,794,202 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 31.10.2011. Payment of lease fee for use of property is executed by OAO Druzhba on a monthly basis by transfer of money to OAO Gazprom current account not later than the last working day of a month, next to accounting month. Lease fee up to 01.01.2012 is paid for the entire period in accordance with act drawn not later than 31.12.2011. The contract comes into force as of the date of signing by the parties and is effective up to 30.06.2012. The terms and conditions of the contract are applicable to the parties effective from 01.01.2010. The interested person is A.N. Kozlov, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1907 dated 14.12.2011.
210. Rental contract with OAO Gazprom Promgaz. The amount of lease fee for the period till 01.12.2011 is RR 286,219 (net of VAT). The amount of monthly lease fee effective from December 2011 to September 2012 is RR 267,097 (net of VAT). The amount of lease fee effective from 01.10.2012 to 29.10.2012 is RR 249,865 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 31.10.201. The interested person is V.V. Rusakova, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
211. Rental contract with ZAO Yamalgazinvest. The amount of lease fee for the period till 01.12.2011 is RR 467,796 (net of VAT). The amount of monthly lease fee effective from December 2011 to September 2012 is RR 444,884 (net of VAT). The amount of lease fee effective from 01.10.2012 to 29.10.2012 is RR 416,182 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 31.10.201. The interested persons are E.A. Vasilieva, V.V. Ilyushin, Y.Y. Golko, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
212. Rental contract with OOO Gazprom Komplektatsiya. The amount of lease fee for the period till 01.12.2011 is RR 586,235 (net of VAT). The amount of monthly lease fee effective from December 2011 to September 2012 is RR 556,508 (net of VAT). The amount of lease fee effective from 01.10.2012 to 29.10.2012 is RR 520,604 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 31.10.201. The interested person is I.Yu. Fedorov, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
213. Rental contract with OAO Centrgaz. The amount of lease fee for the period till 01.12.2011 is RR 570,880 (net of VAT). The amount of monthly lease fee effective from December 2011 to September 2012 is RR 541,344 (net of VAT). The amount of lease fee effective from 01.10.2012 to 29.10.2012 is RR 523,881 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 31.10.201. The interested persons are M.L. Sereda, V.A. Golubev, Y.Y. Golko, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
214. Rental contract with ZAO Gazprom neft Orenburg. The amount of lease fee for the period till 01.12.2011 is RR 90,333,853 (net of VAT). The amount of monthly lease fee effective from December 2011 to September 2012 is RR 87,057,998 (net of VAT). The amount of lease fee effective from 01.10.2012 to 29.10.2012 is RR 81,441,353 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 31.10.201. The interested persons are O.P. Pavlova, N.N. Dubik, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
215. Gas supply contract with OOO Gazprom mezhregiongaz. The volume of gas delivery in the period from 01.10.2011 up to 31.12.2011 amounts to 230.282 mmcm. The interested person is K.G. Seleznev, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
216. Customs representatives' civil liability insurance contract with OAO Sogaz. Insurance sum is established in the amount of RR 20,000,000 for any insurable event. Total amount of insurance premium is RR 250,000. The contract comes in force at 00:00 01.01.2012 and is effective up to 24:00 31.12.2012. The interested persons are A.B. Miller, N.N. Dubik, A.V. Kruglov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
217. Addendum No.42 to the Contract No.22NPtr/k-2004 dated 06.10.2003 with OAO Novatek for gas transportation arrangement services due to change of volume of gas transportation. The volume of gas transportation are: in 2012 - 39,987/867 mmcm., in 2013 – 29,437.019 mmcm., in 2014 – 24,892.908 mmcm. The interested persons are K.G. Seleznev, A.I. Akimov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
218. Rental contract with OAO Gazprom Gazoraspredelenye. The amount of lease fee for the period till 01.12.2011 is RR 53,721,051 (net of VAT). The amount of monthly lease fee effective from December 2011 to September 2012 is RR 52,026,334 (net of VAT). The amount of lease fee effective from 01.10.2012 to 29.10.2012 is RR 48,669,796 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 31.10.201. The interested persons are K.G. Seleznev, O.P. Pavlova, V.V. Ilyushin, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
219. Rental contract with ZAO Gazpromtelecom. The amount of lease fee for the period from 31.10.2011 up to 31.12.2011 is RR 8,641,741 (net of VAT). The amount of monthly lease fee effective from January to September 2012 is RR 4,251,471 (net of VAT). The amount of lease fee effective from 01.10.2012 to 29.10.2012 is RR 3,977,183 (net of VAT). The interested person is M.L. Sereda, member of OAO Gazprom's Board of Directors. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
220. Rental contract with ZAO Gazpromtelecom. The amount of lease fee (net of VAT; VAT is paid by ZAO Gazpromtelecom in the Republic of Belarus) for the period from 31.10.2011 up to 31.12.2011 is RR 3,362,777. The amount of monthly lease fee (net of VAT; VAT is paid by ZAO Gazpromtelecom in the Republic of Belarus) effective from January to September 2012 is RR 1,654,391. The amount of lease fee (net of VAT; VAT is paid by ZAO Gazpromtelecom in the Republic of Belarus) effective from 01.10.2012 to 29.10.2012 is RR 1,547,656. The interested person is M.L. Sereda, member of OAO Gazprom's Board of Directors. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
221. Rental contract with ZAO Gazpromtelecom. The amount of lease fee for the period from 31.10.2011 up to 31.12.2011 is RR 1,943m151 (net of VAT). The amount of monthly lease fee effective in September 2012 is RR 955,938 (net of VAT). The amount of lease fee effective from 01.10.2012 to 29.10.2012 is RR 894,265 (net of VAT). The interested person is M.L. Sereda, member of OAO Gazprom's Board of Directors. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
222. Rental contract with OOO Gazprom Mezhregiongaz. The amount of lease fee for the period till 01.01.2012 is RR 200,730 (net of VAT). The amount of monthly lease fee effective from January to September 2012 is RR 96,389 (net of VAT). The amount of lease fee effective from 01.10.2012 to 29.10.2012 is RR 90,170 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 31.10.201. The interested person is K.G. Seleznev, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
223. Rental contract with OAO Gazprom Neft. The amount of lease fee for the period till 01.01.2012 is RR 999,639 (net of VAT). The amount of monthly lease fee effective from January to September 2012 is RR 484,845 (net of VAT). The amount of lease fee effective from 01.10.2012 to 29.10.2012 is RR 453,565 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 31.10.201. The interested persons are A.B. Miller, A.V. Golubev, V.A. Golubev, K.G. Seleznev, N.N. Dubik, O.P. Pavlova, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
224. Rental contract with OAO Vostokgazprom. The amount of lease fee for the period till 01.01.2012 is RR 33,282 (net of VAT). The amount of monthly lease fee effective from January to September 2012 is RR 16,381 (net of VAT). The amount of lease fee effective from 01.10.2012 to 29.10.2012 is RR 15,324 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 31.10.201. The interested persons are M.L. Sereda, K.G. Seleznev, A.V. Kruglov, E.A. Vasilieva, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
225. Rental contract with OAO Gazprom Kosmicheskies Sistemy. The amount of lease fee for the period till 01.01.2012 is RR 563,150 (net of VAT). The amount of monthly lease fee effective from December 2011 to September 2012 is RR 536,165 (net of VAT). The amount of lease fee effective from 01.10.2012 to 29.10.2012 is RR 501,574 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 31.10.201. The interested persons are O.P. Pavlova, S.F. Khomyakov, M.L. Sereda, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.
226. Rental contract with ZAO Gazprom Invest Yug. The amount of lease fee for the period till 01.01.2012 is RR 822,945 (net of VAT). The amount of monthly lease fee effective from January to September 2012 is RR 400,296 (net of VAT). The amount of lease fee effective from 01.10.2012 to 29.10.2012 is RR 374,470 (net of VAT). The terms and conditions of the contract are applicable to the parties effective from 31.10.201. The interested person is Y.Y. Golko, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 30.06.2011.

227. Contract for Fee-Based Consultancy Services with OAO GPB. Since OAO Gazprom jointly with its international partners Total S.A. and Statoil ASA implement Phase 1 of Shtokman gas condensate field development (hereinafter – project), and implementation of the project involves external debt financing, OAO GPB (OJSC) will provide to OAO Gazprom the following consulting services:
Assistance in preparation of final investment decision for the project;
Assistance in development of contract structure of the project, contract conditions for OAO Gazprom's participation in the project, securing its commercial interests, and in coordinating activities of a financial consultant of the project company and external consultants of OAO Gazprom;
Organization of project financing with limited recourse, and other services, as agreed by the parties.
Service period – from 01.04.2009 to 31.03.2013. The cost of services includes:
Monthly fee of OAO GPB (OJSC) in the amount of rouble equivalent of US \$ 60,000 per calendar month;
fee 1 in the amount of rouble equivalent of US \$ 230,000, payable upon presentation of draft general terms for bridge financing by OAO Gazprom, Total S.A. and Statoil ASA in the form of shareholder loans and/or loans, provided under guarantees of OAO Gazprom, Total S.A. and Statoil ASA;
fee 2 in the amount of rouble equivalent of US \$ 300,000, payable after presentation to OAO Gazprom of OAO Gazprom's financial and economic model;
fee 3 in the amount of rouble equivalent of US \$ 300,000, payable after presentation of financing options report;
fee 4 in the amount of rouble equivalent of US \$ 400,000, payable after execution of Shareholder Agreement between OAO Gazprom, Total S.A. and Statoil ASA;
fee 5 in the amount of rouble equivalent of US \$ 500,000, payable after execution of general financing terms with financing managers;
fee 6 in the amount of rouble equivalent of US \$ 400,000, payable after presentation of the project's briefing memorandum;
resulting fee, comprising:
rouble equivalent of the amount of 0,15% of the total amount of all loans (excluding loans, provided by OAO Gazprom, Total S.A. and Statoil ASA, and loans, provided with full loan term guarantees of OAO Gazprom, Total S.A. and Statoil ASA, or under partial equity financing or under bridge financing), raised for financing the project for up to US \$ 5,000,000,000 inclusive, and rouble equivalent of the amount of 0,17% of the total amount of all loans (excluding loans, provided by OAO Gazprom, Total S.A. and Statoil ASA, and loans, provided with full loan term guarantees of OAO Gazprom, Total S.A. and Statoil ASA, or under partial equity financing or under bridge financing), raised for financing the project for over US \$ 5,000,000,000, minus:
amounts, paid to OAO GPB (OJSC) as its fees 2 – 6;
amounts, paid as monthly fee up to the moment of resulting fee, no more than for 24 months.
The resulting fee is paid upon project loan documentation coming into force and is the total fee for services, performed during the service period, leading to availability of a specific loan amount.
Furthermore, OAO Gazprom shall reimburse OAO GPB (OJSC) for:
Justified and confirmed expenses of OAO GPB, related to payment for services of professional consultants (other than financial consultants), engaged by OAO GPB (OJSC) on its behalf and on its account, subject to written approval of OAO Gazprom. Legal counsel costs shall not exceed the amount with rouble equivalent of US \$ 1,000,000. Fee limits for other professional consultants (other than financial consultants), if required, shall be set by written agreement of the parties; justified and confirmed overhead costs of OAO GPB (OJSC) in the amount not more than the rouble equivalent of US \$ 30,000 per each calendar quarter of services. In the event of exceeding the limit, OAO GPB (OJSC) is required to obtain written approval of such costs from OAO Gazprom.
The Contract comes into force as of the date of signing by the parties. Terms of the Contract apply to party relationships, which arose after 01.04.2009. The interested persons are A.B. Miller, M.L. Sereda, E.A. Vasilieva, A.V. Kruglov, K.G. Seleznev, A.I. Akimov, members of OAO Gazprom's governance bodies. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1920 dated 16.01.2012.
228. Additional agreement No. 3 to loan contact No. 0608 dated 05.06.2008 with OOO CentrCaspneftegaz due to amendments to the contract as related to prolongation of terms of principal sum return and interest payment for use of loaned funds. The term of principal sum repayment is prior to or on 25.12.2012. Interests charged under the contract for the period from 26.12.2009 up to 25.12.2012, are paid all at once on the date of principal sum repayment i.e. 25.12.2012. Additional agreement comes into force as of the date of signing. The interested person is V.V. Cherepanov, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1921 dated 16.01.2012.
229. Additional agreement No. 3 to loan contact No. CKNG-0507 29.05.2007 with OOO CentrCaspneftegaz due to amendments to the contract as related to prolongation of terms of principal sum return and interest payment for use of loaned funds. The term of principal sum repayment is prior to or on 25.12.2012. Interests charged under the contract for the period from 26.12.2009 up to 25.12.2012, are paid all at once on the date of principal sum repayment i.e. 25.12.2012. Additional agreement comes into force as of the date of signing. The interested person is V.V. Cherepanov, member of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1922 dated 16.01.2012.
230. License contract with OOO Gazprom Investproekt for use of trademarks. OAO Gazprom (Licensor) grants a nonexclusive license to OOO Gazprom Investproekt (License holder) for use of trademarks OAO Gazprom – Газпром, Gazprom and Г registered in State register of trademarks (service marks) of the Russian Federation, certificates for trademarks (service marks) No. 228275 dated 19.11.2002 No. 228276 dated 19.11.2002, No. 220181 dated 03.09.2002 (Licensor trademarks) for all the goods and services for which Licensor trademarks are registered. License holder has the right to use Licensor trademarks in following cases:
– on goods, labels which are produced, sold, demonstrated on exhibitions and fairs, put into operation by other means on the territory of the Russian Federation/ stored or transported with this purpose, or imported to the Russian Federation;
– for performing works and services, including exploitation of oil and gas fields, construction of oil and gas pipelines;
– on business supporting and other documents including those connected with the goods put into operation;
– in offers concerning sale of the goods, performing of the services, for use in advertisements, charitable and sponsor events, printed publications, official blanks, outdoor signs including administrative and production buildings, on transport, clothes and means of individual protection;
– on License holder's stamp;
– in the Internet;
– in the License holder's corporate name.
License remuneration for the right to use any trademark is adjusted quarterly and equals to 300 minimum statutory monthly pay (MSMP) established by legislation of the Russian Federation in force on the date of signing of acceptance acts (net of VAT). The interested persons are S.F. Khomyakov, V.A. Golubev, O.P. Pavlova, E.A. Vasilieva, V.V. Cherepanov, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's annual General Shareholders Meeting dated 25.06.2010.
231. Buy and sell agreement of real estate between OAO Gazprom and OAO Gazpromregiongaz. The cost of real estate is RR 5,151,234.14 (net of VAT) in the amount of RR 927,222.15. The interested persons are K.G. Seleznev, O.P. Pavlova, V.V. Ilyushin, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1703 dated 31.12.2010.
232. Buy and sell agreement of real estate between OAO Gazprom and OAO Gazpromregiongaz. The cost of real estate is RR 136,859,593.87 (net of VAT) in the amount of RR 24,634,726.90. The interested persons are K.G. Seleznev, O.P. Pavlova, V.V. Ilyushin, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1705 dated 31.12.2010.
233. Buy and sell agreement of real estate between OAO Gazprom and OAO Gazprom Gazoraspredelenie. The cost of real estate is RR 98,217,220.47 (net of VAT) in the amount of RR 17,679,099.68. The interested persons are K.G. Seleznev, O.P. Pavlova, V.V. Ilyushin, members of OAO Gazprom's collegiate executive body. Approved by the Resolution of OAO Gazprom's Board of Directors No. 1726 dated 31.12.2010.

Information on Transactions with OAO Gazprom's Shares Carried Out by Members of OAO Gazprom's Board of Directors and Management Committee in 2011

| Name | Transaction date | Type of transaction | Number of OAO Gazprom's ordinary registered shares |
|---------------|------------------|---------------------|--|
| A.N. Koslov | 09.12.2011 | sale | 51,270 |
| O.P. Pavlova | 29.12.2011 | sale | 33,493 |
| V.V. Rusakova | 28.12.2011 | sale | 27,906 |
| I.Y. Fedorov | 05.08.2011 | purchase | 22,220 |



Pechora coal basin

Taimyr coal basin

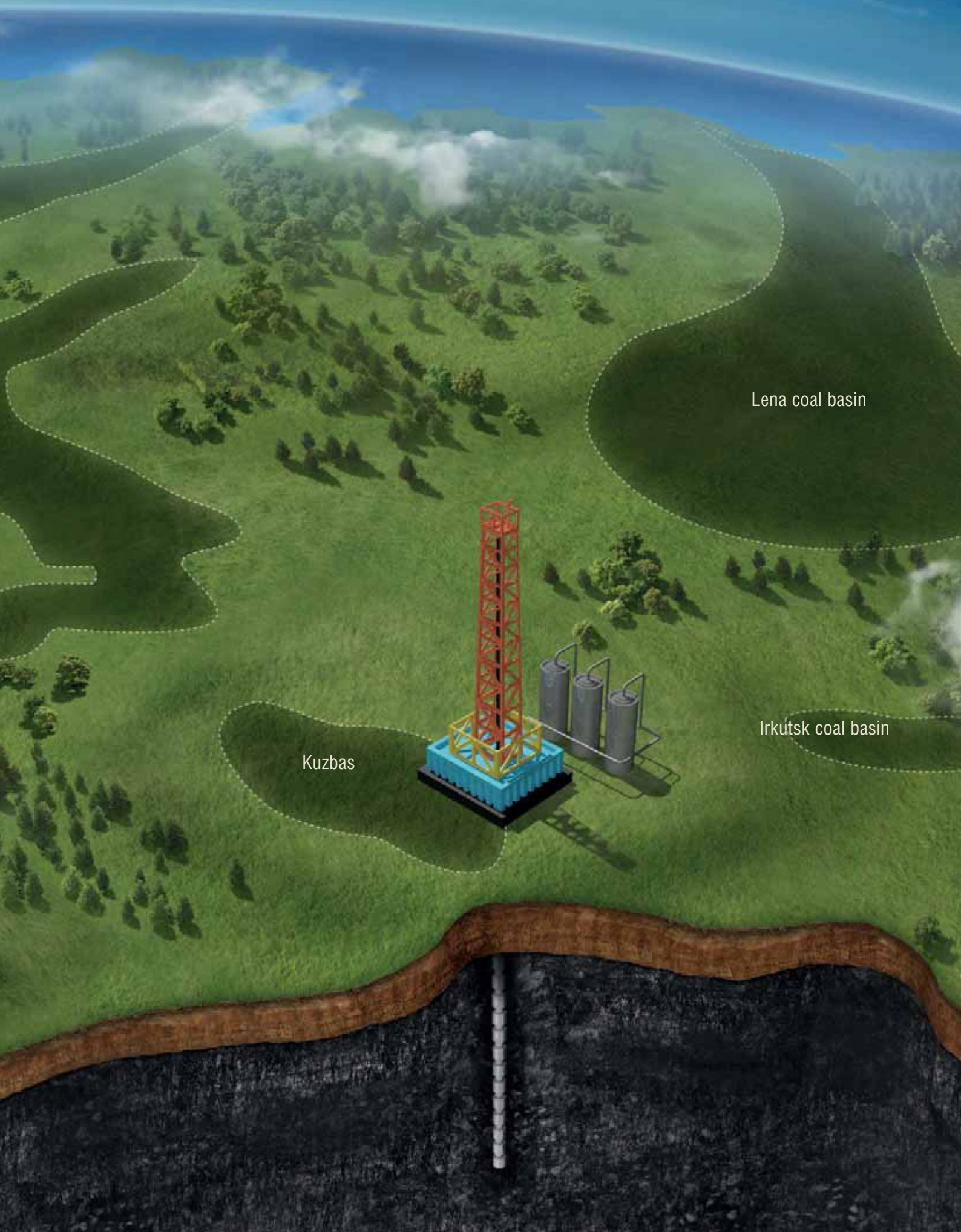
Yuzhno-Russkoye
gas condensate field

Tunguska coal basin

NEW LAYERS

The Company launched the project to develop Turonian deposits of the Yuzhno-Russkoe field. The forecast higher-layer methane deposits in Russia, including coal gas, make **over 80 tcm**, which is about one third of total forecast gas resources in the country.

N E W H O R I Z O N S



Information on the Actual Results of Execution of Orders and Directions of the President of the Russian Federation and Orders of the Government of the Russian Federation

Investment Program Implementation (Order of the First Deputy Prime-Minister of the Government of the Russian Federation No. ISh-P13-5361, dated 18.09.2009)

As per the Investment Program for 2011, approved by a resolution of the Board of Directors of OAO Gazprom, the actual implementation volume of investments in 2011 amounted to RR 1,314.8 bln, the volume of capital investments – to RR 1,122.7 bln, long-term financial investments – to RR 153.14 bln, acquisition of non-current assets – RR 38.97 bln.

The investment priorities for capital construction under the Investment Program were the following:

- development of Bovanenkovskoye field, Aptian-Albian deposits of Nydinskoye block of Medvezhie gas condensate field, Achimovsky deposits of Urengoyevskoye oil and gas condensate field, development of Kshukovskoye, Nizhne-Kvakchikovskoye and Kirinskoye fields;
- implementation of gas transportation projects, including construction of trunk gas pipeline systems Bovanenkovo – Ukhta and Ukhta – Torzhok, gas pipelines Gryazovets – Vyborg, Pochinki – Gryazovets, Northern Tyumen regions – Torzhok, GTS Sakhalin – Khabarovsk – Vladivostok, gas pipeline from Kirinskoye onshore facilities to Sakhalin main compressor station;
- development of underground gas storage system.

Key areas of long-term financial investments in 2011 were related to OAO Gazprom's involvement in Shtokman and Prirazlomnoye fields, construction of Nord Stream and South Stream pipelines, and power generation projects, including construction of Adler TPP.

The financing of OAO Gazprom's Investment Program in 2011 amounted to RR 1,250.98 bln, of which RR 1,166.90 bln came from OAO Gazprom's equity capital.

Implementation of Energy Saving and Energy Efficiency Strategy (Para. 8 of the Order of the Government of Russian Federation No. ISh-P9-3772 dated 18.06.2008)

Energy saving and energy efficiency issues are in the focus of OAO Gazprom's Board of Directors every year. Upon consideration of the issue of implementation of energy saving technologies in OAO Gazprom's operations at its February 2011 meeting, the Board of Directors with the purpose of reducing gas production and transportation costs ordered the Chairman of the Management Committee to provide for priority financing of energy saving technologies (Resolution of the Board of Directors of OAO Gazprom No. 1713 dated February 4, 2011).



Detailed information is presented in “Energy Saving and Energy Efficiency”.

Furthermore, in April 2011 the Board of Directors summarized implementation of OAO Gazprom’s energy saving program in gas production and gas transportation entities of OAO Gazprom in 2002–2010 (Resolution of the Board of Directors No. 1794 dated April 19, 2011). The Board also reviewed the prepared Energy Savings and Energy Efficiency Improvement Concept of OAO Gazprom for 2011–2020 and Energy Savings and Energy Efficiency Improvement Program of OAO Gazprom for 2011–2013, upon review of the issues the Chairman of the Management Committee was charged with achieving target energy efficiency values, determined by the above documents (Resolution of the Board of Directors No. 1795 dated April 19, 2011).

Increasing Procurement of Russian-made Products

Under the Energy Strategy of Russia up to 2030 (Order of the Government of Russia No. 1715-r dated November 13, 2009), support to Russian manufacturers is a priority for OAO Gazprom. The company involves domestic manufacturers in OAO Gazprom’s import substitution program and production engineering for new high-tech equipment.

| SHARE OF RUSSIAN-MADE PRODUCTS IN TOTAL VOLUME OF MATERIALS AND EQUIPMENT PURCHASED BY OOO GAZPROM KOMPLEKTATSIYA | | | | | | |
|---|-------|-------|-------|-------|-------|-------|
| Products | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| Russian-made materials and equipment | 85.3% | 87.9% | 88.3% | 91.8% | 90.5% | 94.4% |
| Imported materials and equipment | 14.7% | 12.1% | 11.7% | 8.2% | 9.5% | 5.6% |

In pursuance of the Directive of the Government of the Russian Federation No. 4299p-P13 dated 14.09.2009, Resolution of the Board of Directors of OAO Gazprom No. 1601 dated 09.06.2010 facilitated tenders by OAO Gazprom and its subsidiaries for Russian steel and pipe manufacturing companies for delivery of Russian-made steel products and pipelines in the volumes pro rata with Russian stakes in gas transportation network projects.

Development Strategy Preparation (Minutes of the Meeting with the Prime-Minister of the Government of the Russian Federation No. 4 dated 03.08.2010)

OAO Gazprom has a well-developed and modern planning system in place. The company develops mid- and long-term development programs, including business area-specific ones, with strategic target performance values by years, production capacity commissioning plans, financial and economic performance indicators, and information, required for OAO Gazprom’s budget planning.

The company regularly prepares OAO Gazprom’s 10-year development program (gas business) to establish optimum development options for OAO Gazprom, providing for achievement of strategic target performance values and maximization of economic performance benefits.

Resolutions of the Board of Directors of OAO Gazprom on Procurement Information Disclosure and Transition to Online Procurement (Directives of the Prime-Minister of the Government of the Russian Federation No. 6464p-P13 dated 06.12.2010 and No. 2828p-P113 dated 16.06.2011)

In pursuance of the Directives of the Prime-Minister of the Government of the Russian Federation V.V. Putin 6464p-P13 dated 06.12.2010 and No. 2828p-P113 dated 16.06.2011, resolutions of the Board of Directors of OAO Gazprom No. 1738 dated March 22, 2011 and No. 1846 dated July 21, 2011, the following activities were completed:

- Determined and submitted to the Ministry for Economic Development a list of products, work and services for online procurement by OAO Gazprom online, including online auctions.
- In 2011 OAO Gazprom and *Gazprom Group* companies performed online auction procurement, including a large multi-item purchase for RR 11.5 bln (VAT included). The company auctioned contract rights for financial leasing of various equipment.
- OAO Gazprom regularly submits procurement reports to the Board of Directors of OAO Gazprom, Ministry of Energy of Russia, Rosstat, information is published at MV – Portal of the Federal Agency for State Property Management.
- OAO Gazprom publishes at its website its open competitive procurement plan, procurement notices, notifications and documentation, detailed procurement information. The website also publishes results of open competitive purchases and data on resulting contracts.

Information on Top Management Compensations (Order of the Government of the Russian Federation No. Ish-P13-2232 dated 08.04.2010)

Information on compensations to members of the Board of Directors, members of the Management Committee and Chairman of the Management Committee, made by OAO Gazprom in 2011, is provided in “Corporate Governance” section.

Decisions to Reduce Procurement Costs of Products (Work, Services) per Unit of Output at Least by 10 % per Year During Three Years in Real Terms and Using Resulting Reduction Values as a Key Performance Indicators for Evaluation of Performance Efficiency of Entities and Managers (sub-para. “E”, Para. 1 of the List of Orders of the President of the Russian Federation No. Pr-846 dated 02.04.2011)

In pursuance of the Order, the Cost Reduction Value Calculation Methodology for procurement of products (work, services) per unit of output was approved. The Document was submitted to the federal executive authorities.

To provide for implementation of the Methodology, OAO Gazprom issued the following orders “On facilitation of activities to generate organization of cost reduction values for procurement of products (work, services)” No. 405 dated December 29, 2011, and No. 406 “On measures to reduce costs of the company in 2012”, dated December 29, 2011.

To provide for stronger correlation of compensations of OAO Gazprom's top management with corporate key performance indicators, the company decided to include into its list of corporate key performance indicators, used in the annual bonus system, a fifth indicator– "Reduction of costs for procurement of products (work, services)". The company prepared materials for review by the Board of Directors of OAO Gazprom of "Amendments to the system of key performance indicators of OAO Gazprom and changes in the Regulation on compensations to the top management, related to achievement of set cost reduction value for procurement of products (work, services)". The Board of Directors of OAO Gazprom passed a relevant resolution on March 5, 2012.

Liability Insurance for Independent Directors – Representatives of State Interests in Governance Bodies of Public Companies (Order of the President of the Russian Federation No. Pr-2206 dated 03.08.2011)



Detailed information is presented in "Corporate Governance" section.

Liability insurance for members of the Board of Directors of OAO Gazprom, including those meeting independence criteria, has been available since 2008 and provides for indemnification of damages to shareholders, lenders or other parties, resulting from unintentional wrong actions (omission of action) of insured persons, performing management activities.

Stimulating Environmental Responsibility Mechanisms, Based on International Standards (Sub-para "L", Para. 1 of the List of Orders of the President of the Russian Federation No. Pr-1640 dated 06.06.2010)



Detailed information is presented in "Environmental Protection" section.

In October 2011 the Board of Directors of OAO Gazprom reviewed OAO Gazprom's Environmental Policy. The meeting decided to recommend the Policy for use in companies of Gazprom Group.

Innovative Development Program Design (lists of orders of the President of the Russian Federation No. Pr-22 dated 04.01.2010 and No. Pr-307 dated 07.02.2011)



Detailed information is presented in "Innovative Activity" section.

OAO Gazprom has developed its Innovative Development Program to the year of 2020. The Program is approved by the Ministry of Economic Development of Russia, the Ministry of Energy of Russia, the Ministry of Education and Science of Russia, approved on May 31, 2011 meeting of the Working Group for development of public-private partnership in the area of innovations under the Government Committee for high technologies and innovations (Minutes No. 20-AK) and approved by Resolution No. 1825 of the Board of Directors of OAO Gazprom dated June 1, 2011.



Detailed information is presented in “Gas Transportation, Storage and Distribution” section.

Implementation of Gas Transportation Projects

In line with Para. 3, Part II of Minutes of the meeting with the Prime-Minister of the Government of the Russian Federation V.V. Putin on September 1, 2008 No. VP-P16-17pr, in September 2011 the Phase 1 of the first launch complex of Sakhalin – Khabarovsk – Vladivostok gas transportation system was commissioned.

Pursuant to Para. 5 of the Order of the Prime-Minister of the Government of the Russian Federation V.V. Putin No. BP-P2-4776 dated August 11, 2009, OAO Gazprom submits South Stream project status information every quarter to the Ministry of Energy of Russia for preparation of reports to the Government of the Russian Federation.

In line with the Order of Deputy Prime-Minister of the Government of the Russian Federation I.I. Sechin No. IS-P9-2550 dated May 10, 2009, on preparation of quarterly status reports for tasks, set by the President of the Russian Federation D.A. Medvedev (No. Pr-1034 dated April 28, 2009, Para. 7 (Charge OAO Gazprom with a feasibility study for South Stream offshore route in the Turkish area of the Black Sea) and Para. 8 (Charge OAO Gazprom with accelerated development of technology solutions under the South Stream feasibility study, submit to the Government of the Russian Federation a relevant report and project implementation schedule)) OAO Gazprom submitted the required information to the Ministry of Energy of Russia every quarter.

Pursuant to the Order of Deputy Prime-Minister of the Government of the Russian Federation I.I. Sechin No. IS-P2-6616 dated September 19, 2009, OAO Gazprom submits performance status reports on the offshore section of South Stream project in the exclusive economic zone of the Republic of Turkey every month.

Development of Proposals to Adjust the Program for Construction of a Common System for Gas Production, Transportation and Gas Supply to Russian Consumers in Eastern Siberia and in the Far East, and for Possible Gas Exports to Markets of China and Other Asian-Pacific countries

Pursuant to Para. 6 of the Order of the Government of the Russian Federation No. VP-P9-16pr dated March 19, 2011, in 2011 OAO Gazprom facilitated activities to adjust the Program for construction of a common system for gas production, transportation and gas supply to Russian consumers in Eastern Siberia and in the Far East, and for possible gas exports to markets of China and other Asian-Pacific countries. The activities were carried out by a working group under the Ministry of Energy of Russia. The final proposals were reported by the Ministry of Energy of the Russian Federation at the meeting of the Government of the Russian Federation on December 28, 2011.

Utilisation of Associated Petroleum Gas

Pursuant to the Order of the President of the Russian Federation No. Pr-3399 dated November 15, 2011, OAO Gazprom completed technical documentation for “Efficient utilisation of associated petroleum gas at Urengoyenskoye oil and gas condensate field” project for further transactions with carbon units. The technical documentation for utilisation of associated petroleum gas was brought in line with changed legal requirements, an investment declaration was prepared, an expert opinion of an independent auditor was obtained. The above documentation was sent to OAO Sberbank of Russia on December 6, 2011. Order of the Ministry of Economic Development of Russia No. 20 dated January 20, 2012 included the project into the list of projects, carried out in line with Article 6 of Kyoto Protocol of the United Nations Framework Convention on Climate Change.

Pursuant to the list of orders of the Prime-Minister of the Government of the Russian Federation No. PR-1461 dated August 10, 2008 for metering associated petroleum and natural gas, including flares at production facilities, OAO Gazprom is designing metering hubs for burned gas in its subsidiaries under its Investment Program.



Detailed information is presented in "Exploration and Production" section.

Coalbed Methane Development

Pursuant to orders of the President of the Russian Federation No. Pr-1827 dated September 16, 2000 and No. Pr-1738 dated September 26, 2007, OAO Gazprom and Kemerovo region Administration jointly implement coalbed methane innovative production project in Kuzbass, with the ultimate purpose of industrial production of coalbed methane

Development of Russian Continental Shelf Hydrocarbon Resources

Pursuant to the Order of Deputy Prime-Minister of the Government of the Russian Federation I.I. Sechin No. IS-P9-3073 for consideration of proposals of the Ministry of Natural Resources of Russia to develop an exploration program for Russian continental shelf and development of its mineral resources, the company submitted to the Ministry of Natural Resources its report on activities on the continental shelf of the Russian Federation in 2011 and OAO Gazprom's proposals for licensing blocks of the continental shelf of the Russian Federation for the period up to 2020.

Pursuant to the Order of the Government of the Russian Federation No. DK-P13-2776 dated April 28, 2011, OAO Gazprom performed detailed review of the issues, related to creation of a special economic zone in Murmansk region. The purpose of the zone creation in Murmansk region is comprehensive development of Shtokmanovskoye gas condensate field with more favourable conditions for business activities. *Gazprom's* stand on a matter was submitted to the Ministry of Economic Development of the Russian Federation.

Information Presented at OAO Gazprom's Corporate Web-Site:

- Members of OAO Gazprom's Revision Commission
- Meetings held by OAO Gazprom's Board of Directors in 2010
- Meetings held by the Audit Committee of OAO Gazprom's Board of Directors in 2011
- Ongoing legal proceedings connected with debt enforcement as of December 31, 2011
- OAO Gazprom participation in share capital of third companies as of December 31, 2011

REACHING

NEW POSSIBILITIES FOR BALANCED DEVELOPMENT

“Gazprom to Children” is the Company’s largest social program.

N E W H O R I Z O N S

It covers **72 regions** of the country. In 2007 – 2011, over **RR 13 bln** was invested into its implementation, **714 sports facilities** were built and reconstructed. Corporate "Fakel" festivals and Spartakiada Games are held on a regular basis.



Towns with facilities constructed under "Gazprom to Children" program.



"Fakel" festival



OAO Gazprom Spartakiada Games

ADDRESSES AND CONTACTS

Full Name

Open Joint Stock Company Gazprom

Abbrevated Name

ОАО Газпром

Location

16 Nametkina St., Moscow, Russian Federation

Mail Address

16 Nametkina St., Moscow, GSP-7, 117997

Tel.: +7 (495) 719-30-01 (for references); Fax: +7 (495) 719-83-33

Web Site

www.gazprom.ru

E-mail

gazprom@gazprom.ru

Certificate of Entry Into the Unified State Register of Legal Entities

Issued by the Moscow Department of the Ministry of Taxes and Fees of the Russian Federation on August 02, 2002; No. 1027700070518

Identification Number of Taxpayer (INN)

7736050003

Shareholders Relations Office

Borodina Olga Igorevna

Tel.: +7 (495) 719-49-86, 719-26-01. Fax: +7 (495) 719-39-37

E-mail: O.Borodina@adm.gazprom.ru.

Investor Relations Office

Baranov Andrey Vitalyevich

Tel.: +7 (495) 719-25-89. Fax: +7 (495) 719-35-41

E-mail: A.Baranov@adm.gazprom.ru.

Auditor to OAO Gazprom: ZAO PricewaterhouseCoopers Audit

Member of the non-commercial partnership "Russian Audit Chamber" (NP RAC), which is a self-regulatory organization of auditors – registration number 870 in the register of NP RAC members. The main registration number in the register of auditors and audit organizations - 10201003683.

Location and Mail Address

10 Butyrsky Val, Moscow, Russia, 125047

Tel.: +7 (495) 967-60-00. Fax: +7 (495) 967-60-01

Registrar

Closed joint stock company Specialized registrar – Holder of gas industry shareholders register (ZAO SR-DRAGA)

Location and Mail Address

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Tel.: +7 (495) 719-39-29. Fax: +7 (495) 719-45-85

This annual report is preliminary approved by the resolution of OAO Gazprom's Board of directors No. 1989 dated May 22, 2012

Chairman of the
Management Committee



Alexey B. Miller

Chief Accountant



Elena A. Vasilieva