

To American Depositary Receipts (ADR) Holders

Dear Depositary Receipts Holders,

The annual General Shareholders' Meeting of PJSC GAZPROM is to be held on June 28, 2019, to review the Company's 2018 performance and to announce its plans for the future.

In 2018, GAZPROM Group gas output rose 5.6% y-o-y, to 498.7 bcm. The Company took a foothold in the European market, set yet another record in annual gas supplies to non-CIS countries at 201.9 bcm that is 3.8%, or 7.5 bcm, increase y-o-y and reached all-times-high daily gas supplies at 713.4 bcm.

2018 saw further success in implementing the milestone strategic projects. The third gas field of the Bovanenkovo gas deposit, the key one in the Yamal gas production center, was put onstream and reached its design capacity of 115 bcm of gas a year. In 2019, PJSC GAZPROM has got down to infrastructure development for one more Yamal-based, Kharasaveyskoye, field.

New facilities for gas transportation from Yamal have been created. The *Ukhta – Torzhok 2* gas pipeline has been put into operation as part of the Northern Corridor that is becoming the critical transportation route for gas supplies to Russian consumers and export to Europe.

The Baltic Sea bottom part of the *Nord Stream 2* gas pipeline is in progress as scheduled. The *TurkStream* marine gas pipeline part has been laid ahead of schedule. Launching of these gas pipelines late in 2019 will optimize costs of gas transportation to European consumers and mitigate transit risks.

The main construction work scope of the *Power of Siberia* linear gas pipeline part, from the Chayandinskoye field to the Russo-Chinese border, has been completed. From December 1, 2019, PJSC GAZPROM is going to start Russian pipeline gas supplies to China, thus diversifying and growing its exports.

PJSC GAZPROM is at the investment cycle peak, implementing a series of strategic projects for the future. However, the Company continues generating a positive free cash flow in these conditions. PJSC GAZPROM Board of Directors has recommended the annual General Shareholders' Meeting to increase 2018 dividends up to RUB 16.61 per ordinary share (RUB 33.22 per ADR). From 2012, PJSC GAZPROM will increase its dividends, while 2018 year-end payments are record ones for the Company, 106.6% greater than the last year level.

The extension of relations with investment community representatives is among the key factors of improving PJSC GAZPROM investment appeal and market

capitalization. PJSC GAZPROM keeps the dialogue open with shareholders, investors and analysts, by regularly arranging for meetings, press conferences, presentations of its strategic roadmaps and performance, both in Russia and the major global financial centers.

In view of the above, I suggest you should cast your votes for PJSC GAZPROM management representatives when electing members of the Company's Board of Directors.

Thank you for your support to, trust and participation in PJSC GAZPROM annual General Shareholders' Meeting.

Alexey Miller
Management Committee Chairman
Gazprom