



GAZPROM: 3Q2019 IFRS RESULTS

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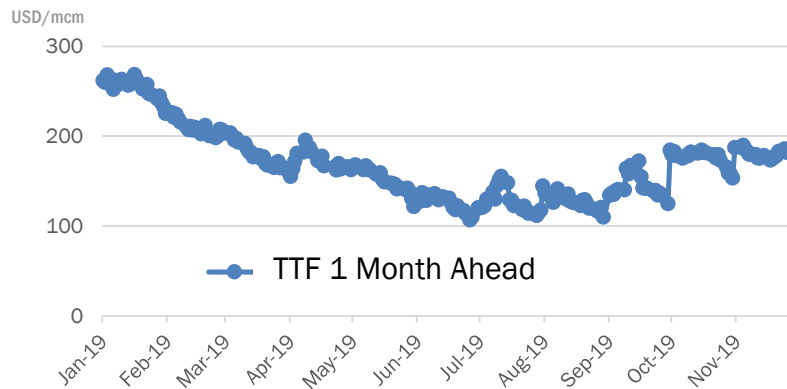
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3Q2019 MARKET ENVIRONMENT

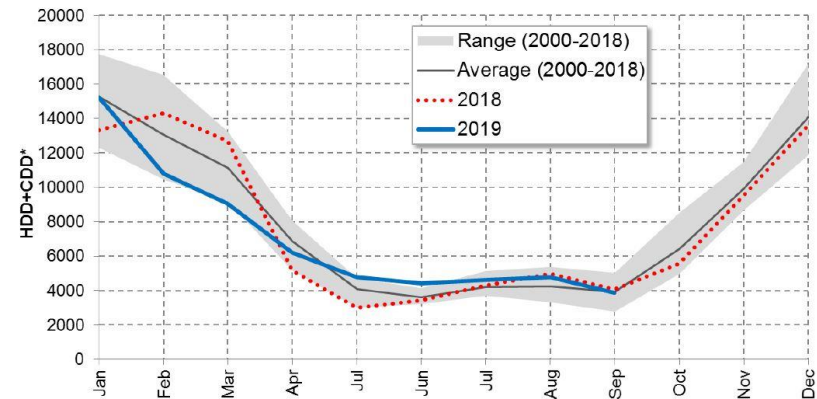
HIGHLIGHTS

- GAZPROM PRICES IN EUROPE IN 3Q19 WERE HIGHER THAN GAS SPOT PRICES
- AFTER HITTING THE BOTTOM IN 3Q19 GAS SPOT PRICES REBOUNDED. IN 4Q19 SPOT PRICES INCREASED BY 90% UP-TO-DATE

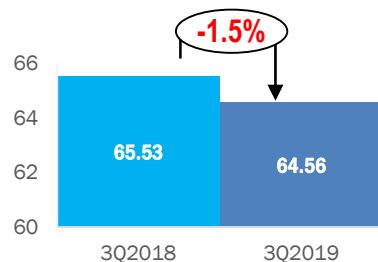
AVERAGE GAS PRICES



WEATHER INDEX IN EUROPE

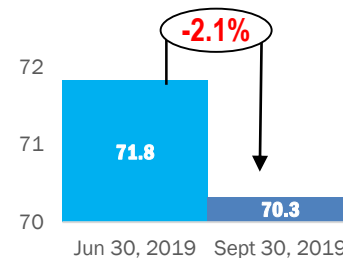


AVERAGE USD/RUB EXCHANGE RATE



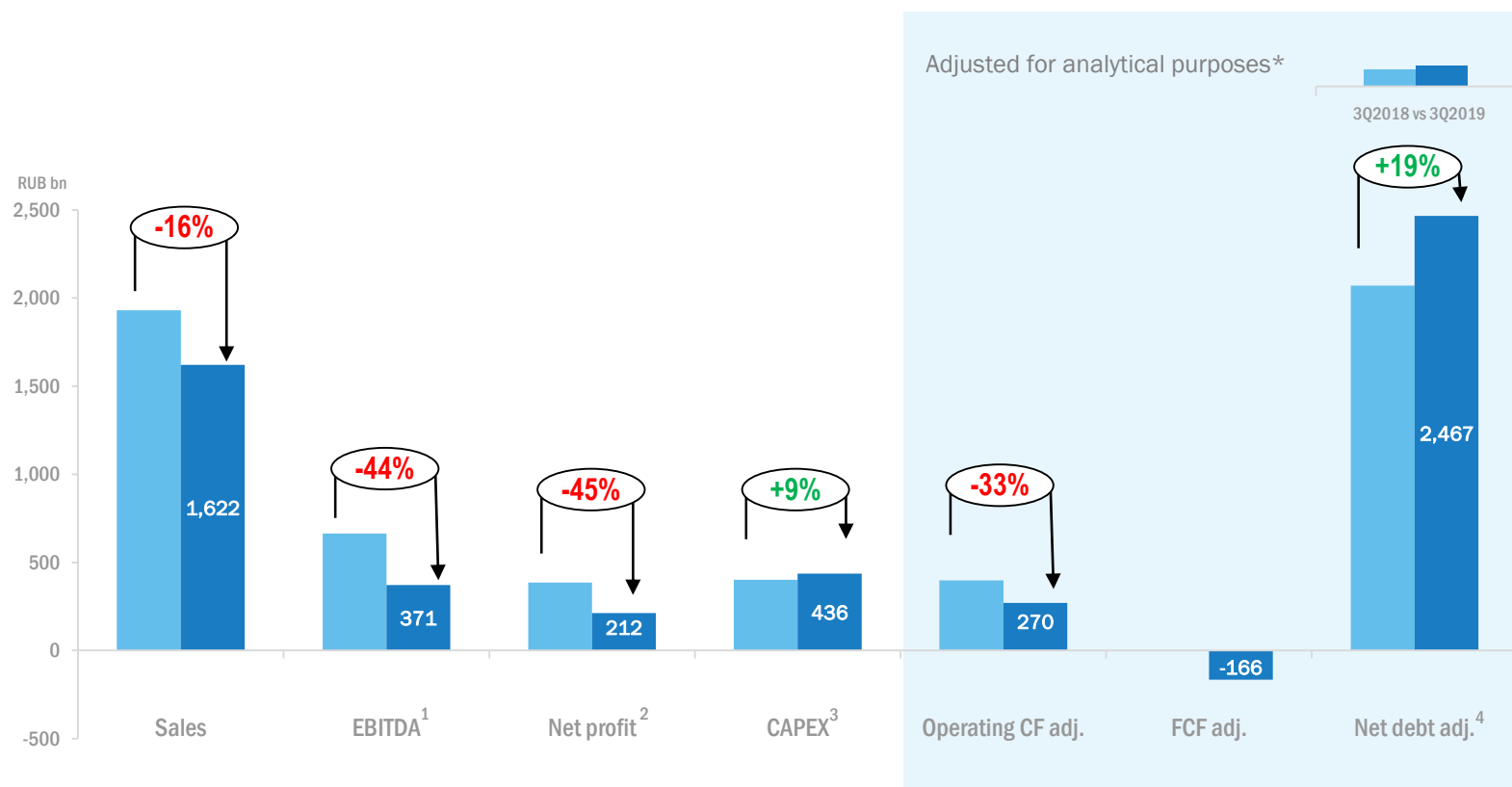
- RUBLE STRENGTHENING BY 1.5% Y-O-Y WAS NOT FAVORABLE FOR EBITDA MARGIN

END OF PERIOD EUR/RUB EXCHANGE RATE



- DURING 3Q2019 RUBLE STRENGTHENED VS EURO BY 2.1% WHICH RESULTED IN FX GAIN

3Q2019 KEY FINANCIALS



¹ EBITDA adjusted for changes in impairment provisions

² Profit attributable to PJSC Gazprom's shareholders for the period

³ Cash capital expenditures

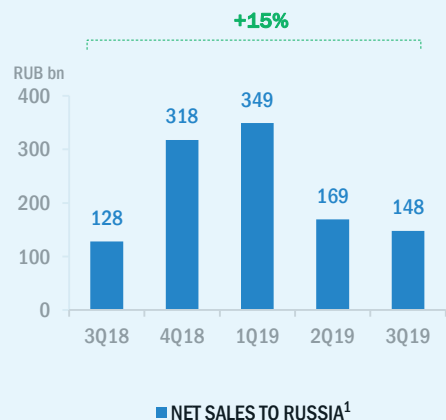
⁴ Compared to Net debt as of June 30, 2019

*In order to reflect the effects of the changes in bank deposits (reported as part of Other current assets and Other non-current assets)

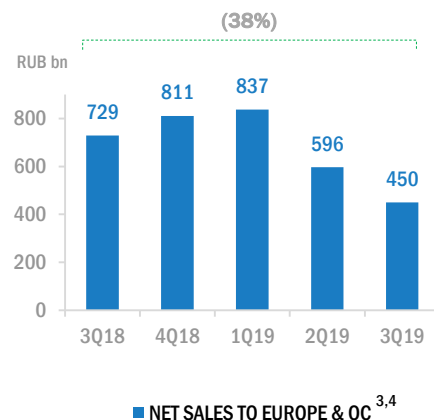
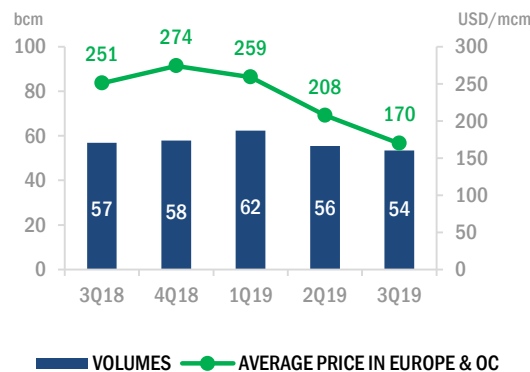
GAS BUSINESS



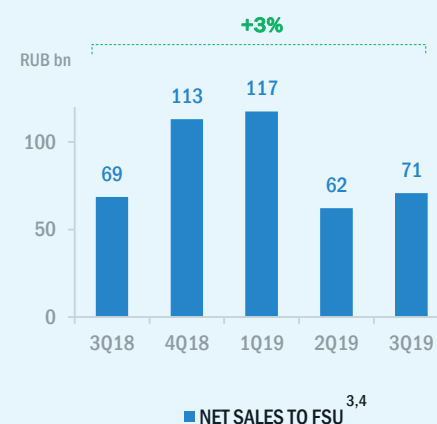
Russia



Europe & OC²



FSU



Calculations may differ due to rounding.

1 Net of value added tax (VAT)

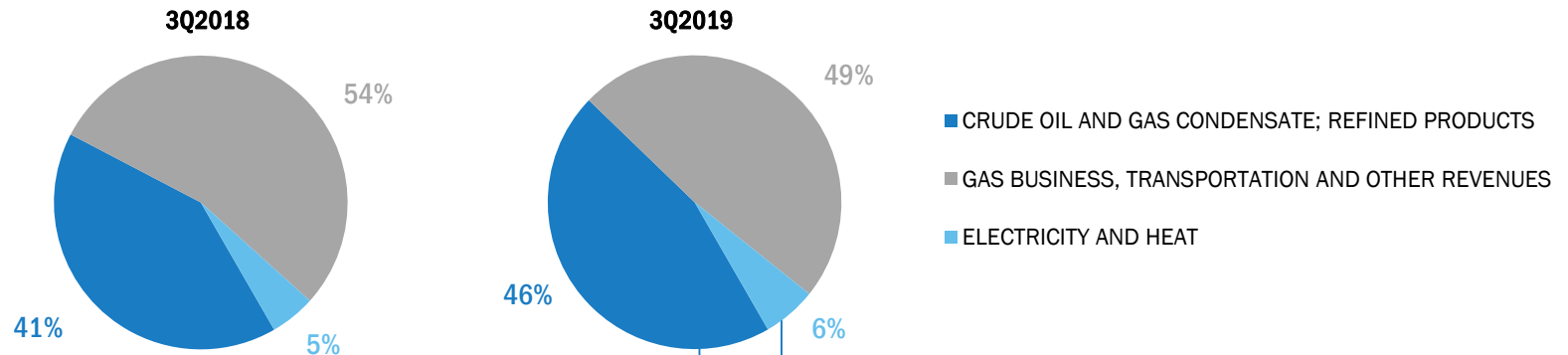
2 OC - other countries, including LNG sales

3 VAT is not charged on export sales

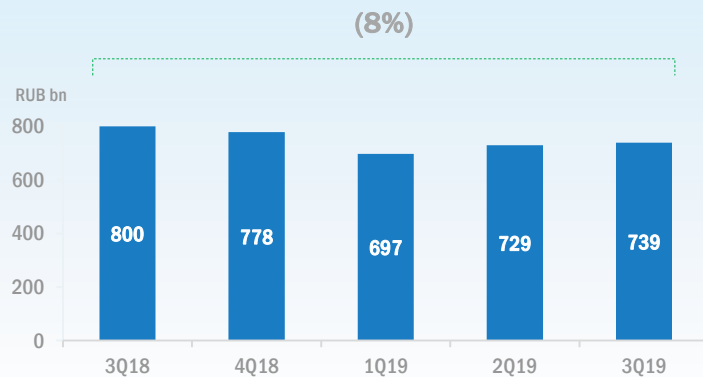
4 Net of custom duties and excise tax on gas exports

OIL AND ENERGY BUSINESS

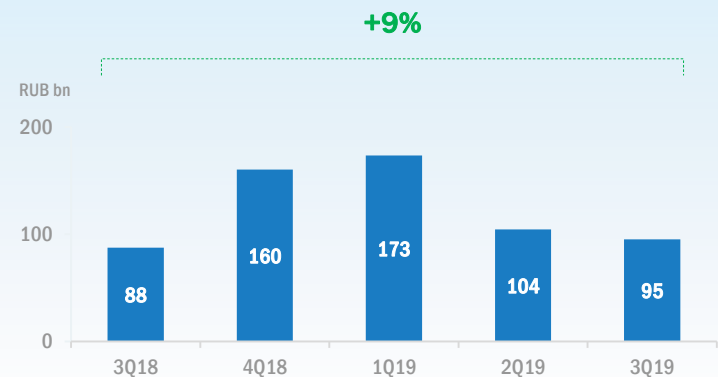
Total sales¹ breakdown



Crude oil and gas condensate; refined products sales



Electricity and heat sales



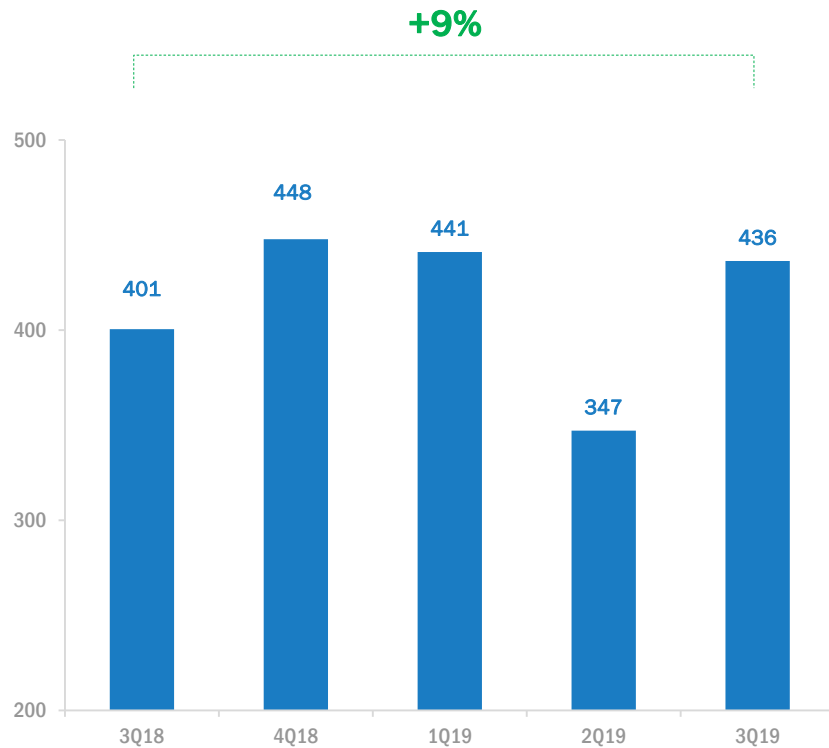
Calculations may differ due to rounding.

1. Net of value added tax (VAT), excise tax and custom duties.

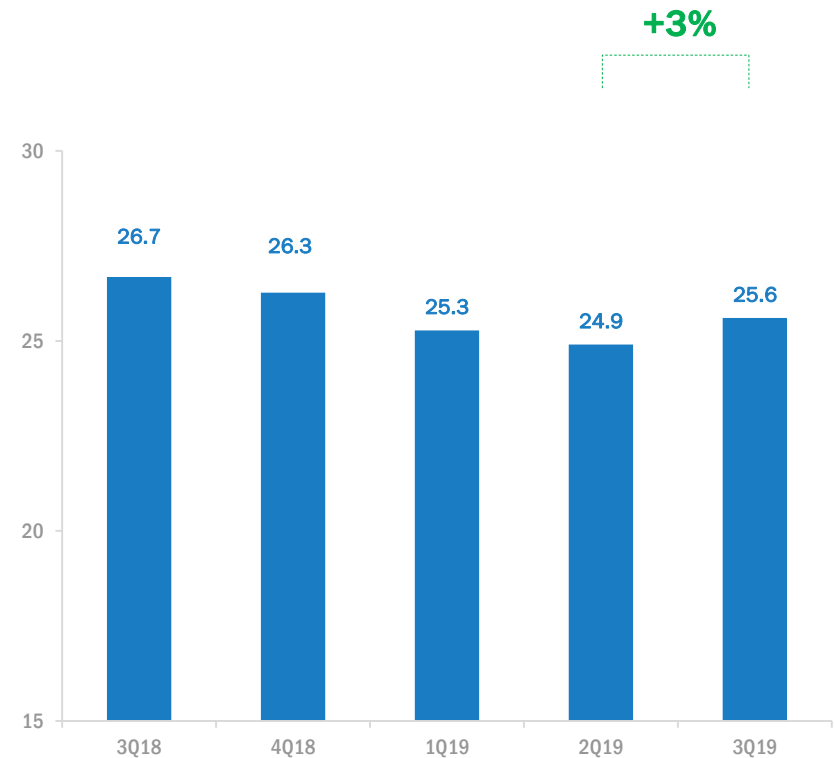
CAPITAL EXPENDITURES

- CONSTANT COST CONTROL AND CAPEX OPTIMIZATION
- MOST PART OF CAPEX NOMINATED IN RUBLES

Cash CAPEX (RUR bn)



LTM Cash CAPEX (USD bn)



IMPACT OF BANK DEPOSITS

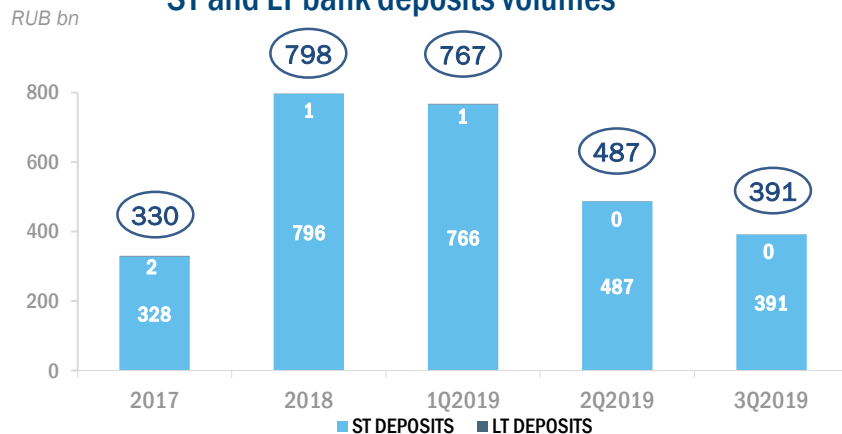
Key features of bank deposits²:

- Early withdrawal clause
- Deposit term of over 3 months

Impact of bank deposits on Net debt:

- Bank deposits are NOT included in Cash and cash equivalents
- Net Debt and Net Debt/EBITDA need to be adjusted for bank deposits for analytical purposes

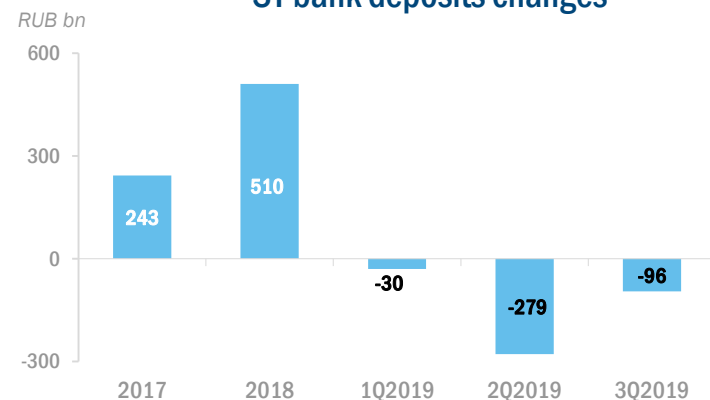
ST and LT bank deposits volumes



Impact of changes in ST bank deposits on Cash flows:

- Changes in working capital (a part of Operating cash flows) include changes in ST bank deposits
- Operating cash flows and Free cash flow need to be adjusted for changes in ST bank deposits for analytical purposes

ST bank deposits changes

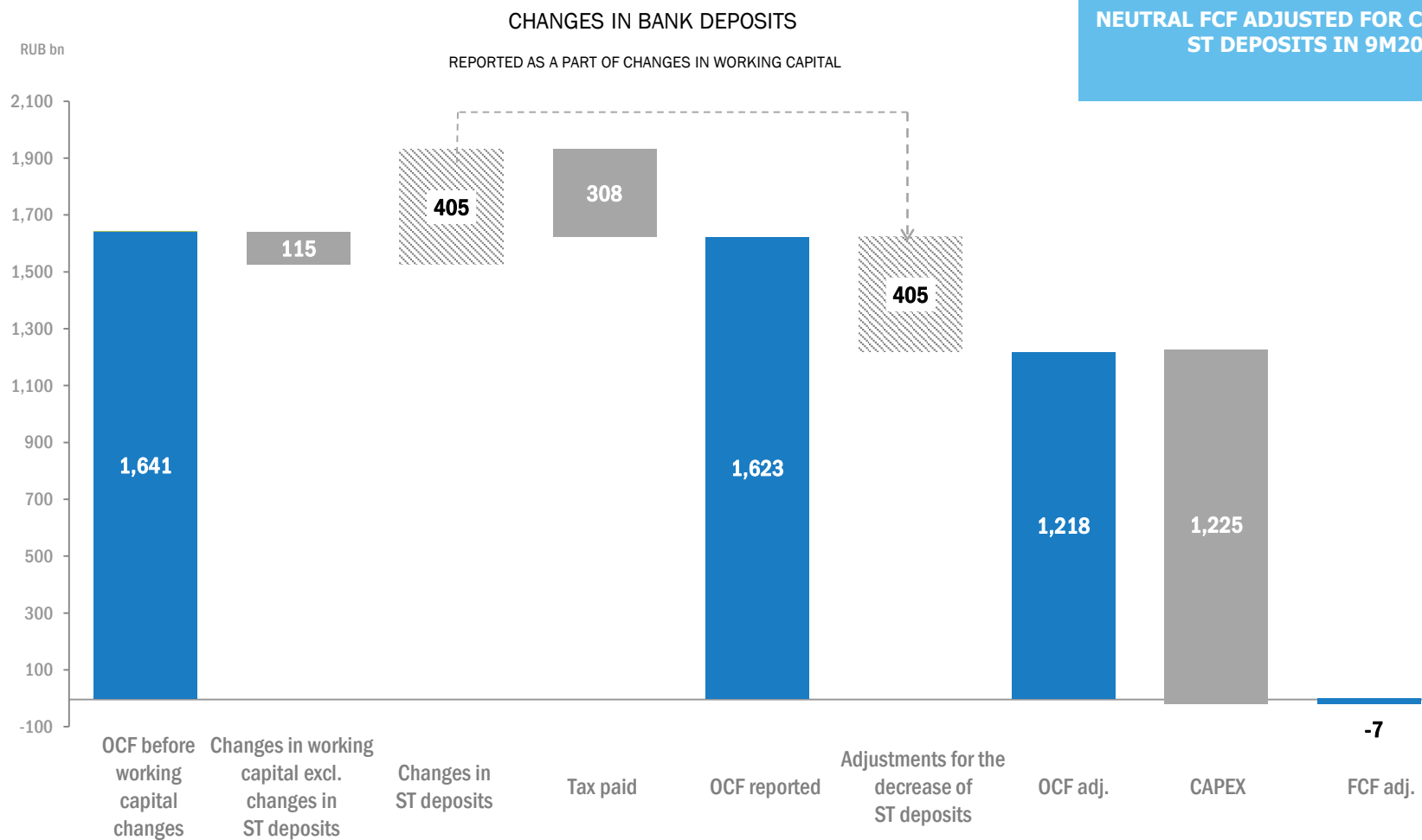


Applying of LT and ST bank deposits is aimed at improving the efficiency of liquidity management

¹ Source: Gazprom 3Q2019 IFRS report, note 13

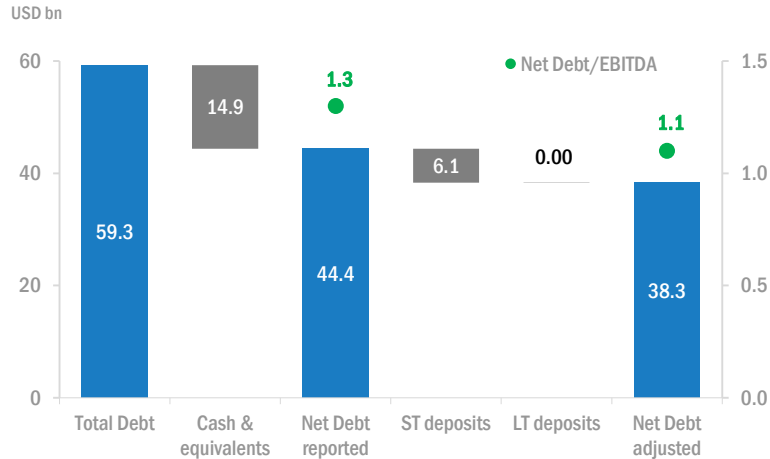
² Reported as a part of Other current assets and Other non-current assets

9M2019 ADJUSTED FREE CASH FLOW BREAKDOWN

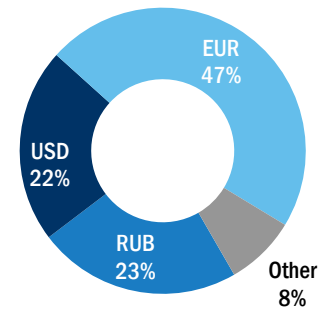


KEY DEBT METRICS

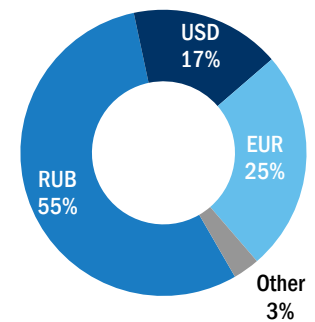
3Q2019 adjusted Net Debt structure¹



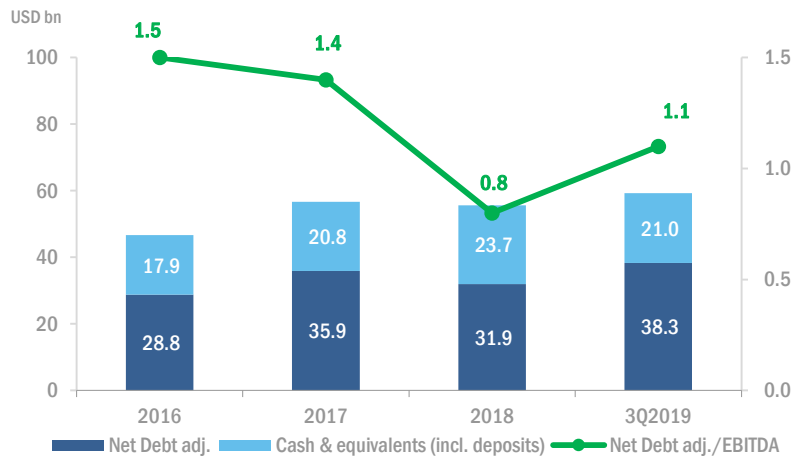
Total Debt breakdown by currency



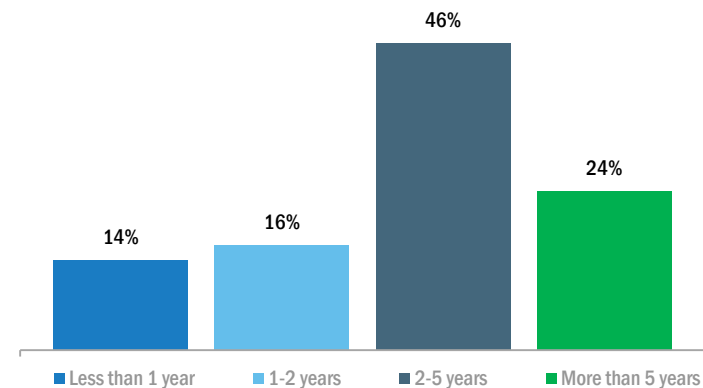
Cash, cash equivalents, bank deposits breakdown by currency



Net Debt adjusted for bank deposits¹



Total Debt maturity profile, 3Q2019



¹ Net Debt adjusted for the bank deposits reported as a part of Other current assets and Other non-current assets (see Slide 9 for details). Based on calculations in USD.

NEW DIVIDEND POLICY

Target payout level:

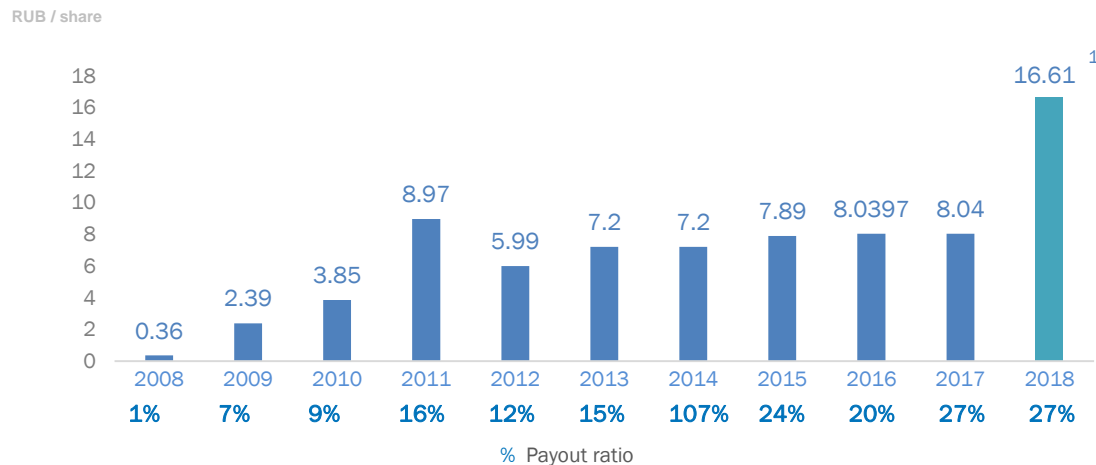
50% of IFRS Net income (adj.) in 2022

- Management Committee on dividend policy is planned on 5th December, 2019
- Meeting of the Board of Directors in December, 2019

- Net income adjustments for non – cash items
- Dividends are not to be linked to DPS of the previous year

In 2020 dividend payment is to be based on the new policy

- ENHANCING OF TRANSPARENCY AND PREDICTABILITY
- SHAREHOLDERS RETURNS GROWTH



¹ Dividends based on the results of the respective year

INVESTMENT CASE FROM PEAK INVESTMENTS TO HIGHER FCF

UNIQUE
FUNDAMENTALS

BUSINESS
GROWTH

STRONGER
FINANCIAL
OUTLOOK

OUTSTANDING
RESOURCE BASE
AND INFRASTRUCTURE

BUSINESS GROWTH IN GAS
AND OIL SEGMENTS;
FURTHER GROWTH POTENTIAL

DIVIDEND GROWTH
POTENTIAL

**WORLD LARGEST PRODUCER AND
EXPORTER OF NATURAL GAS –
THE CLEANEST FOSSIL FUEL**

**STRATEGIC TRANSFORMATIVE
PROJECTS**
(CAPEX PEAK IN 2018 - 2019)

**IMPROVING FCF
PROFILE**

HIGH **COMPETITIVENESS** OF
GAZPROM'S GAS. RECORD HIGH
EXPORTS, **LOW COST BASE**

**PRODUCTION AND EXPORT
GROWTH.**

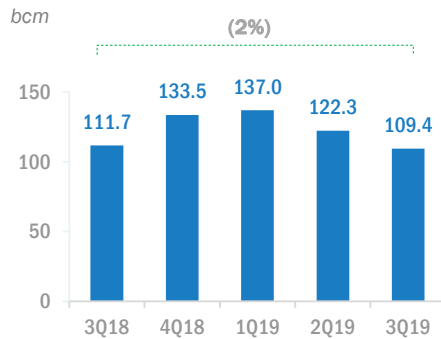
CONSERVATIVE
FINANCIAL POLICY,
COSTS CONTROL



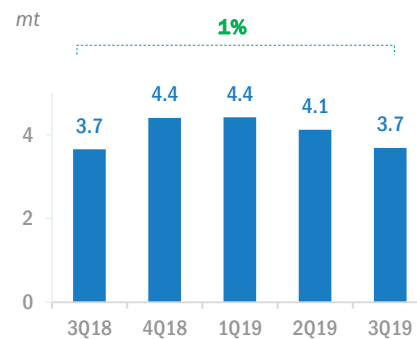
ADDITIONAL INFORMATION

PRODUCTION

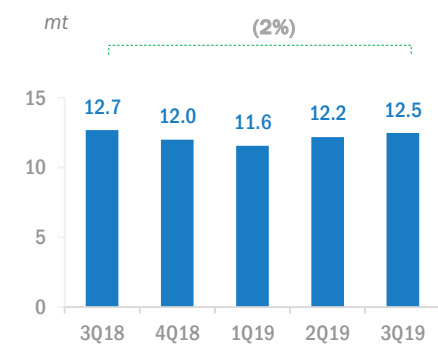
Natural gas



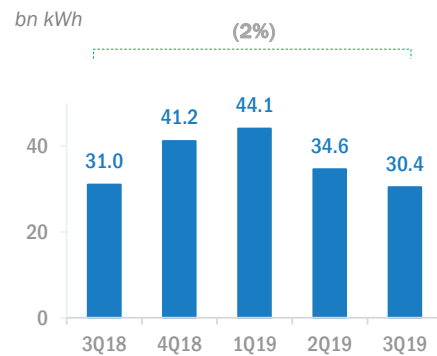
Gas condensate



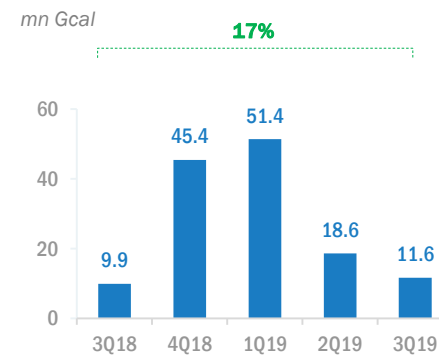
Crude oil



Electricity



Heat



Gazprom Group's volumes produced in Russia
Calculations may differ due to rounding.

RUSSIAN NATURAL GAS BALANCE



Bcm	2017	2018	3Q2018	3Q2019
Natural gas resources	770.29	810.64	175.33	176.39
Domestic gas production	691.19	725.41	166.96	166.85
Other sources including Central Asian and Azerbaijani gas	25.33	23.49	6.00	7.19
Gas withdrawn from underground storage in Russia, Latvia and Europe	50.45	59.33	1.59	1.66
Decrease in the amount of gas within the gas transportation system	3.31	2.42	0.78	0.69
Natural gas distribution	770.29	810.64	175.33	176.39
Domestic consumption	468.01	493.18	90.58	88.52
including needs of the gas transportation system and underground storages	37.81	40.55	9.36	8.30
Gas pumped into underground storages	53.02	56.17	25.35	22.71
Gas for LNG production	15.46	20.94	3.04	10.65
Foreign supplies	197.40	200.29	49.17	46.48
FSU supplies	32.88	36.70	6.56	7.27
Increase in the amount of gas within the gas transportation system	3.52	3.07	0.62	0.77

Source: Company Operating Data

THANK YOU!