



# 2Q2016 IFRS CONSOLIDATED FINANCIAL RESULTS

AUGUST 31, 2016



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Head of the Department

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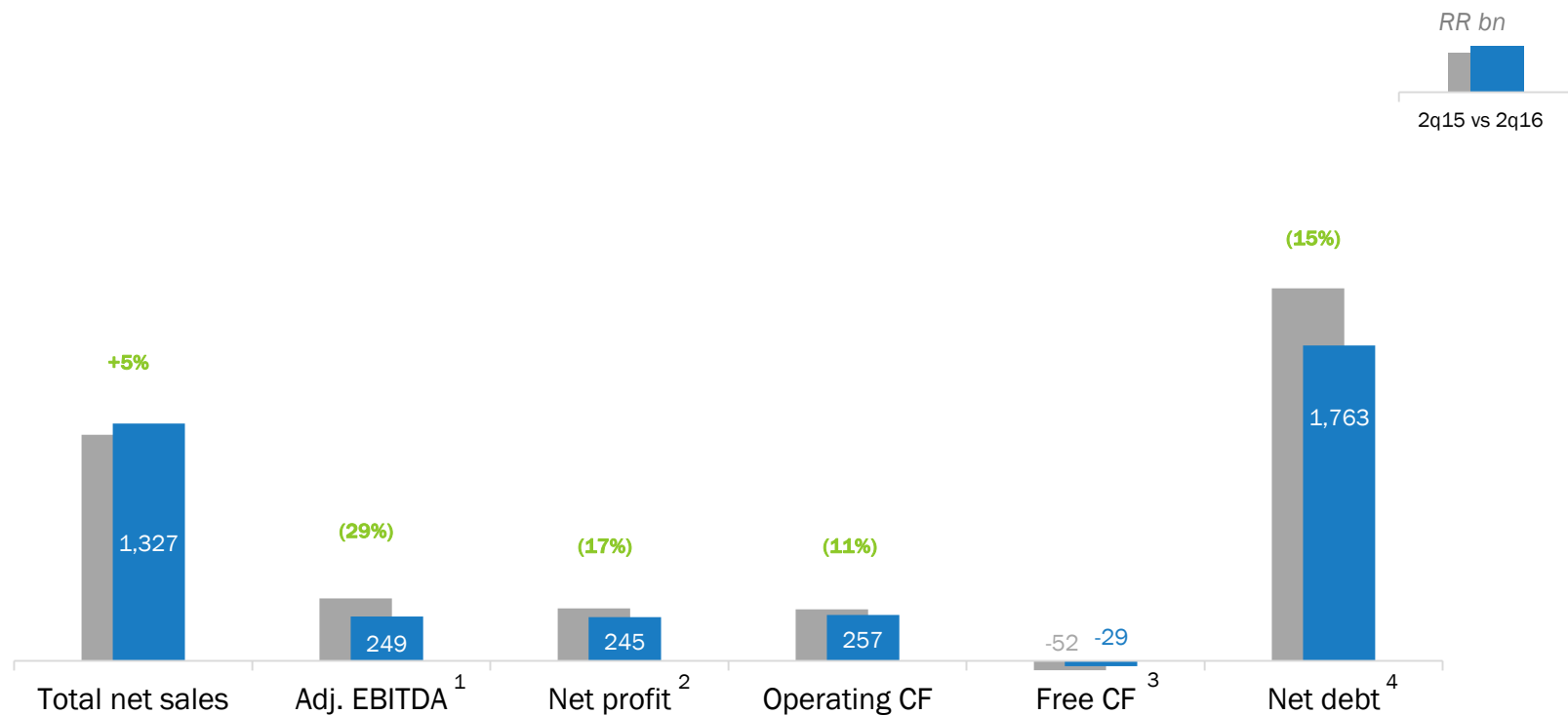
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# SUMMARY OF 2Q2016 IFRS FINANCIAL RESULTS



<sup>1</sup> EBITDA adjusted by changes in impairment provisions

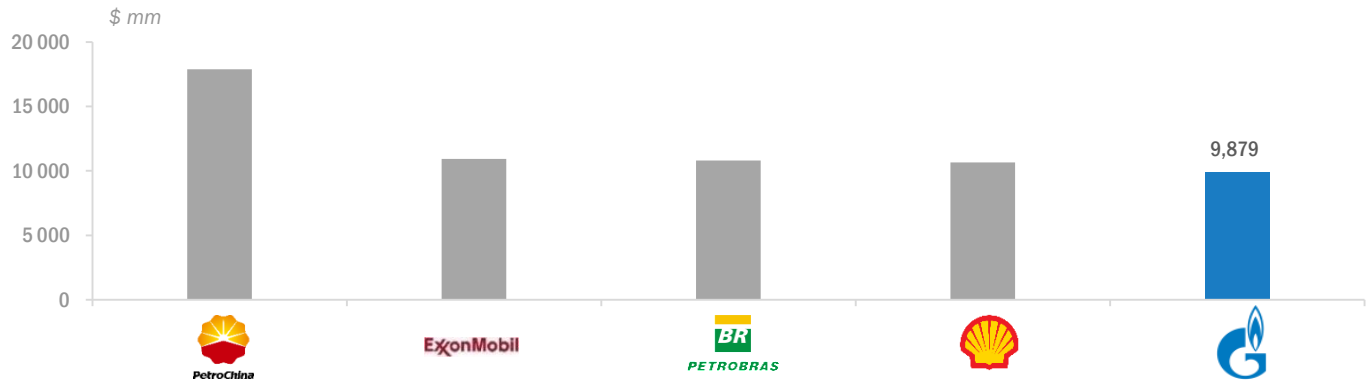
<sup>2</sup> Profit for the period attributed to owners of PJSC Gazprom

<sup>3</sup> Free cash flow is calculated as Net cash provided by operating activities less Capital expenditures

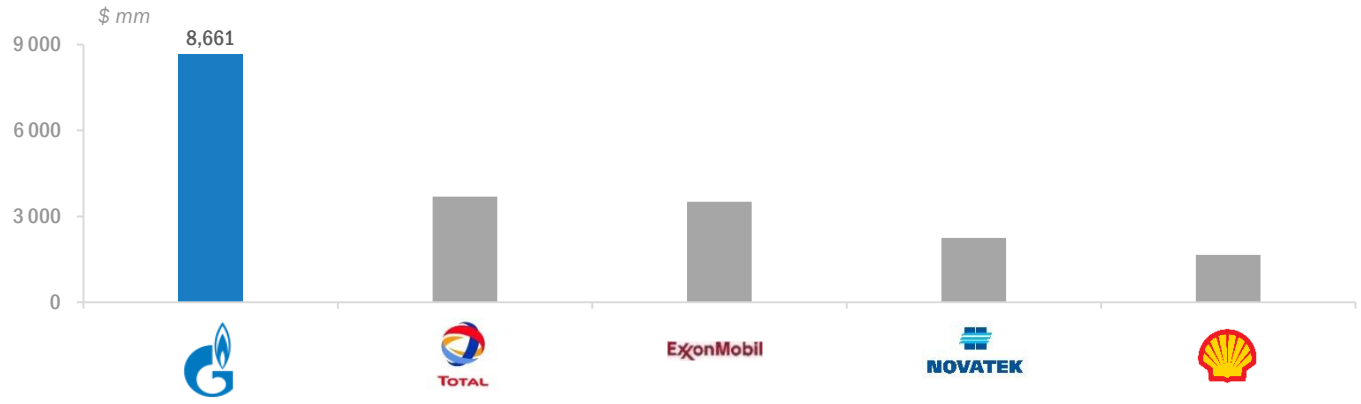
<sup>4</sup> Compared to Net debt as of December 31, 2015

# GAZPROM VS PEERS

Top-5 by EBITDA, 1H2016



Top-5 by net income<sup>1</sup>, 1H2016

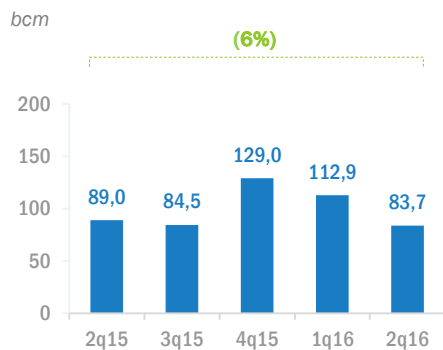


Source: Companies' reports, Bloomberg, Factset  
<sup>1</sup> Attributed to shareholders

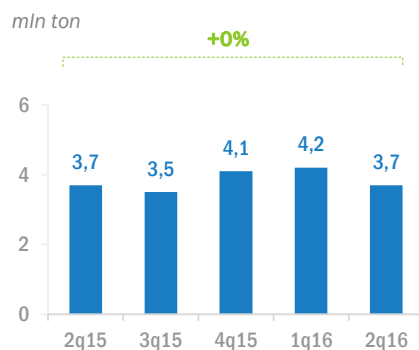
# HYDROCARBON PRODUCTION, ELECTRICITY AND HEAT GENERATION



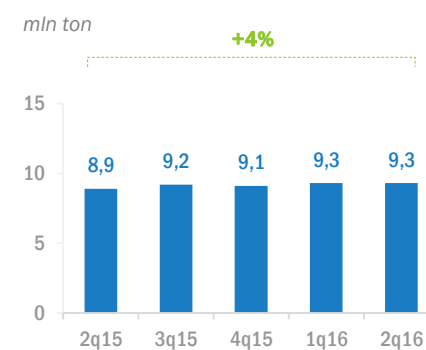
Natural gas production



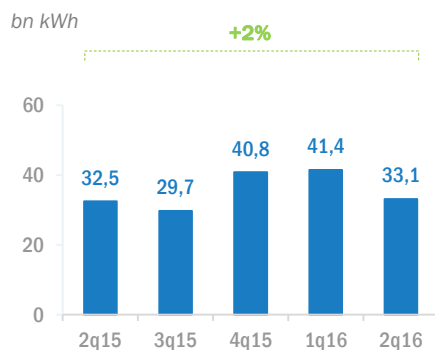
Gas condensate production



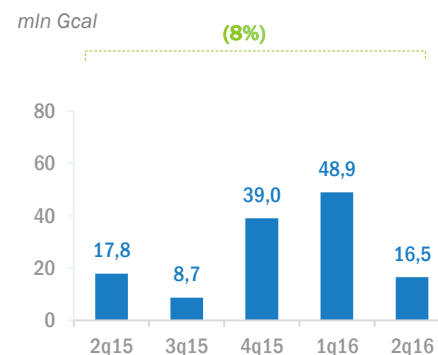
Crude oil production



Electricity generation <sup>1</sup>



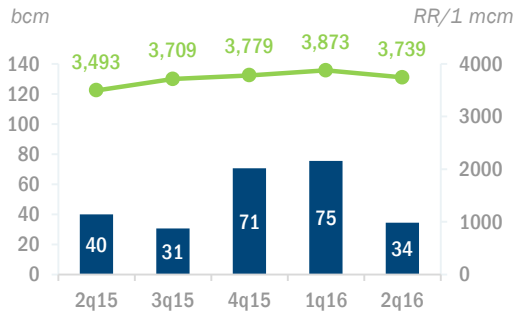
Heat generation <sup>1</sup>



1. Includes Russian generating companies: Mosenergo, OGC-2, TGK-1, MIPC  
Calculations may diverge due to rounding.

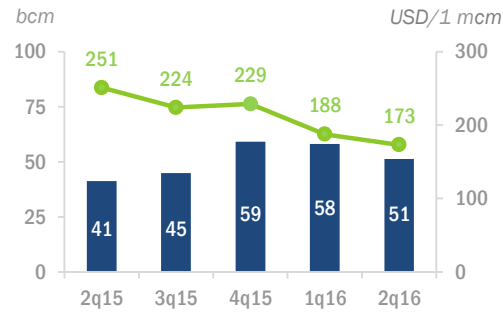
# GAS SALES

## Russia



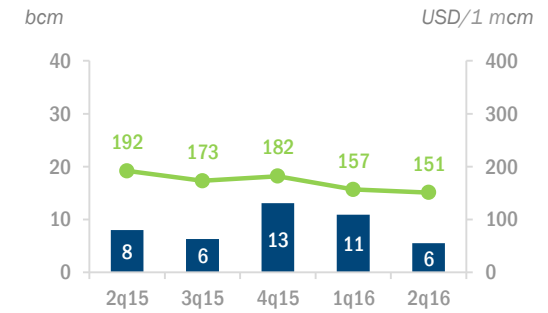
■ VOLUMES ● AVERAGE PRICE IN RUSSIA

## Europe & OC<sup>2</sup>

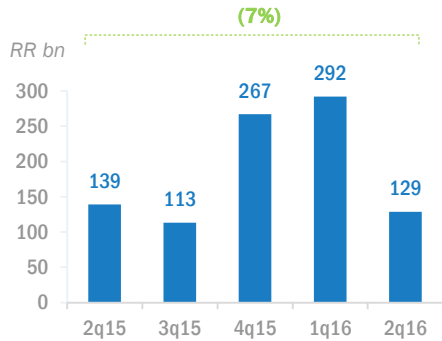


■ VOLUMES ● AVERAGE PRICE IN EUROPE & OC

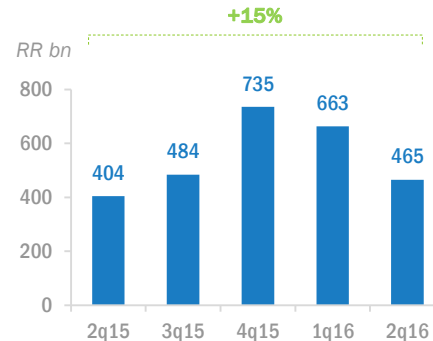
## FSU



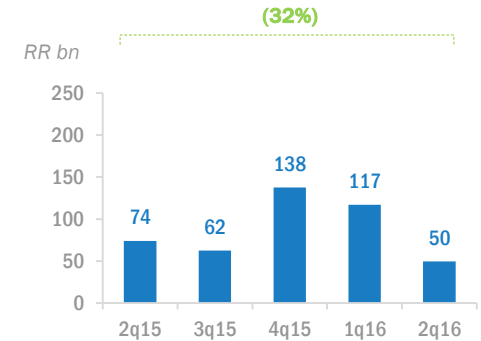
■ VOLUMES ● AVERAGE PRICE IN FSU



■ NET SALES TO RUSSIA<sup>1</sup>



■ NET SALES TO EUROPE & OC<sup>3,4</sup>



■ NET SALES TO FSU<sup>3,4</sup>

Calculations may diverge due to rounding.

<sup>1</sup> Net of value added tax (VAT)

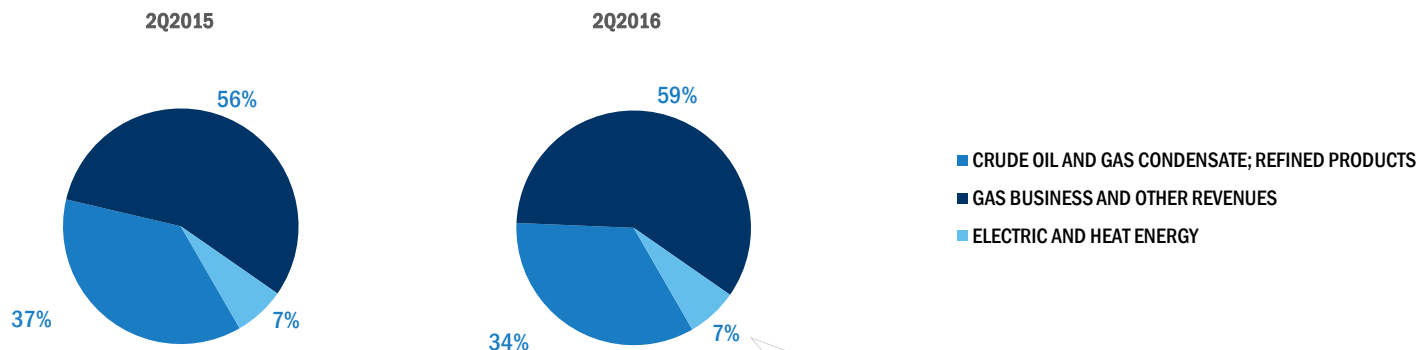
<sup>2</sup> OC - Other countries: including LNG sales

<sup>3</sup> VAT is not charged on sales

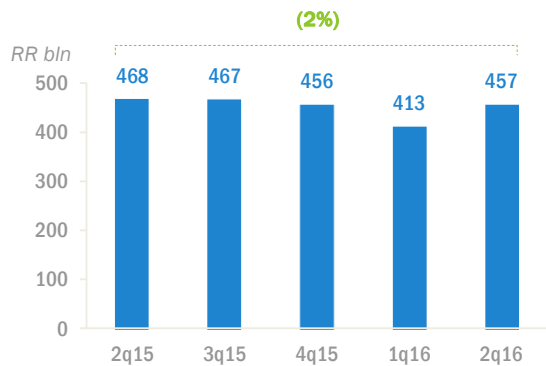
<sup>4</sup> Net of custom duties and excise tax on gas exports

# OIL AND ENERGY BUSINESS

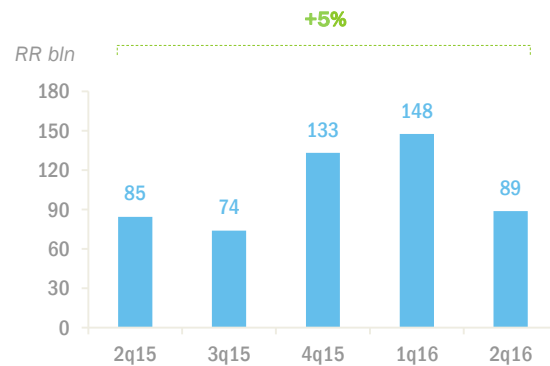
## Net Sales<sup>1</sup>



### Crude Oil and Gas Condensate; Refined Products



### Electric and heat energy



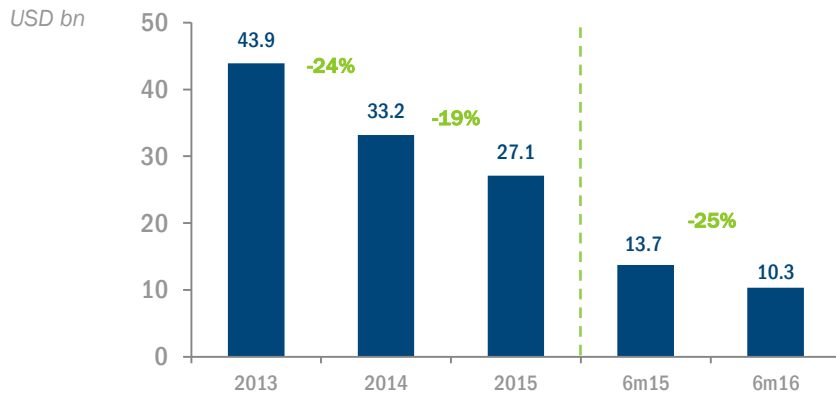
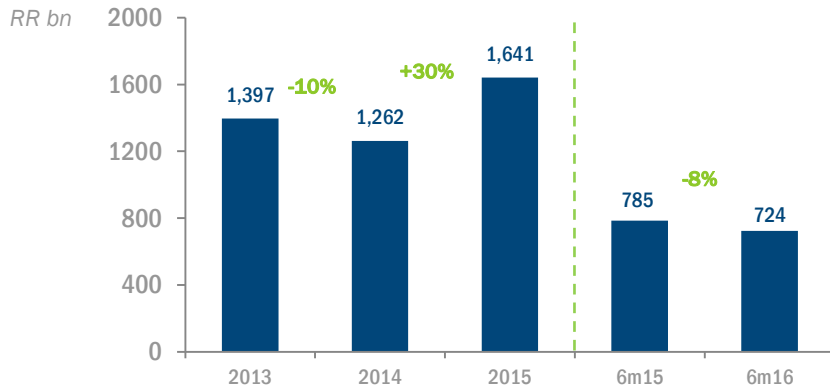
Calculations may diverge due to rounding.

<sup>1</sup> Net of value added tax (VAT), excise tax and custom duties.

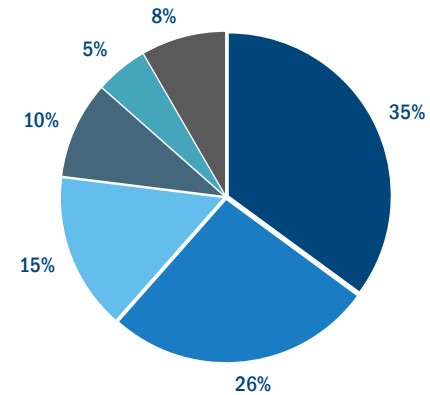


# CAPITAL EXPENDITURES

## Cash CapEx



## 1H2016 Group's CapEx breakdown<sup>1</sup>

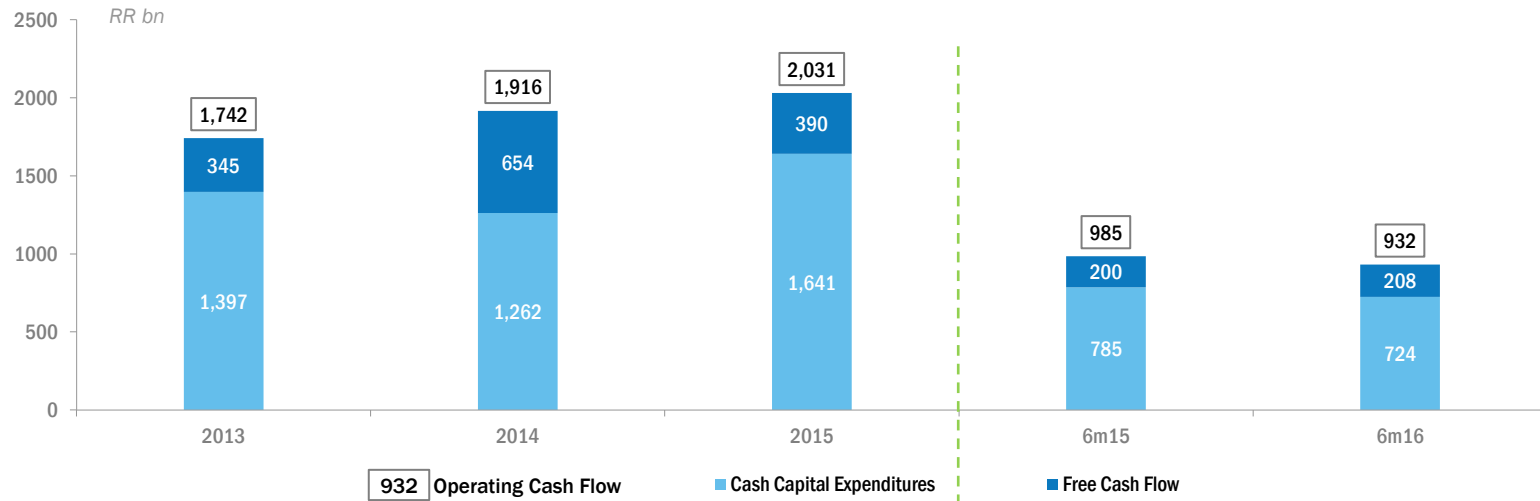


- TRANSPORT
- PRODUCTION OF CRUDE OIL AND GAS CONDENSATE
- PRODUCTION OF NATURAL GAS
- REFINING
- ELECTRIC AND HEAT ENERGY
- OTHER CAPEX

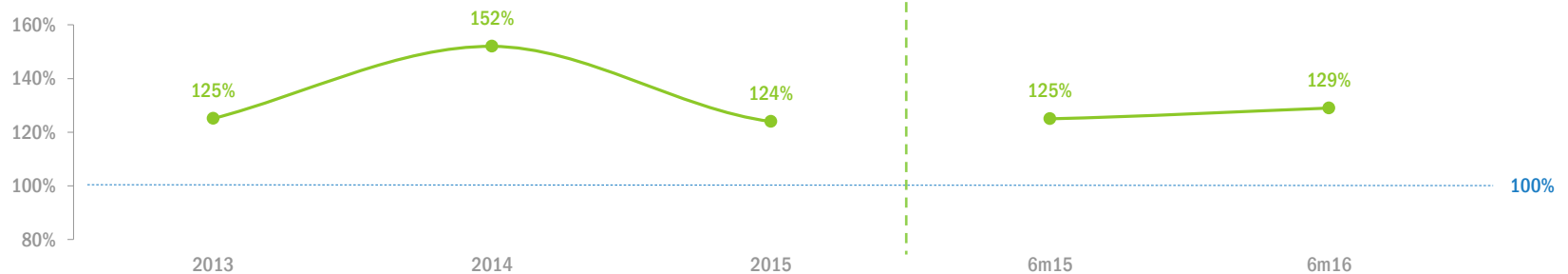
<sup>1</sup> CapEx breakdown as provided in Management Report

# FREE CASH FLOW GENERATION

## Free Cash Flow generation<sup>1</sup>



## Gazprom self funding<sup>2</sup>

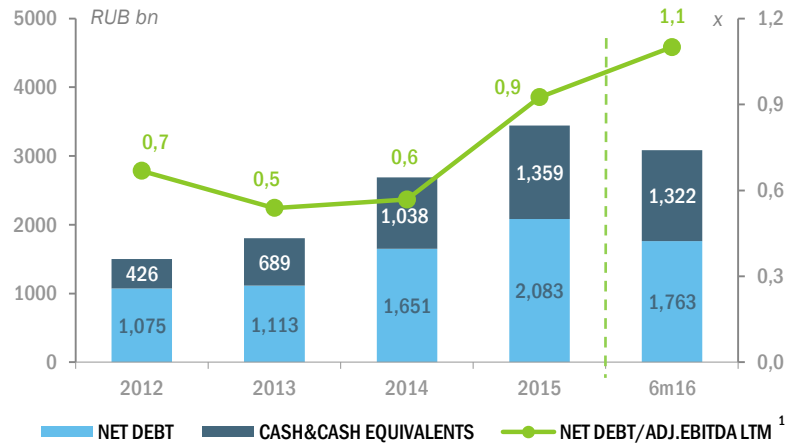


<sup>1</sup> Free Cash Flow = Net Cash from operating activities – Cash CAPEX

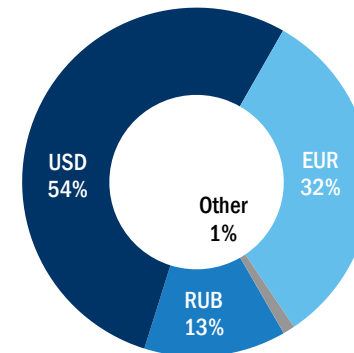
<sup>2</sup> Net Cash from operating activities / Cash CAPEX

# KEY DEBT METRICS

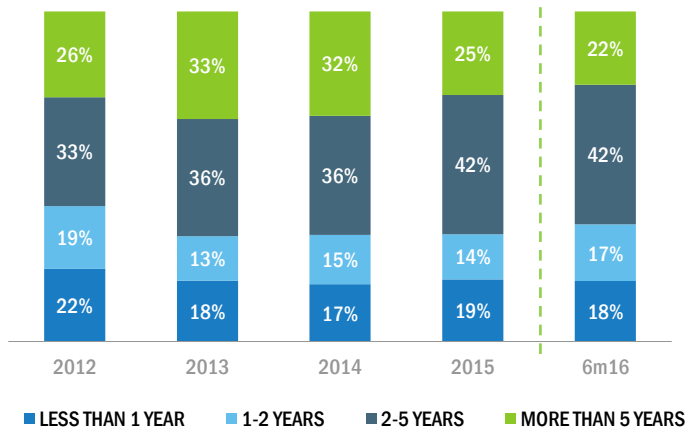
## Total and Net Debt



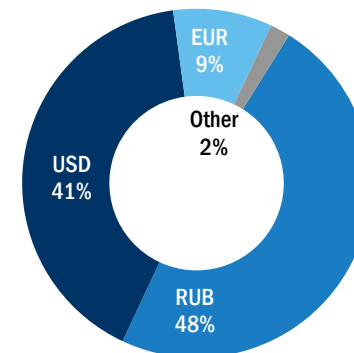
## Debt breakdown by currency



## Debt maturity profile<sup>2</sup>



## Cash & equivalents breakdown by currency



<sup>1</sup> Calculated using dollar values of Net debt and EBITDA

<sup>2</sup> Excluding promissory notes



## ADDITIONAL INFORMATION

## RUSSIAN NATURAL GAS BALANCE

Bcm	2Q2015	2Q2016	1H2015	1H2016
<b>Natural gas resources</b>	<b>152.3</b>	<b>146.3</b>	<b>348.0</b>	<b>349.3</b>
Domestic gas production	142.0	138.3	311.7	308.0
Other sources including Central Asian and Azerbaijani gas	6.1	5.3	11.9	11.0
Gas withdrawn from underground storage in Russia, Latvia and Europe	3.3	1.7	22.4	28.4
Decrease in the amount of gas within the gas transportation system	0.9	1.0	2.0	2.0
<b>Natural gas distribution</b>	<b>152.3</b>	<b>146.3</b>	<b>348.0</b>	<b>349.3</b>
Domestic consumption	88.6	85.4	231.6	228.4
including needs of the gas transportation system and underground storages	6.2	5.6	14.7	14.4
Gas pumped into underground storages	11.4	10.0	11.6	10.0
Gas for LNG production	3.4	3.5	7.4	7.1
Foreign supplies	40.8	41.1	76.3	86.1
FSU supplies	7.4	5.5	19.3	15.8
Increase in the amount of gas within the gas transportation system	0.7	0.8	1.9	1.9

Source: Company Operating Data

**THANK YOU FOR ATTENTION!**