GAZPROM IN FIGURES 2004–2008 FACTBOOK

THE ENERGY OF NATURE

GAZPROM

THE NATURE OF ENERGY

OAO GAZPROM

GAZPROM IN FIGURES 2004–2008

TABLE OF CONTENTS

PREFACE

Fact book "Gazprom in Figures 2004–2008" is an informational and statistical edition, prepared for OAO Gazprom annual General shareholders meeting 2009. It is aimed at providing figures about *Gazprom's* standing and role in the world and Russian fuel and energy market as well as about the *Group's* activities in 2004–2008 to shareholders and investors. These materials supplement and expand *Gazprom's* production and economic indicators presented in OAO Gazprom Annual report for 2008.

The Fact book is prepared on the basis of corporate reports and accounts of OAO Gazprom, including figures of earlier annual reports, the issuer's quarterly reports, offering circulars, as well as on the basis of Russian and foreign sources of publicly disclosed information.

All the terms, assumptions, and restrictions of OAO Gazprom Annual report for 2008 are valid in the present Fact book. In particular, the term OAO Gazprom refers to the head company of the *Group*, i.e. to Open Joint Stock Company "Gazprom". The *Gazprom Group*, the *Group* or *Gazprom* imply OAO Gazprom and its subsidiaries taken as a whole. Similarly, the terms *Gazprom Neft Group* and *Gazprom Neft* refer to OAO Gazprom Neft and its subsidiaries, the term *Sibur Holding* refers to OAO Sibur Holding and its subsidiaries.

Gazprom's operating results presented in the Fact book are stated based on the principles for preparing *Gazprom Group's* consolidated accounting (financial) statements in accordance with the Russian legislation. At the same time some results of OAO Gazprom and its subsidiaries' operations are stated in compliance with the principles for preparing management reports. Figures calculated using these methods may differ due to differences in methodologies for preparing consolidated financial statements and management reports.

WORLD GAS INDUSTRY DEVELOPMENT IN 2008*

It was favorable pricing situation in the oil and gas market (the average annual price of BRENT was 34 % higher than in 2007) that primarily accounted for record-high figures in the world gas industry in 2008. Global natural gas production reached 3,055.2 bcm, and 4.0 % increase compared to last year. The positive dynamics in gas production was noted in all the geographic segments.

However, the development of global natural gas production in the reporting year was hampered by a number of factors, the following of which should be highlighted:

- Sharp slowdown in the world economy in the second half of 2008 that considerably affected gas industry mainly in the 4th quarter;
- Natural decrease in production volumes at the fields, which development started long ago, in Canada, the British sector of the North Sea, the Gulf of Mexico, and Argentina;
- A series of hurricanes in the Gulf of Mexico that accounted for a 16 % decrease in production in the region.

The change in natural gas production in the CIS countries (the largest natural gas production region) was consistent with the global trend (a 2.4 % growth). Russia accounted for 76 % of the volumes produced in the region. In spite of high growth rates in the 1st and 2nd quarters of 2008, natural gas production volumes in the country increased but slightly (by 1.6 % or 10 bcm) over the year. This dynamics is linked with a decrease in the demand for natural gas in the domestic market (primarily on behalf of consumers that represent the metallurgy and cement industries) and the foreign markets. High growth rates persisted in Azerbaijan (15.7 %), where production was increased at the Shah Deniz field, Turkmenistan (2.3 %), and Kazakhstan (12.9 %).

The increase in production in the North America was mostly contributed to by the USA, where production increased by 7.8 % and reached 582.2 bcm. These changes resulted from the development of natural gas production onshore from non-traditional sources (shale gas, methane from coal beds, and gas in higher density rocks), which accounted for 51 % of the total natural gas production in the USA in 2008 (compared to 47 % in 2007).

The African continent yielded 201.5 bcm of natural gas in 2008. Almost all countries in the region increased their production volumes. Nigeria was an exception, where a decrease in gross production volumes was compensated for by an increase in the level of associated petroleum gas (APG) utilization, so that the production in the country remained at last year's level. Equatorial Guinea showed a small increase in production both in absolute and relative terms (126 % or 3.7 bcm), where additional volumes of natural gas were transferred to an export-oriented LNG plant commissioned in 2007.

High growth rates were seen in natural gas production in European countries. In 2008, natural gas production in the region increased by 4.2 % (compared to the previous year's decline of 3.8 %) and amounted to 300.9 bcm. Aggregate production volumes of Norway and the Netherlands that are the largest producers accounting for 58 % of the consolidated production in the region reached 175 bcm this year, which is 11 % more than in 2007. Production also increased in Denmark (by 9.7 %). At the same time, production levels kept decreasing in the UK (by 3.3 %) and Romania (by 7.8 %). Structural problems in the industry caused a decrease in production in Germany, Italy, and France.

Natural gas production in Latin America increased by 2.7 and reached 150.9 bcm. The dynamics was not homogeneous in the countries of the region this year. Record-high growth rates were reached in Brazil (28.4 %), which is due to the beginning of production within two shelf projects in the Espirito Santo and Campos Basins. On the contrary, negative dynamics was seen in Argentina and Venezuela (a decrease by 1.7 % and 1.9 % respectively).

Production in the Middle East grew up by 6 %, which was mainly due to an increase in natural gas production in Qatar (by 21 %), which accounted by 60 % of the production growth in the region.

Natural gas production growth rates were also high in South-Eastern Asia, Oceania, and Australia (5.3 %). China, Indonesia, Malaysia and Australia accounted for over 60 % of production volumes in the region.

International natural gas trade increased 3 % up to 936.2 bcm in 2008. Europe accounted for nearly half of the imported gas, with 18 % for Asia and 16 % for North America.

The global pipeline gas trade increased 4.2 %, whereas global LNG trade decreased compared to last year by 0.5 % mostly due to a sharp decrease in the demand in the US market. Thus, the buoyant trend in LNG trade witnessed since 1981 was disrupted. As a result of that, the share of liquefied natural gas (LNG) in the global natural gas supply decreased slightly from 25 % down to 24 %.

* This section has been prepared based upon the information material "2008 Natural Gas Year in Review CEDIGAZ' First Estimates" of the international centre on natural gas "CEDIGAZ".

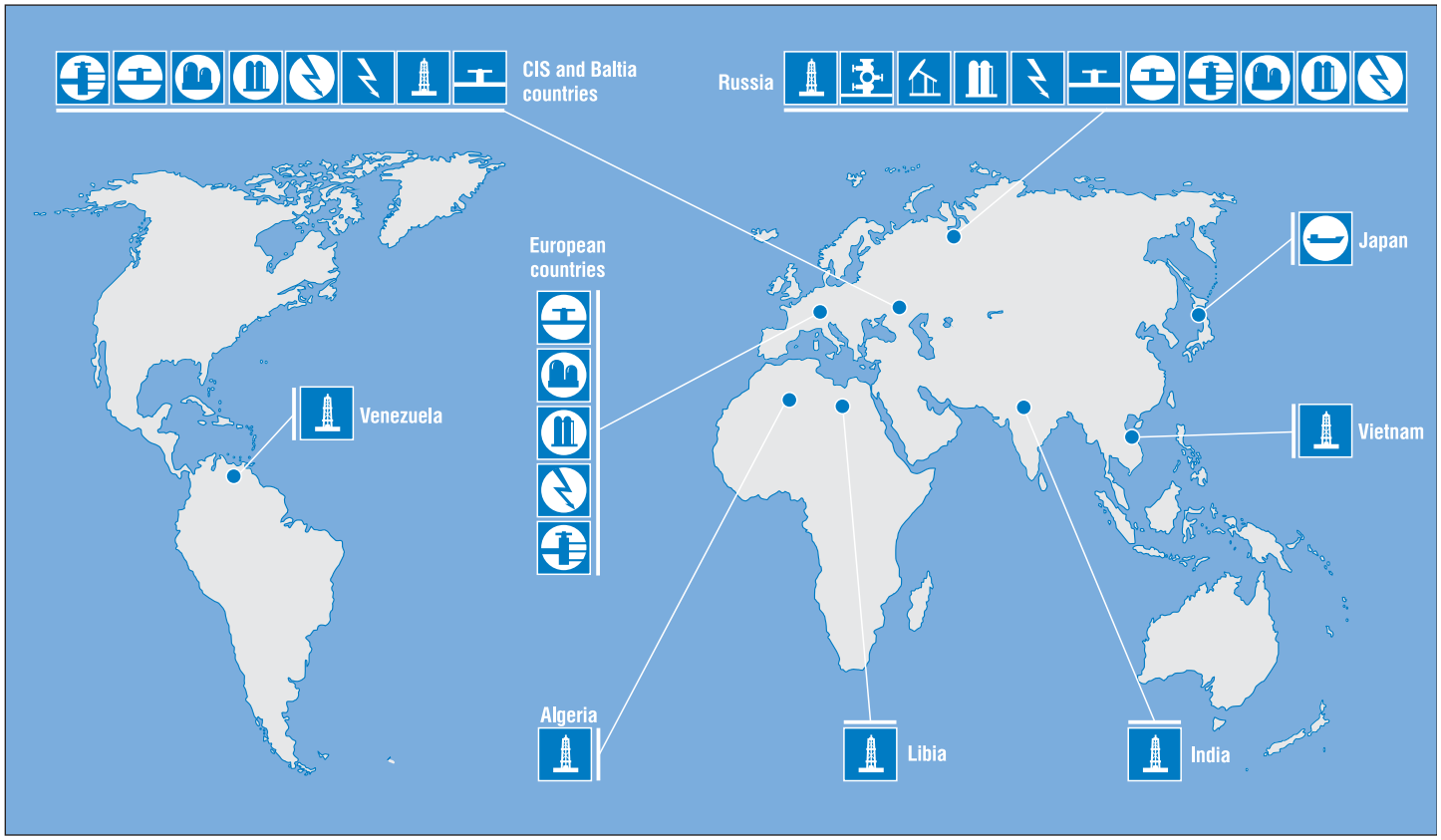
GAZPROM IN THE WORLD GAS INDUSTRY AND RUSSIAN ECONOMY

	2004	2005	2006	2007	2008
Share in the world natural gas proved reserves (at the beginning of the year), %*	16	16	16	16	17
Share in the world marketed natural gas production, %*	19	19	18	17	17
Share in the world natural gas/LNG export, %*	25	26	28	28	28
Russian GDP share, %**	8	8	11	10	10
Share of Russian natural gas reserves controlled, %	61	61	62	62	69
Share in national gas production, %**	87	87	85	84	83
Share in national oil and condensate production, %**	3	4	9	9	9
Length of gas distributions pipelines serviced by *Gazprom* subsidiaries and affiliated companies, thousand km	463	485	514	545	575
Number of flats and private dwellings with *Gazprom* gas supply (natural gas and LNG), mln	25.1	25.6	26.1	25.9	26.1
Number of utilities plants with *Gazprom* gas supply by *Gazprom* (natural gas and LNG), thousand	149.2	159.8	173.4	181.8	191.8
Number of industrial plants with Gazprom gas supply by *Gazprom* (natural gas), thousand	13.7	14.6	15.9	16.2	17.1

* Based on International Natural Gas Center "CEDIGAZ" and *Gazprom* figures. International statistic data on production and international trade were adjusted to Russian standard terms and conditions using 1.07 ratio.

** Based on the data supplied by the Federal State Statistics Service and OAO Gazprom.

GAZPROM GROUP ACTIVITY IN RUSSIA AND ABROAD IN 2008



- Gas and condensate production
- Oil production
- Raw hydrocarbons processing
- Electrical and thermal energy generation
- Gas transportation and underground storage
- LNG spot sales
- Sales of gas, supplied by gas – main pipelines
- Gas sales to final customers
- Oil and condensate sales
- Petroleum derivative sales
- Electrical power sales
- Hydrocarbones prospecting and exploration

OAO GAZPROM MISSION AND DEVELOPMENT STRATEGY

OAO Gazprom mission is to ensure an efficient and balanced gas supply to consumers in the Russian Federation and fulfill its long-term contracts on gas export at a high level of reliability.

OAO Gazprom strategic goal is to establish itself as a leader among global energy companies by entering new markets, diversifying its activities, and ensuring reliable supplies.

GEOLOGICAL EXPLORATION WORK AND PRODUCTION

A reduction in demand for gas in internal and external markets caused by recessionary occurrences in global economy leads to gas depletion control at production facilities in medium-term period. Moreover taking into consideration that long term forecasts on gas demand were made by the *Group* relying upon conservative valuations, strategic goals and projects of the *Group* are tolerant to short terms and long term changes of economic environment.

The *Group* is intended to ensure production of natural gas to the extend of 650–670 bcm by year 2020. In order to achieve the projected gas production level, it is assumed to utilize new strategic gas production areas on the Yamal Peninsula, the shelf in the Arctic seas, in Russian Far East, and Eastern Siberia.

The *Group* is intended to increase volumes of oil production up to 90–100 million tons by 2020.

Achievement of these goals will be provided by means of stage-by-stage involvement of all the explored fields of *Gazprom Neft* (inclusive OAO Gazprom Neft 50 % shareholding in OAO NGK Slavneft and OAO Tomskneft VNK) into the production process, and also due to liquid reserves of the *Group's* gas production companies.

It is planned to develop *Gazprom Group* activities in the fields of crude hydrocarbons resources development far abroad.

GAS TRANSPORTATION

In order to ensure reliable supply of the *Group's* ever growing natural gas volumes to the domestic market and fulfill its contractual obligations related to the export of natural gas, the *Group* seeks to implement projects on construction of new transportation facilities. Under conditions of world economic crises the following projects on building of gas pipe-lines are set as top priority projects: Pochinki – Gryazovets, Gryazovets – Vyborg, Nord Stream, expansion of the Urengoy gas transportation unit.

The next major projects, which envisage commissioning are: Bovanenkovo – Ukhta and Ukhta – Torzhok trunk gas pipelines for gas transportation from the Yamal Peninsula fields, Murmansk – Volkhov gas pipeline for gas transportation from Stockman field to North-West region of Russia and South Stream gas pipeline.

REFINING

The main goal of the *Group* development in the fields of gas-processing and gas chemistry is increase of degree of valued gas components recovery ratio, also of associated petroleum gas and its efficient utilization for further processing in high liquidity products with high added value.

The strategy is supposed to minimize production cost due to logistics costs optimization as well as new technologies usage. Also one of the tools of brining gas chemical business to a new affectivity level will be further improvement of finance and management control systems while implementing investment projects.

Development of gas processing and gas chemistry may be provided by current availability and future increase of natural gas production with high assay of ethane, propane and butane. Particularly, according to the Master Plan of gas industry development for the period up to 2030 the *Group* forecasts natural gas production growth with high assay of these components from 90 bcm up to 160 bcm by 2020. OAO Gazprom considers also a question of development of gas processing and gas chemical productions while utilizing West Siberia and Far East resources within the frames of the strategy on gas processing and gas chemicals complexes development.

According to the strategy of oil business development up to 2020 it is supposed to increase the volume of oil processing up to 70–80 million tons per year, sales volume of petroleum products via own retail chain up to 12 million tons per year. It is planned to expand the retail chain up to 5.0–5.5 thousand of petrol stations. It is supposed to set up as an independent business such product areas as bitumen and oil chemistry, kerosene, fueling, lubricants, oils and oil chemistry.

MARKETING AND SALES

Gazprom's strategy in the domestic market consists in ensuring continuous gas supply of the country and making sales more profitable. Starting from 2006 Government of the Russian Federation takes measures on adjustment of whole sale gas prices to economically feasible level.

Particularly, the dynamic of changing whole sale gas prices has been set and it is prescribed to move them to the level which provides equal return of export gas deliveries and domestic market deliveries using market price formula. In September 2006 Government of the Russian Federation allowed OAO Gazprom to sell restricted volumes of gas at market prices formed using exchange technologies within the frames of experiment on electronic stock exchange OOO Mezhregiongas (further ESE). From November 2006 up to December 2008 inclusive 7.5 bcm of *Gazprom* gas was merchandised at electronic stock exchange.

Gas realization at market prices set at marginal gas volume in variable range, implemented according to the resolution № 333 dated 28.05.07 of Government of the Russian Federation is supposed to allow customers to adapt to new pricing conditions. According to the mentioned resolution 22.2 bcm of gas was sold for the period from 3Q 2007 up to the end of 2008.

Instability of global finance and power generation markets, crises phenomena of the country economy generate negative, restrictive impact on the process of adoption to market pricing for gas delivered to internal market.

OAO Gazprom takes all possible measures in order not to cancel planned steps on improving a system of gas prices formation, creating special terms for smooth, no price fluctuations transition to market gas prices formation. One of the goals of internal market development is transition from state regulated whole sale gas prices to state regulated tariffs on gas transportation.

Further work of the *Group* on Russian regions gasification will be focused on achievement of maximum economically proved level of Russia gasification.

The main goal of the *Group* in European market is to keep the leading position, provide reliable gas supply and also increase efficiency of sales. Achievement of these goals is planned due to development of relationships with traditional customers based on long term contracts, usage of new trading activities based on short term and mid term sales and also on subsidiary operations and single transactions. For the purpose of position consolidation at the European market, increase of reliability and flexibility of deliveries the *Group* is intended to develop the system of underground storage in the territory of European countries, extend participation in share capital of companies specialized in gas and energy sales to final consumers.

The main element of strategy in the markets of CIS and Baltic counties is maintaining a dominating position of Russian gas in power generation sector of the region, adjustment of current contracts with CIS countries in order to move to the same contract conditions and pricing mechanisms used in European countries and also access extension to final consumers.

In order to provide some room for maneuvers while defining steps of fields development in new gas production regions in the territory of Russia the *Group* develops cooperation in the sphere of gas fields development, upgrading and development of gas transportation systems of Central Asian countries. Gas recourses of Central Asia give the opportunity to come to new markets while supporting reliability of deliveries to traditional customers.

In order to diversify geography of deliveries the *Group* considers as new, key markets the countries of Asian-Pacific Region, North America which are supposed to be discovered due to stage by stage production development, LNG see transportation and trading.

POWER INDUSTRY

The *Group* treats power industry as strategically important sphere of activity and considers expansion of presence in power sector will increase business stability and bring additional income in long term perspective.

In 2007–2008 within the process of restructuring of Russian power sector the *Group* acquired power generating assets and is planning to participate in investment projects on building of electric power stations in Russian Federation. The total planned capacity input according to the investment program of the companies inside the *Group* of Russian power generating companies is estimated up to 7 GW for the period by 2015. More than that, the investment program of OAO TGK-1 which is planned to be controlled by the *Group* is supposed to input capacity more than 2 GW.

The *Group* also considers the opportunity to invest in building and enquiring of European power generating assets in order to increase efficiency and strengthen its own positions at utilities markets of European countries and also develop cooperation with power generating companies possessing client bases and set of technologies which will help to enlarge the *Group* presence at international electric power markets.

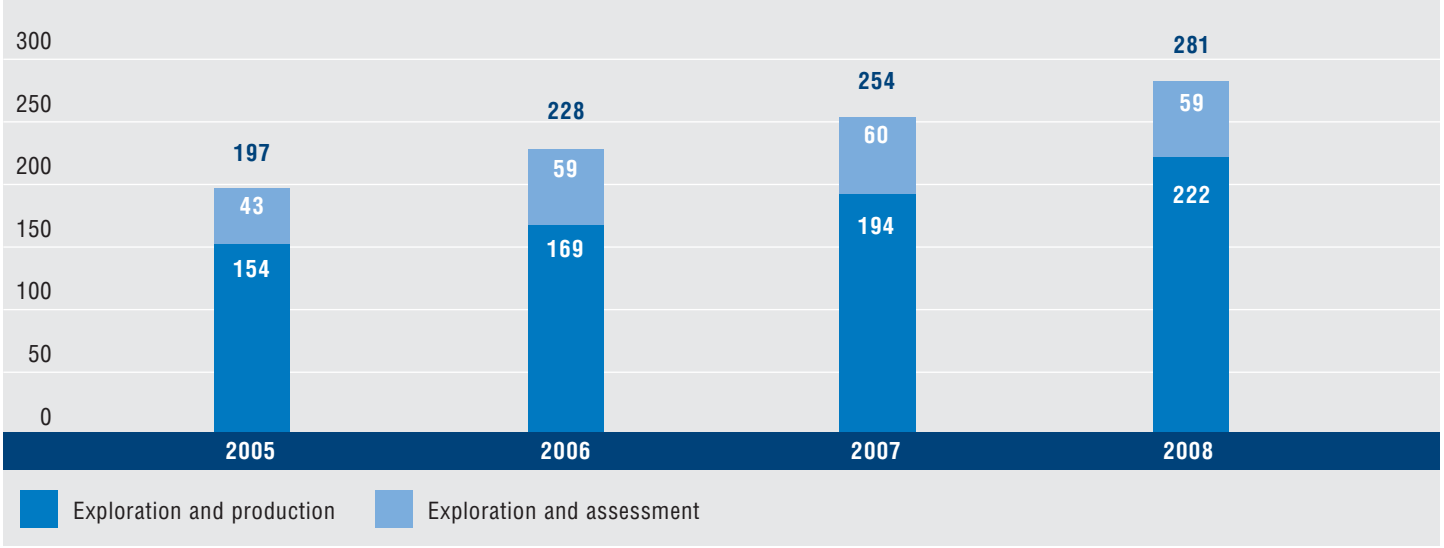
GAZPROM IN DEVELOPMENT, 2004–2008

RESOURCE BASE

LICENSES

Exploration and production of the subsoil resources in the Russian Federation are subjected to state licensing. Most of *Gazprom Group's* licenses for the exploration, development and production of hydrocarbons were received in 1993–1996 in accordance with the Subsoil Resources Law. The validity period of most licenses expires after 2012. Since the holders of *Gazprom Group's* licenses comply with the basic terms and conditions of license agreements they are entitled to the extension of the existing licenses to complete field exploration or development. *Gazprom* plans to have its licenses extended till the field development stops being cost-efficient.

GAZPROM GROUP LICENSES TO STUDY, EXPLORE AND PRODUCE HYDROCARBONS BY TYPE



GAZPROM GROUP LICENSES AS OF 31.12.2008.

License holder	Licenses			
	Exploration, assessment and production	Exploration and production	Exploration and assessment	Total
OAO Gazprom	22 (1)	15	20(14)	57(15)
OOO Gazprom dobycha Astrakhan	1	1	0	2
OOO Gazprom transgaz Makhachkala	3	0	1	4
OOO Kubangazprom	3	48	4	55
OOO Gazprom dobycha Nadym	2	7	5	14
OOO Gazprom dobycha Noyabrsk	5	5	2	12
OOO Gazprom dobycha Orenburg	1	2	5	8
OOO Gazprom pererabotka	0	5	5	10
OOO Gazprom transgaz Surgut	1	1	0	2
OOO Gazprom transgaz Yugorsk	0	3	0	3
OOO Gazprom transgaz Yekaterinburg	1	0		1
OOO Gazprom dobycha Urengoy	1	5	0	6
OOO Gazprom dobycha Yamburg	1	4	0	5
OAO Severneftegazprom	0	1	0	1
OAO Vostokgazprom	4	0	0	4
OOO Sevmorneftegaz	0	2	0	2
ZAO Gazprom neft Orenburg (former – ZAO Stimul)	0	1	0	1
OAO Tomskgazprom	0	5	0	5
OOO Servisneftegas	1	1	0	2
OAO Krasnoyarskgazprom	0	0	1	1
OOO Kranoyarskdobycha	2	1	1	4

License holder	Licenses			
	Exploration, assessment and production	Exploration and production	Exploration and assessment	Total
ZAO Purgas	0	1	0	1
OAO Kalmgas	0	2	0	2
OOO GPK Kuznetsk	1	0	0	1
Group Gazprom Neft	16	41	15	72
OAO Uzhnaya neftyanaya kompania	2	0	0	2
Group Gazprom (UK) Limited	2 (2)	0	0	2(2)
Gazprom Libya	2 (2)	0	0	2(2)
Total	**71(5)**	**151**	**59(14)**	**281(19)**

Note: The licenses in the brackets are those for the use of mineral resources outside the Russian Federation.

AFFILIATED COMPANIES LICENSES AS OF 31.12.2008

License holder	Licenses			
	Exploration, assessment and production	Exploration and production	Exploration and assessment	Total
ZAO Nortgas	0	1	0	1
OAO NGK Slavneft	11	27	1	39
OAO Tomskneft VNK	1	30	0	31
Sakhalin Energy Investment Company Ltd.	2	0	0	2
OOO Kaspiyskaya NK	0	0	1	1
ZAO Pechorneftegazprom	0	1	0	1
OOO CentrCaspneftegaz	0	0	1	1
OAO Uralneftegazprom	0	6	0	6
Total	**14**	**65**	**3**	**82**

LICENSE EXPIRATION DATES OF GAZPROM GROUP MAIN HYDROCARBON FIELDS

License holder	Name of the field	Type of the field	License expiration year
OAO Gazprom	Zapadno-Tambeyskoe	oil-gas condensate	2028
	Kruzenshternskoe	gas condensate	2028
	Uzhno-Kruzenshternskoe	gas	2028
	Malyginskoe	gas condensate	2028
	Severo-Tambeyskoe	gas condensate	2028
	Tasiyskoe	gas condensate	2028
	Antypajutinskoe	gas	2028
	Zapadno-Astrakhanskoe	gas condensate	2024
	Dolginskoe	oil	2025
	Severo-Kamennomysskoe	gas condensate	2026
	Kamennomysskoye more	gas	2026
	Chikanskoe	gas condensate	2028
	Chayadinskoe	oil-gas condensate	2028
	Semakovskoe	gas	2028
	Kitinskoe	gas condensate	2028
	Tota-Yahinskoe	gas	2028
	Bao-Vang (block № 112 of Vietnam continental)	gas condensate	2025
OOO Gazprom dobycha Astrakhan	Astrakhanskoe	gas condensate	2019
OOO Gazprom dobycha Nadym	Medvezhye	oil-gas condensate	2018
	Ubileynoe	oil-gas condensate	2018
	Yamsoveiskoye	gas condensate	2018
	Kharasaveiskoye	gas condensate	2019
	Bovanenkovskoye	oil-gas condensate	2018
	Novoportovskoye	oil-gas condensate	2019
OOO Gazprom dobycha Noyabrsk	Vyngapurovskoye (Cenomanian)	gas	2012
	Komsomolskoye (Cenomanian)	gas	2012
	Yety-Purovskoye (Cenomanian)	gas	2014
	Zapadno-Tarkosalynskoe	oil-gas condensate	2018
	Vyngayakhinskoye (Cenomanian)	gas	2019

License holder	Name of the field	Type of the field	License expiration year
ZAO Purgas	Gubkinskoe (Cenomanian)	gas	2014
OOO Gazprom dobycha Orenburg	Orenburgskoe	oil-gas condensate	2018
OOO Gazprom pererabotka	Vuktylskoe	oil-gas condensate	2016
OAO Severneftegazprom	Uzhno-Russkoe	oil-gas condensate	2018
ZAO Gazprom neft Orenburg (former – ZAO Stimul)	Orenburgskoye (eastern section)	oil-gas condensate	2018
OOO Gazprom dobycha Urengoy	Urengoyskoye	oil-gas condensate	2013
	Yen-Yakhinskoye	oil-gas condensate	2013
	Severo-Urengoyskoye (Cenomanian)	gas	2013
	Pestsovoye	oil-gas condensate	2019
	Uzhno-Pestsovoe	gas condensate	2027
	Severo-Samburgskoye	oil	2027
OOO Gazprom dobycha Yamburg	Yamburgskoye	oil-gas condensate	2018
	Zapolyarnoye	oil-gas condensate	2018
	Tazovskoye	oil-gas condensate	2025
	Severo-Parusovoe	gas	2027
OAO Tomskgazprom	Myldzhinskoye	gas condensate	2019
OOO Krasnoyarskgazdobycha	Sobinskoye	oil-gas condensate	2028
OOO Sevmorneftegaz	Shtokmanovskoye	gas condensate	2043
	Prirazlomnoye	oil	2043
Group Gazprom Neft	Muravlenkovskoye	gas-oil	2013
	Novogodneye	gas-oil	2013
	Priobskoye (southern area)	oil	2013
	Sporyshevskoye	oil	2047
	Sugmutskoye	oil	2050
	Sutorminskoye	oil-gas condensate	2013
	Vyngapurovskoye (Yamalo-Nenetski AO)	oil-gas condensate	2013
	Vyngapurovskoye (Khanty-Mansiyski AO)	oil-gas condensate	2014
	Vyngayakhinskoye	gas-oil	2013

GEOLOGICAL EXPLORATION

Gazprom Group is currently engaged in the projects for the exploration of new hydrocarbon deposits in Russia and abroad. The bulk of this activity is concentrated in six federal districts (FD) of Russian Federation: Ural FD (the Yamalo-Nenetski autonomous region, the Khanty-Mansiyski autonomous region, and the Sverdlovsk region), North-Western FD (the Nenets autonomous region and the Republic of Komi), Southern FD (the Astrakhan region, the Krasnodar area, and the Stavropol area), Privolzhsky FD (the Orenburg region), Siberian FD (the Tomsk region, the Krasnoyarsk area, and the Irkutsk region), Far Eastern FD (Kamchatka, Chukotka and Taymyr). Foreign projects include *Gazprom's* activities in Central Asia, India, Vietnam, Venezuela, Libya, Algeria; the question of entering oil and gas projects in Bolivia is being negotiated (blocks in Sunchal, Asero, Ipati and Akio), also in Syria, Iran , Indonesia, Iraq.

Aiming at the recovery of its hydrocarbon reserves, *Gazprom* continues implementing its Program for the mineral base development for the period up to 2030, which defines the main areas in geological exploration work and license policy of the *Group* (exclusive of *Gazprom Neft*) in Russia.

The Program envisages:

- maintaining parity between the increase in hydrocarbon reserves and production for the period up to 2010 and ensuring the expanded reproduction of reserves later on;
- carrying out geologic exploration work in the areas of well-established natural gas production (the Nadym-Pur-Tazovsky region and the Precaspian oil-and-gas bearing province) and developing new gas bearing regions (the Yamal Peninsula, the shelf in the Arctic seas, Eastern Siberia, and Russian Far East);
- carrying out geologic exploration work in the areas of well-established natural gas production (the Nadym-Pur-Tazovsky region and the Precaspian oil-and-gas bearing province) and developing new gas bearing regions (the Yamal Peninsula, the shelf in the Arctic seas, Eastern Siberia, and Russian Far East);
- increasing natural gas reserves by 23.5 tcm and condensate and oil reserves by 3.4 billion tons in the period from 2002 through 2030.

The implementation of the Program between 2002–2008 resulted in increase of A+B+C1 gas reserves by 3.6 tcm and 132.7 million tonnes of oil and gas condensate through geologic exploration work.

MAJOR EXPLORATION METRICS (RUSSIA ONLY)

	2004	2005	2006	2007	2008
Exploration well drilling, thousand m	125.2	136.3	177.7	207.6	284.9
2D seismic survey, thousand km	8.3	9.8	9.2	6.4	12.4
3D seismic survey, thousand square km	2.3	3.2	7.9	5.7	6.6
Gas reserves growth due to exploration, bcm	378.1	583.4	590.9	592.1	583.4
Oil and condensate reserves growth due to exploration, million tons	17.2	33.0	58.8	29.6	61.0
Drilling efficiency, tce/m*	3,681.5	5,285.6	4,310.5	3,495.2	2,669.3

* For conversion of 1,000 cubic meters of natural gas and gas condensate into 1 tonn of coal equivalent, the conversion ratios 1.154 and 1.43 are used respectively.
Note: data on *Gazprom Neft Group* have taken from 2006

NEW FIELDS DISCOVERED BY GAZPROM IN RUSSIA IN 2004–2008

Name of the field	Location	Type of the filed	Year of reserves booking
Grechanoe	Krasnodarsky krai	gas	2004
Yuzhno-Chernoerkovskoye	Krasnodarsky krai	oil	2004
Peschanoe	Krasnodarsky krai	oil-gas condensate	2004
Zapadno-Kazachye	Krasnodarsky krai	gas	2004
Beryambinskoye	Krasnodarsky krai	gas condensate	2004
Ninelskoye	Yamalo-Nenetski AO	oil	2005
Chugoryakhinskoye	Kara sea	gas condensate	2005
Vostochno-Peschanoe	Orenburg region	oil	2005
Severo-Yuguidskoye	Komi Republic	oil-gas condensate	2005
Zapadno-Astrakhanskoye	Astrakhan region	gas condensate	2005
Chikanskoye	Irkutsk region	gas condensate	2006
Akobinskoye	Orenburg region	gas condensate	2006
Karmalinovskoye	Stavropolsky krai	gas condensate	2006
Uzhno-Noyabrskoe	Yamalo-Nenetski AO	oil	2006
Kutymskoye	Yamalo-Nenetski AO	gas condensate	2007
Zapadno-Pestsovoye	Yamalo-Nenetski AO	gas condensate	2007
Vorgenskoe	Yamalo-Nenetski AO	oil	2007
Yuzhno-Karasevskoye	Yamalo-Nenetski AO	gas condensate	2007
Kamovskoe	Krasnodarsky krai	oil	2008
Zapadno-Rozhdestvenskoe	Orenburg region	oil	2008
Valyntoiskoe	Yamalo-Nenetski AO	oil	2008

RESERVES

Main Differences between Russian Reserves System and International Standards

Gazprom's hydrocarbon reserves are estimated using both the Russian reserves system and international methodologies developed as part of the Petroleum Resources Management System (PRMS Standards) and by the US Securities and Exchange Commission (SEC Standards).

PRMS was approved by the Society of Petroleum Engineers (SPE), the World Petroleum Council, the American Association of Petroleum Geologists, and the Society of Petroleum Evaluation Engineers in March 2007. PRMS – a new international reserve evaluation standard replaced SPE definitions published in 1997. Independent petroleum engineering companies have been auditing *Gazprom's* reserves in accordance with the international standards since 1997.

The Russian reserves system differs significantly from the international standards in particular with respect to the manner in which and the extent to which commercial factors are taken into account in calculating reserves.

Russian Reserves System

The Russian reserves system is based solely on an analysis of the geological attributes of reserves and takes into consideration the actual physical presence of hydrocarbons in geological formations or the probability of such physical presence. Explored reserves are represented by categories A, B, and C_1; preliminary estimated reserves are represented by category C_2; prospective resources are represented by category C_3; and forecasted resources are represented by categories D_1 and D_2.

According to the Russian reserves system, explored natural gas reserves in categories A, B and C_1 are considered to be fully extractable. For oil and gas condensate reserves special index of extraction is used. This index is calculated taking into account geological and technical factors.
Category A reserves are calculated on the part of a deposit drilled in accordance with an approved development project for the oil or natural gas field. They represent reserves that have been analyzed in sufficient detail.
Category B represents the reserves of a deposit, the oil or gas content of which has been determined on the basis of commercial flows of oil or gas obtained in wells at various hypsometric depths. The main parameters and the major features of the deposit that determine the conditions of its development have been studied in sufficient detail to draw up a project to develop the deposit.
Category C_1 represents the reserves of a deposit, the oil or gas content of which has been determined on the basis of commercial flows of oil or gas obtained in wells and positive results of geologic exploration of non-probed wells. Category C_1 reserves are computed on the basis of results of geophysical exploration work and production drilling and must have been studied in sufficient detail to yield data from which to draw up either a trial industrial development project in the case of a natural gas field or a technological development scheme in the case of an oil field.
Gazprom's "proved" reserves are valuated in accordance with SEC International Standards, whereas "probable" and "possible" reserves are valuated in accordance with PRMS International Standards.

PRMS International Standards

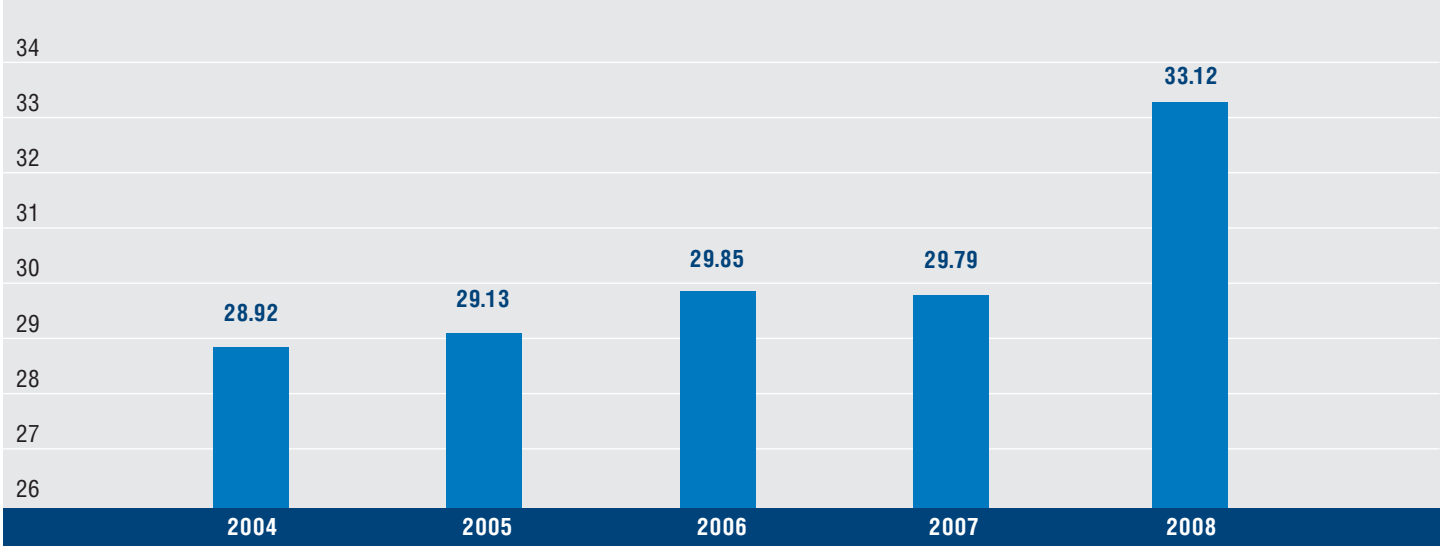
When assessing the recoverable reserves PRMS International Standards take into account not only the probability that hydrocarbons are present in a given geological formation but also the economic viability of recovering the reserves. Exploration and drilling costs, ongoing production costs, transportation costs, taxes, prevailing prices for hydrocarbons, and other factors that influence the economic viability of a given deposit are taken into consideration.
Under PRMS International Standards, reserves are classified as proved, probable and possible.
Proved reserves include reserves that are confirmed with a high degree of certainty through an analysis of the development history and/or volume method analysis of the relevant geological and engineering data. Proved reserves are those that have a better than 90 % chance of being produced based on the available evidence and taking into account technical and ecnomic factors.
Probable reserves are those reserves, in which hydrocarbons have been located within the geological structure with a lesser degree of certainty because fewer wells have been drilled and/or certain operational tests have not been conducted. Probable reserves are those that have a better than 50 % chance of being produced based on the available evidence and taking into account technical and economic factors.
An evaluation of proved and probable natural gas reserves certainly involves multiple uncertainties. The accuracy of any reserves evaluation depends on the quality of available information and engineering and geological interpretations. Based on the results of drilling, testing, and production after the audit date, reserves may be significantly restated upwards or downwards. Changes in the price of natural gas, gas condensate or oil may also affect proved and probable reserves estimates, as well as estimates of future net revenues and present worth, because the reserves are evaluated based on prices and costs as of the audit date.

Differences between PRMS International Standards and SEC Standards

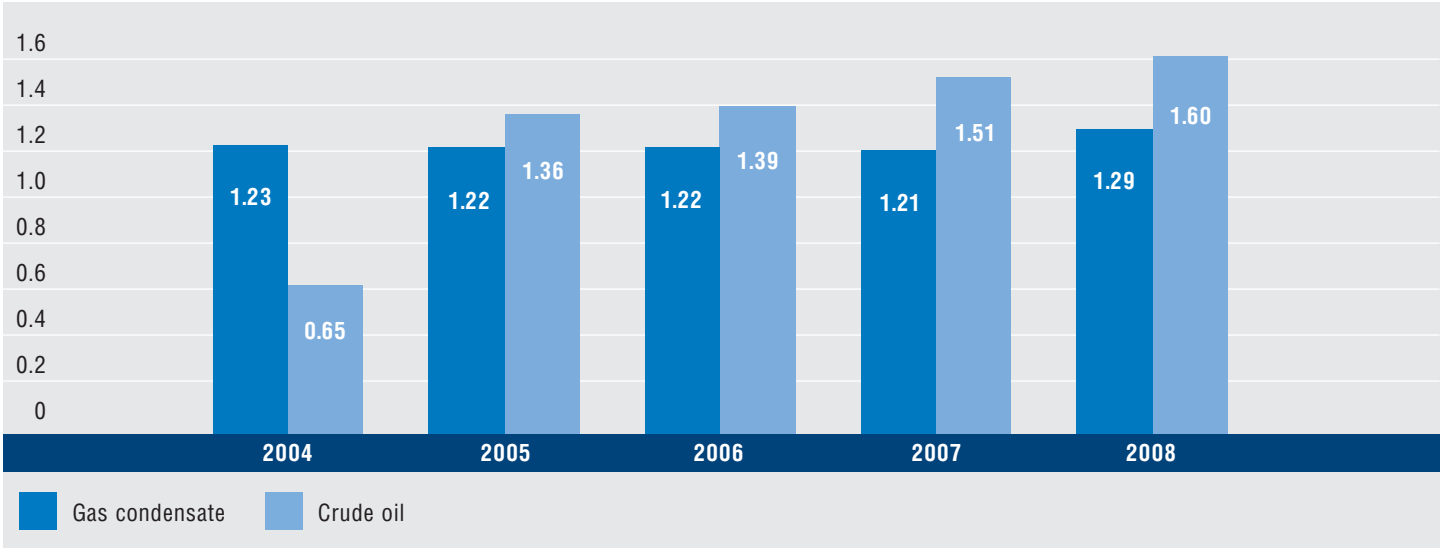
- Certainty of Existence. Under PRMS International Standards, reserves in undeveloped drilling sites that are located more than one standard inter-well distance from a commercial producing well may be classified as proved reserves if there is "reasonable certainty" that they exist.
  Under SEC Guidelines, it must be "demonstrated with certainty" that reserves exist before they may be classified as proved reserves.
- Duration of License. Under PRMS Standards, proved reserves are projected to the economic production life of the evaluated field. Under SEC Standards, oil and gas deposits may not be classified as proved reserves if they will be recovered after the expiration of the license validity period unless the license holder has the right to renew the license and there is a demonstrated history of license renewal. The Subsoil Resources Law provides that a license holder shall be entitled to request an extension of an existing license where extractable reserves remain upon the expiration of the primary term of the license, provided that the license holder is in material compliance with the license agreement.

Gazprom prepares and submits for government approval development plans for its fields based on the economic life of the field, even where this life exceeds the primary term of the associated license. *Gazprom* is in material compliance with license agreements, and will be entitled to extend them to the full economic lives of the associated fields upon the expiration of their primary validity periods. However, the absence of an absolute legal right to extension and a significant demonstrated history of extension makes it uncertain whether extractable reserves *Gazprom* plans to recover after the expiration of a current license validity period may be considered proved reserves under SEC Standards. SEC experts have not provided definitive guidance on whether in these circumstances such extractable reserves could be considered proved under SEC Standards.

GAZPROM'S NATURAL GAS RESERVES (CATEGORIES A+B+C_1), TCM



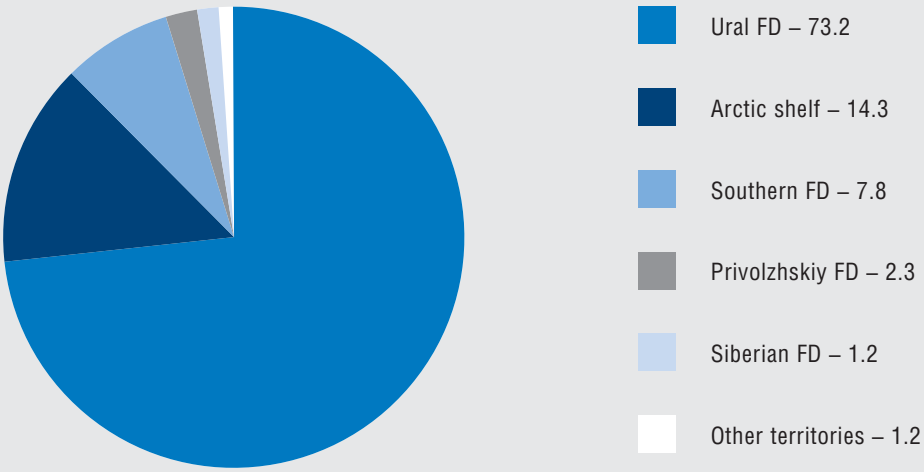
GAZPROM'S LIQUID HYDROCARBONS RESERVES (CATEGORIES A+B+C_1), BILLION TONS



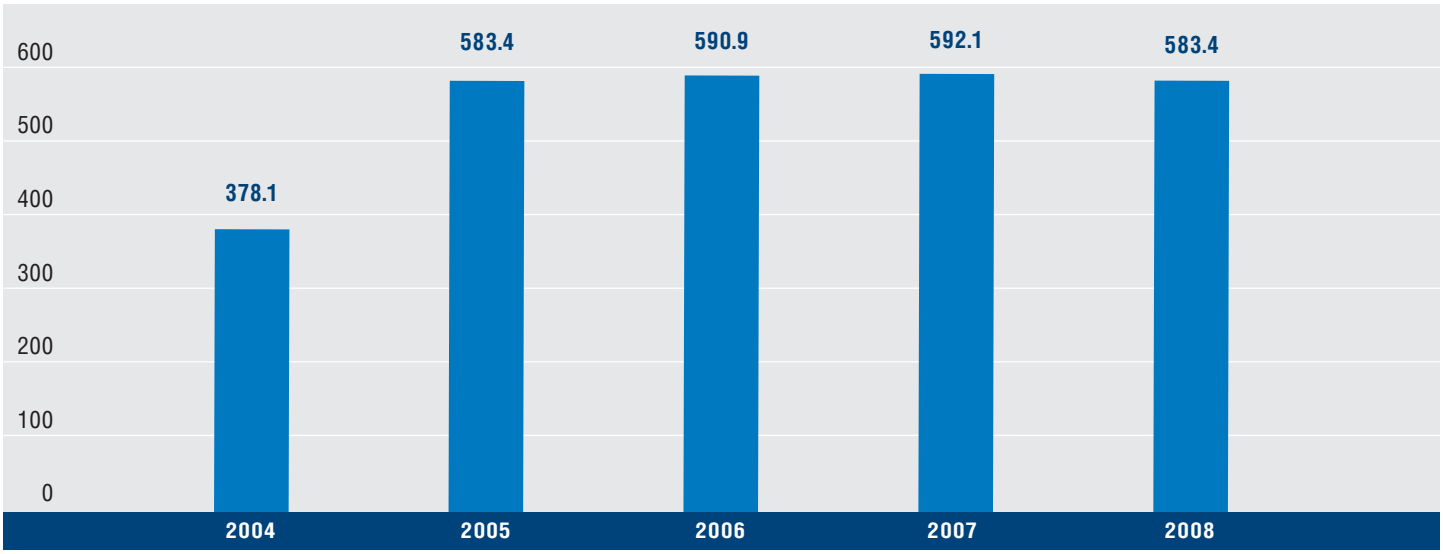
INTERNATIONAL AUDIT OF GAZPROM'S HYDROCARBON RESERVES
(IN COMPARISON WITH RUSSIAN RESERVE SYSTEM)

Reserves valuated to international standards	31.12.2004		31.12.2005		31.12.2006		31.12.2007		31.12.2008	
	Category A+B+C1, entered into audit	International standards (proved and probable)	Category A+B+C1, entered into audit	International standards (proved and probable)	Category A+B+C1, entered into audit	International standards (proved and probable)	Category A+B+C1, entered into audit	International standards (proved and probable)	Category A+B+C1, entered into audit	International standards (proved and probable)
***Gazprom's* Hydrocarbon Reserves (*Gazprom Neft* not Included)**										
Natural gas, tcm	27.7	20.9	27.6	20.66	27.8	20.73	28.3	20.82	29.00	21.03
Gas condensate, million tons	1095.2	654.84	1094.3	692.6	1,096.3	658.99	1,092	686.1	1,095.0	729.8
Crude oil, million tons	496.2	235.96	565.2	299.5	585.4	290.88	591.81	286.9	639.6	283.27
***Gazprom Neft's* Hydrocarbon Reserves**										
Crude oil, million tons	-	-	699.96	932.2	723.1	775.6	818.9	845.6	832.0	994.9
Natural gas, tcm	-	-	-	0.15	-	0.03	-	0.022	0.18	0.21

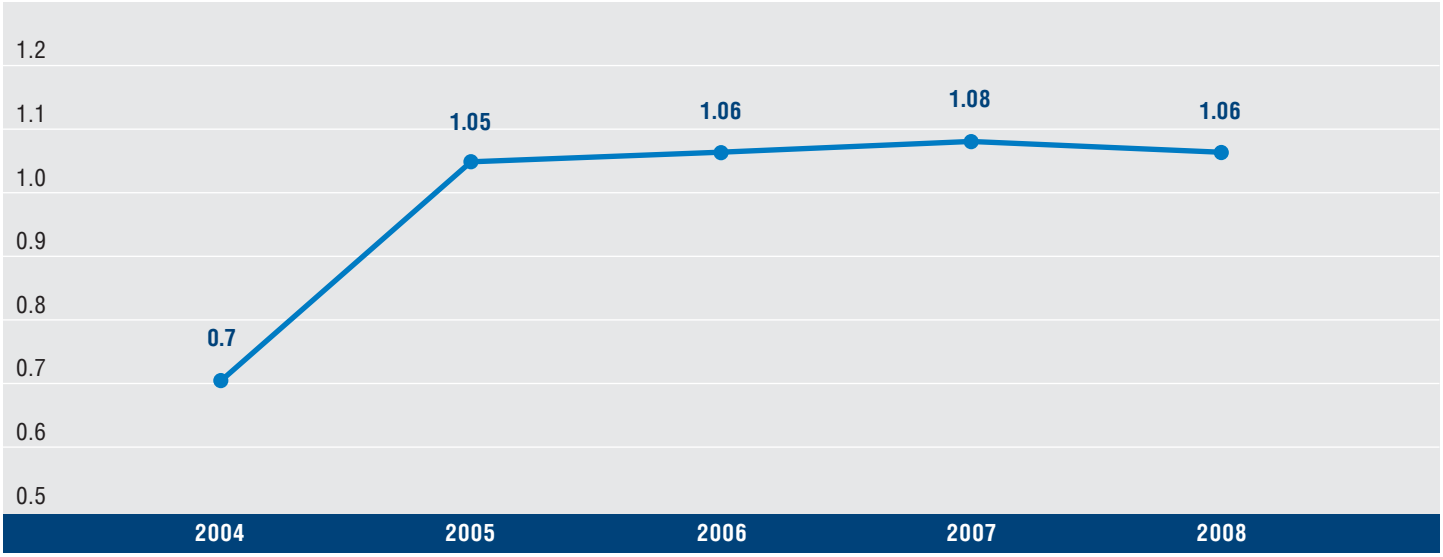
GAZPROM'S NATURAL GAS RESERVES (CATEGORIES $A+B+C_1$) BY MAJOR FIELDS (AS OF 31.12.2008)



ANNUAL NATURAL GAS RESERVES INCREMENT DUE TO GEOLOGICAL EXPLORATION, BCM



NATURAL GAS RESERVES GROWTH-TO-PRODUCTION RATIO

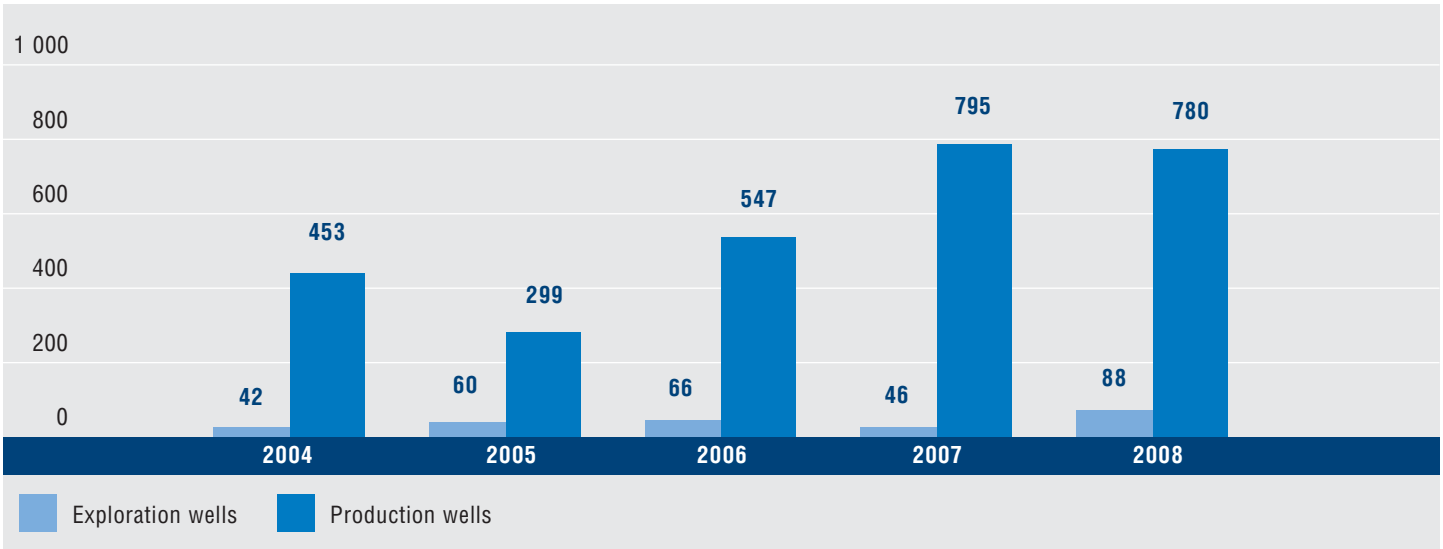


DRILLING

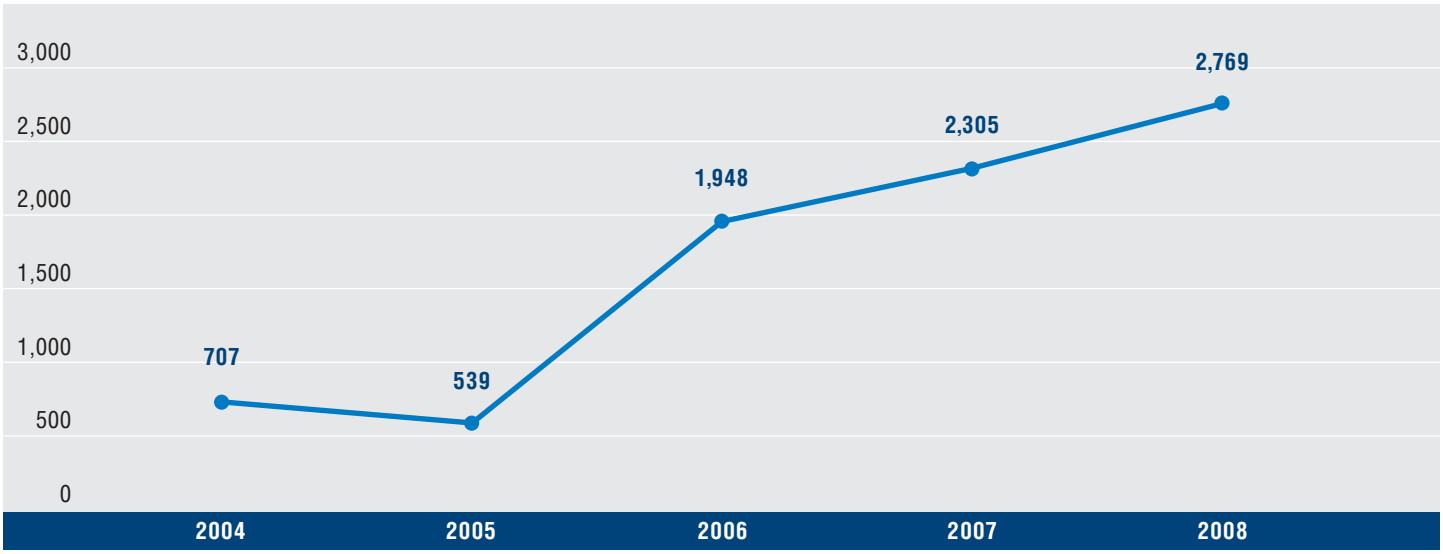
The construction of exploration and production wells in the fields by order of *Gazprom Group's* major gas production, transportation and underground storage subsidiaries is accomplished by: OOO Gazprom burenie (former OOO Burgas), OAO Podzemburgaz, OOO Gazflot, drilling departments within OOO Gazprom PHG, OOO Gazprom transgaz Makhachkala, OOO Gazprom transgaz Ekaterinburg, as well as third-party drilling contractors.

In September 2007 *Gazprom Neft* established OOO Gazpromneft-Nefteservis company for management of its oil services assets. Currently there are 10 services companies under the management of the *Group* which render multiple set of such services as field development, engineering surveys, drilling, pulling wells, geophysical services, construction of drilling units, transportation and others. More than that *Gazprom Neft* takes third party international and Russian organizations such as Shlumberger, Baker Hughes and Halliburton. *Gazprom Neft* also enlists the service of such Russian oil services companies as Neftegas Evrazia, Integra and others.

WELL CONSTRUCTION (RUSSIA ONLY), UNITS



ANNUAL TOTAL PENETRATION (RUSSIA ONLY), THOUSAND M



MAJOR TRANSACTIONS COMPLETED BY GAZPROM GROUP IN THE FIELD OF HYDROCARBON EXPLORATION AND PRODUCTION IN 2004–2008

Companies whose reserves and production are included into *Gazprom Group's* Indicators

OAO Gazprom Neft

It is one of the largest Russian vertically integrated oil companies engaged in the oil and gas exploration, production, refining, and sale.

In 2005, *Gazprom Group* acquired 75.68 % of shares of OAO Sibneft (renamed into OAO Gazprom Neft in 2006). In April 2007, Italian company ENI won the auction where 20,0002 % shares of OAO Gazprom Neft were sold. *Gazprom* signed a contract for a call option with ENI for a 2 year term that entitles it to purchase 20,0002 % of *Gazprom Neft* shares. Within the frames of contract realization OAO Gazprom purchased from ENI 20,0002 % of OAO Gazprom neft shares for 4.1 billion of USD. The *Group* share in OAO Gazprom neft capital increased up to 95,68 %.

OOO Sevmorneftegaz

It holds licenses to develop the Shtokmanovskoye and Prirazlomnoye fields.

As of December 31, 2004, *Gazprom* owned 58 % of shares of ZAO Sevmorneftegaz (converted into OOO Sevmorneftegaz in 2007). In March 2005, the *Group* purchased an additional 42 % shareholding from OAO NK Rosneft-Purneftegaz thus increasing its shareholding in ZAO Sevmorneftegaz up to 100 %.

OAO Vostokgazprom

OAO Vostokgazprom and its subsidiaries produce hydrocarbon raw materials in the Tomsk region as well as refine and sell hydrocarbons.

In April 2004, *Gazprom* acquired the additionally issued ordinary shares of OAO Vostokgazprom thus increasing its shareholding in the company up to 99.9 %

OAO Severneftegazprom

It is a production company that holds the license for the development of the Yuzhno-Russkoye field.

In 2003, *Gazprom* acquired 51 % of shares of OAO Severneftegazprom thus increasing its shareholding in the company up to 100 %.

Gazprom and BASF completed an asset swap transaction in 2007: BASF received a 25 % shareholding less one ordinary share and one preference share, which jointly represent a 35 % share in costs, risks, and benefits related to the operations of OAO Severneftegazprom. *Gazprom* increased its shareholding in Wingas GmbH from 35 % up to 50 % less one share and received a 49 % shareholding in Wintershall AG that holds licenses for the development of two Libyan oil concessions C96 and C97.

ZAO Gazprom neft Orenburg

It is a production company that holds the license for the development of the eastern part of the Orenburgskoye oil and gas condensate field.
In December 2004, the *Group* acquired a 49 % shareholding in ZAO Stimul (in 2008 it was renamed as ZAO Gazprom neft Orenburg) thus increasing its shareholding in the company up to 100 %.

OOO Purgazdobycha

The company holds the license for the production at the Zapadno-Tarkosalinskoye field.
In accordance with the agreement signed by *Gazprom* and OAO Novatek in November 2004, the *Group* acquired a 100 % shareholding in OOO Purgazdobycha. In December 2008 the company was reorganized by means of incorporation with OOO Gazprom dobycha Noyabrsk.

OAO Ravninnoye

In December 2007 OAO Gazprom Neft acquired from TNK-BP which held OAO Ravninnoye holds the license for the development of the Ravninnoye oil field (located in the Yamal-Nenets autonomous region) with oil reserves (categories C_1+C_2) estimated at 7.2 million tons. In 2008 the company joined OAO Gazpromneft-Noyabrskneftegas which is within *Gazprom Neft Group*. The license for Ravninnoe field was reissued for OAO Gazpromneft-Noyabrskneftegas.

ZAO Pechora Neftegaz

In November 2007, OAO Gazprom Neft established control over OOO Pechora Neftegaz (in 2008 it was reorganized into ZAO Pechora Neftegaz) that holds the license to the Severo-Romanonsky licensed area with extractable oil reserves (categories C_1+C_2) of 6.0 million tons.

ZAO Neftegazovoe predpriyatie Ortyagunskoye

The Ortyagunsky promising area borders on *Gazprom Neft's* Sporyshevskoye and Sredne-Iturskoye fields. Category C_3 resources at the area are estimated at 19.7 million tons of oil.
OAO Gazprom Neft received a controlling interest in the OOO NPG Ortyagunskoye (in 2008 it was reorganized into ZAO Neftegazovoe predpriyatie Ortyagunskoye) in November 2007.

Companies, whose Reserves and Production are Included into the Associated Companies' Indicators

ZAO Nortgaz

The company has been operating since 1993 and holds licenses for the development of the Neocomian deposits of the Severo-Urengoyskoye field. The title to 51 % of ordinary shares of ZAO Nortgaz was transferred to the *Group* in September 2005. However, in accordance with the company's foundation documents the said shareholding does not provide *Gazprom Group* with control over ZAO Nortgaz.

OAO Sibneftegaz

The company holds licenses for the exploration and development of hydrocarbons at four licensed areas in the Yamal-Nenets autonomous region: the Beregovoye, Pyreynoye, Zapadno-Zapolyarnoye, and Khadyryakhinskoye fields. The aggregate natural gas reserves (categories C_1+C_2) for these areas are estimated at 407 bcm as of December 31, 2007 and the aggregate gas production potential amounts to some 12 bcm per year. The Beregovoye field was commissioned in April 2007 with a current daily natural gas production of some 20 million tons.
In December 2006, a subsidiary AB Gazprombank (ZAO) (currently called Gazprombank (OAO)) acquired a 51 % shareholding in OAO Sibneftegaz. In accordance with the company's foundation documents such shareholding does not provide *Gazprom Group* with control over OAO Sibneftegaz.

"Sakhalin-2" Project

It is one of the world's largest comprehensive oil-and-gas projects that covers the development of the Piltun-Astokhskoye oil field and the Lunskoye gas field with reserves (categories C_1+C_2) totaling 173.4 million tons of oil and gas condensate and some 634 bcm of natural gas. The "Sakhalin-2" project is regulated by the Production sharing agreement.
In April 2007, *Gazprom* completed a transaction, through which it acquired a 50 % shareholding plus one share in Sakhalin Energy Investment Company Ltd. that is the operator of the "Sakhalin-2" project. In December 2008 within the frames of "Sakhalin-2" Project export of crude oil started to operate all year round, also on 18 February 2009 the first LNG plant in Russia was commissioned.

OAO Tomskneft VNK

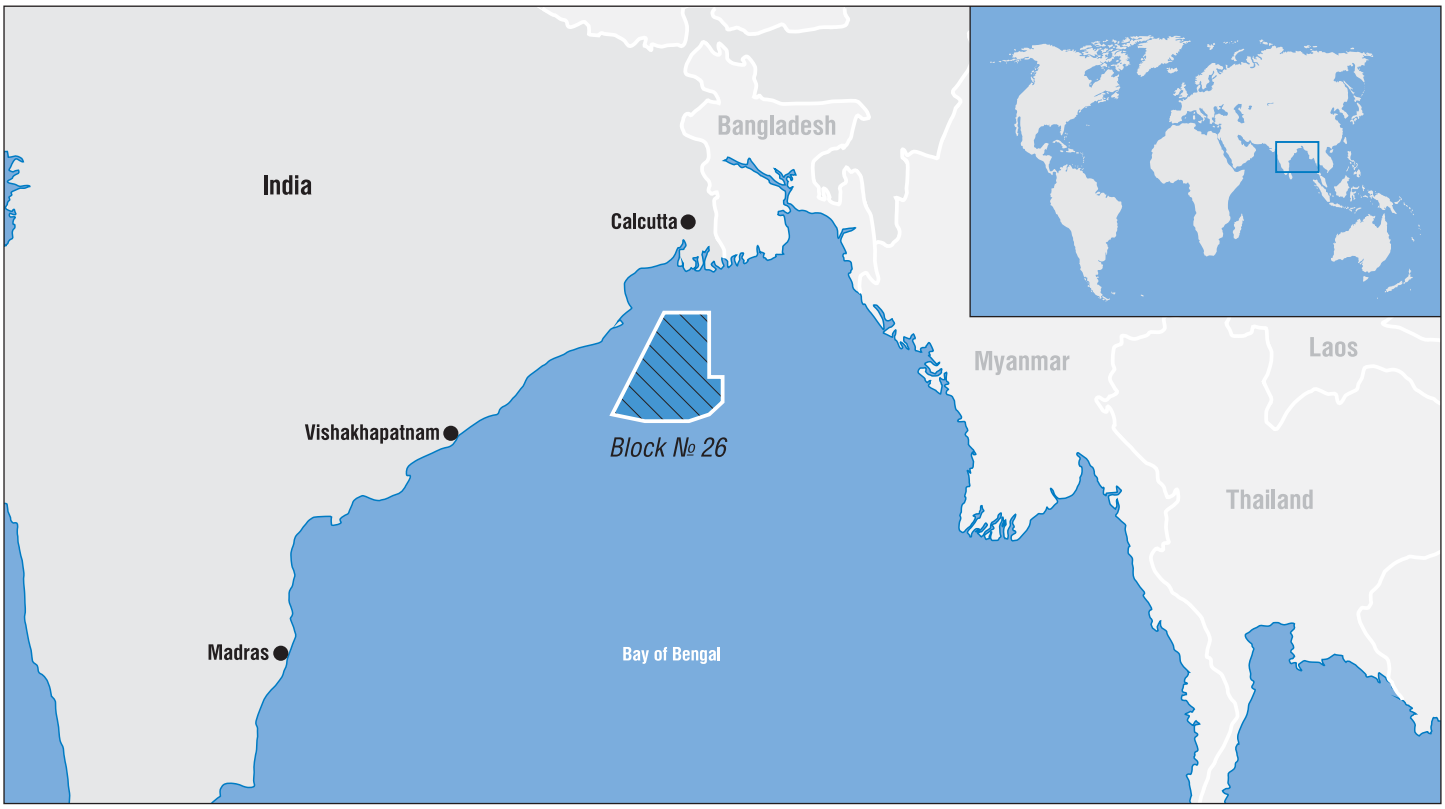
OAO Tomskneft VNK holds licenses for the development of fields in the Tomsk region and the Khanty-Mansiisk autonomous region. In December 2007, *Gazprom Neft* acquired 50 % of shares of the oil company OAO Tomskneft

VNK from an organization affiliated with OAO Rosneft (OOO Neft Aktiv). The terms and conditions of the transaction envisage that the company's owners should coordinate the decisions concerning major issues of its operation.

GAZPROM GROUP'S MAJOR PROJECTS IN THE FIELD OF HYDROCARBON SEARCH, EXPLORATION, AND PRODUCTION IN FOREIGN COUNTRIES

India

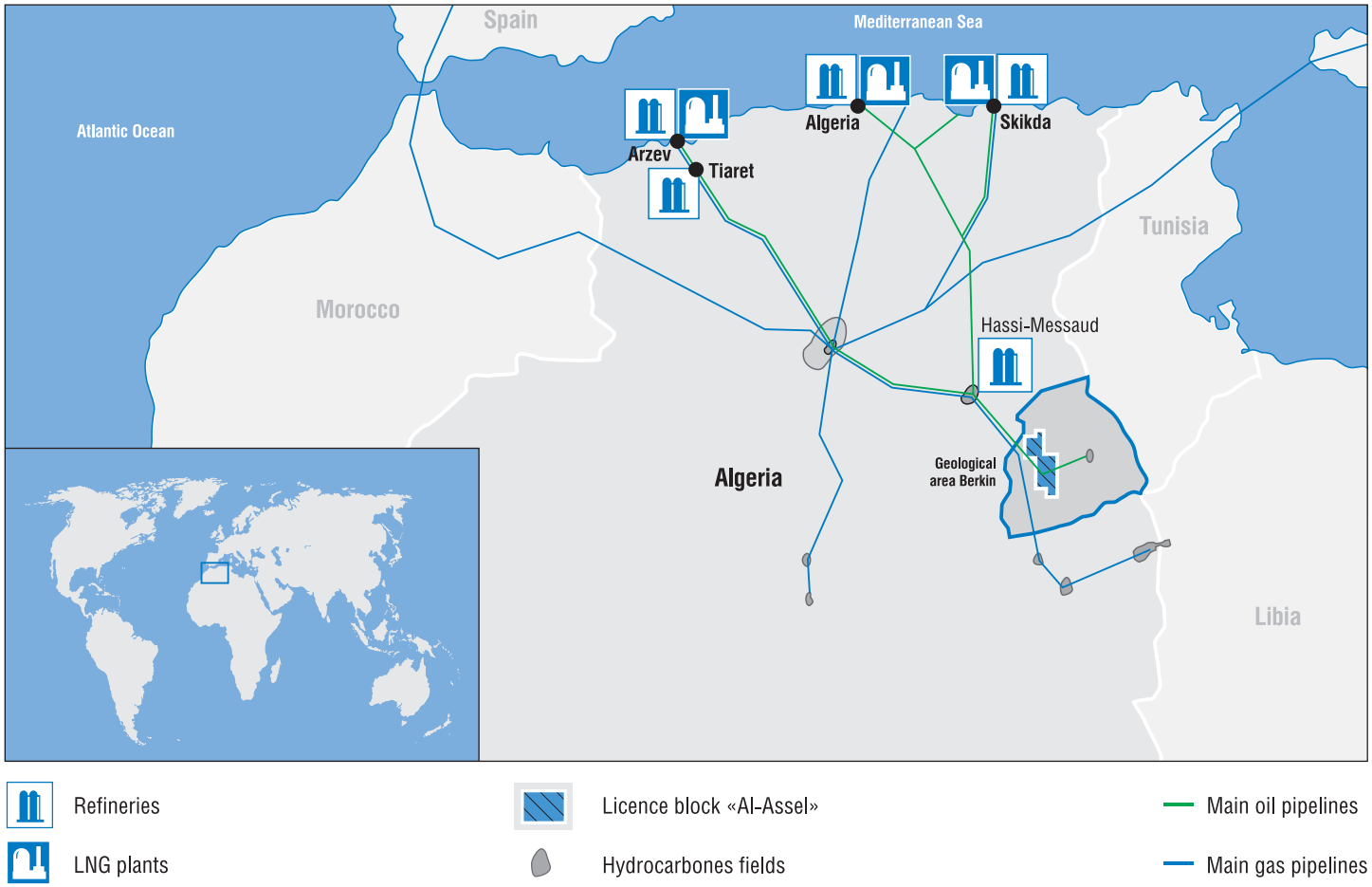
EXPLORATION DRILLING AND SEISMIC SURVEY REGION IN INDIA (BLOCK 26)



- Project purpose and description:
  Search, exploration and production of hydrocarbons in the block NEC-OSN-97/1 (№ 26) of the Indian shelf in the Bay of Bengal.
- Project start: 2000
  The license for the search and exploration of hydrocarbons was provided for the period from 2000 through 2010 with further development of the discovered fields for 20 years.
- Legal basis and participants:
  Production sharing agreement between the Government of India, OAO Gazprom and Gas Authority of India, Ltd. (GAIL) dated October 3, 2000, as well as the working Agreement signed by OAO Gazprom and GAIL on June 7, 2001. On September 2007, GAIL (Indian partner of OAO Gazprom under the Production sharing agreement within with regard to the development of Block № 26 on the Indian shelf in the Bay of Bengal) addressed OAO Gazprom with the statement that the Gazprom-GAIL consortium had fully completed its minimum obligations regarding geologic exploration phase II and informed it about its decision not to carry out any further search and exploration work within geologic exploration phase III.
- *Gazprom Group's* share: 100 %
- Total reserves estimate: 375 million tce
- Project progress:
  Phase III of the Program of geologic exploration work involved carrying out 2,824 line km of 2D seismic survey within the western part of the block; preparation for drilling the third exploration well NEC-W-1 is now underway. The expected incremental growth in natural gas reserves of the block is about 70.7 bcm. It is expected that the field exploration will be completed and reserves estimated in 2012.

Algeria

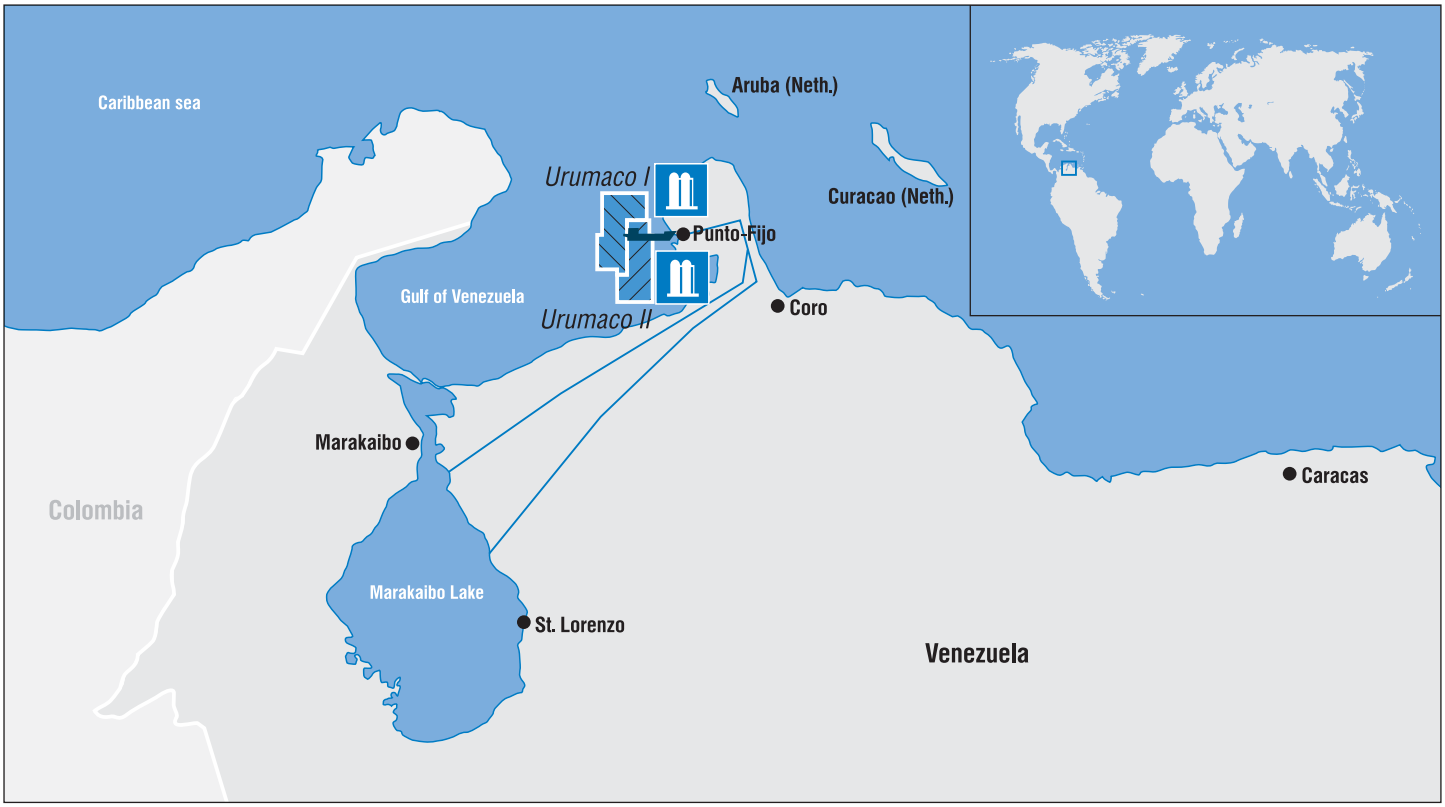
LICENSED AREA EL ASSEL IN ALGERIA



- Project purpose and description:
  Hydrocarbon exploration and development in the onshore area El Assel located in the Berkine geological Basin in Algeria.
- Project start: 2009
- Legal basis and participants:
  In December 2008, OAO Gazprom was announced as the winner of the tender for hydrocarbon exploration and development in the onshore area El Assel. The area includes licensed blocks 236b, 404a1, and 405b1. The contractual documents were signed on January 17, 2009. On 3d of May 2009, the contractual documents came into effect. OAO Gazprom partner is the Algerian state oil and gas company Sonatrach. The customer for the work is the Algerian National Agency for the Valorization of Hydrocarbon Resources (ALNAFT).
- *Gazprom Group's* share: 49 %.
- Reserves estimate: about 30 million tons of oil.
- Project progress:
  In 2008, geologic exploration work was carried out. *Gazprom* plans to invest about US $ 120 million into geologic exploration work under this project (2,700 square km of 3D seismic survey and drilling four exploration wells). Project management bodies and technical groups were established. Organizational measures are carried out to select a contractor on a tender basis for carrying out seismic survey. Seismic survey is scheduled to begin in the 4th quarter of 2009 and exploration well drilling is scheduled to begin in the 1st quarter of 2010.

Venezuela

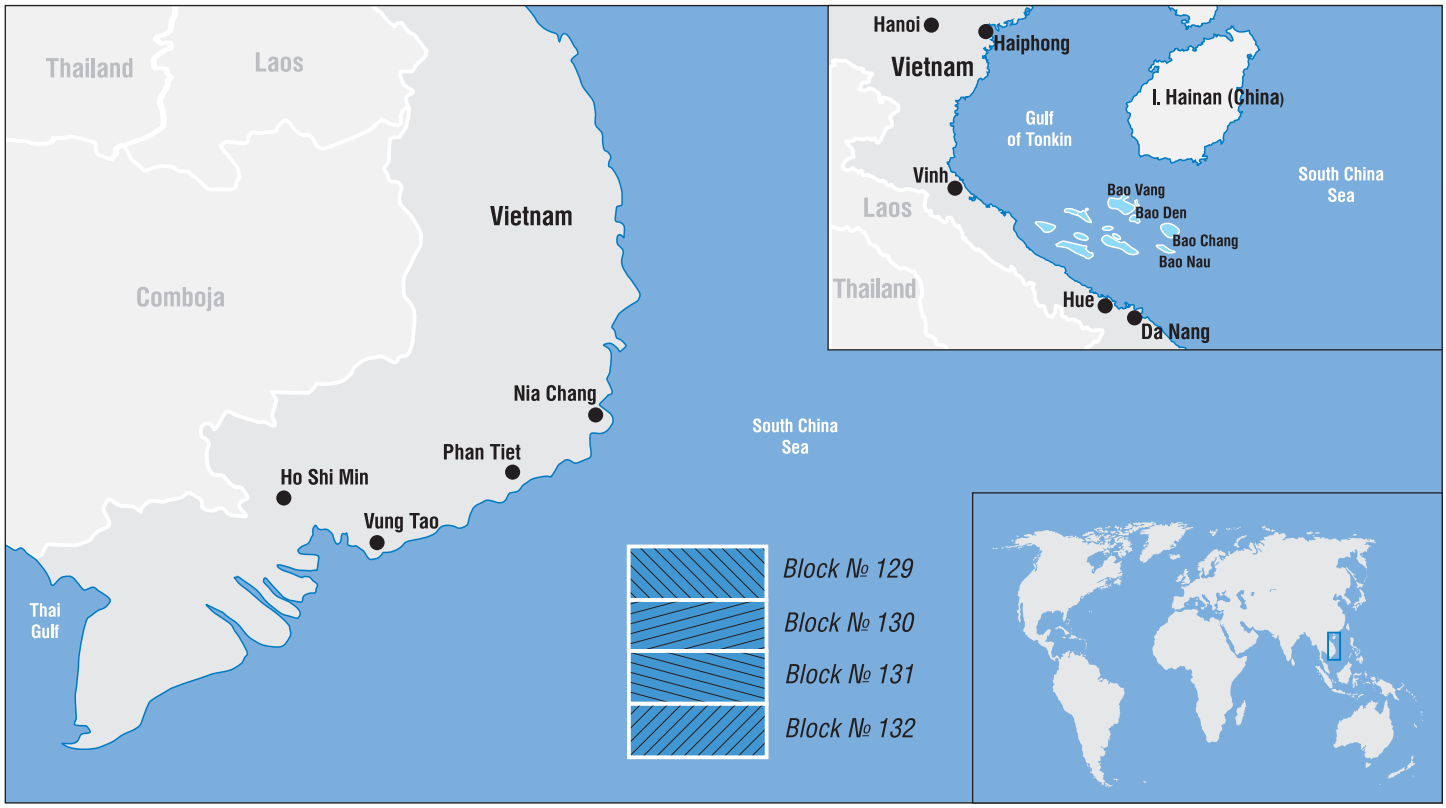
INVESTMENT BLOCKS URUMACO-I AND URUMACO-II ON VENEZUELAN SHELF



- Project purpose and description:
  Project "Rafael-Urdaneta, Phase A"; geological research and gas field development of the licensed deposits at blocks Urumaco-I and Urumaco-II in the eastern part of the Gulf of Venezuela.
- Project start: 2005
- Legal basis and participants:
  License № 334 dated October 4, 2005 (block Urumaco-I), License № 336 dated October 4, 2005 (block Urumaco-II). Licenses for geological research and gas field development at the blocks are valid for 30 years. Two companies Urdanetagazprom-1, S.A. and Urdanetagazprom-2, S.A. were established to implement this project.
- Total reserves estimate:
  block Urumaco-I: 2.2–36.5 bcm of natural gas;
  block Urumaco-II: 5.3–136.7 bcm of natural gas.
- Project progress:
  In May 2007, the first stage of geologic exploration work was completed at blocks Urumaco-I and Urumaco-II (3D seismic survey was carried out, the data were interpreted, and locations for drilling exploration wells were determined). The interpretation of seismic data revealed complex geologic structure and large depth of the deposits, which results in a considerable increase in project costs. Since August 2007, *Gazprom* has been implementing the second stage of geologic exploration work, which implies drilling two exploration wells. In November 2008, the well COR-AX started to be drilled at block Urumaco-I. In accordance with the schedule for completing the Minimum program of geologic exploration work approved by the Ministry of Energy and Oil of Venezuela, the drilling of the exploration well at block Urumaco-I is scheduled to be completed in August 2009 and in case of positive results of drilling, *Gazprom* will start drilling the first exploration well at block Urumaco-II with a designed depth of 6,100 m.

Vietnam

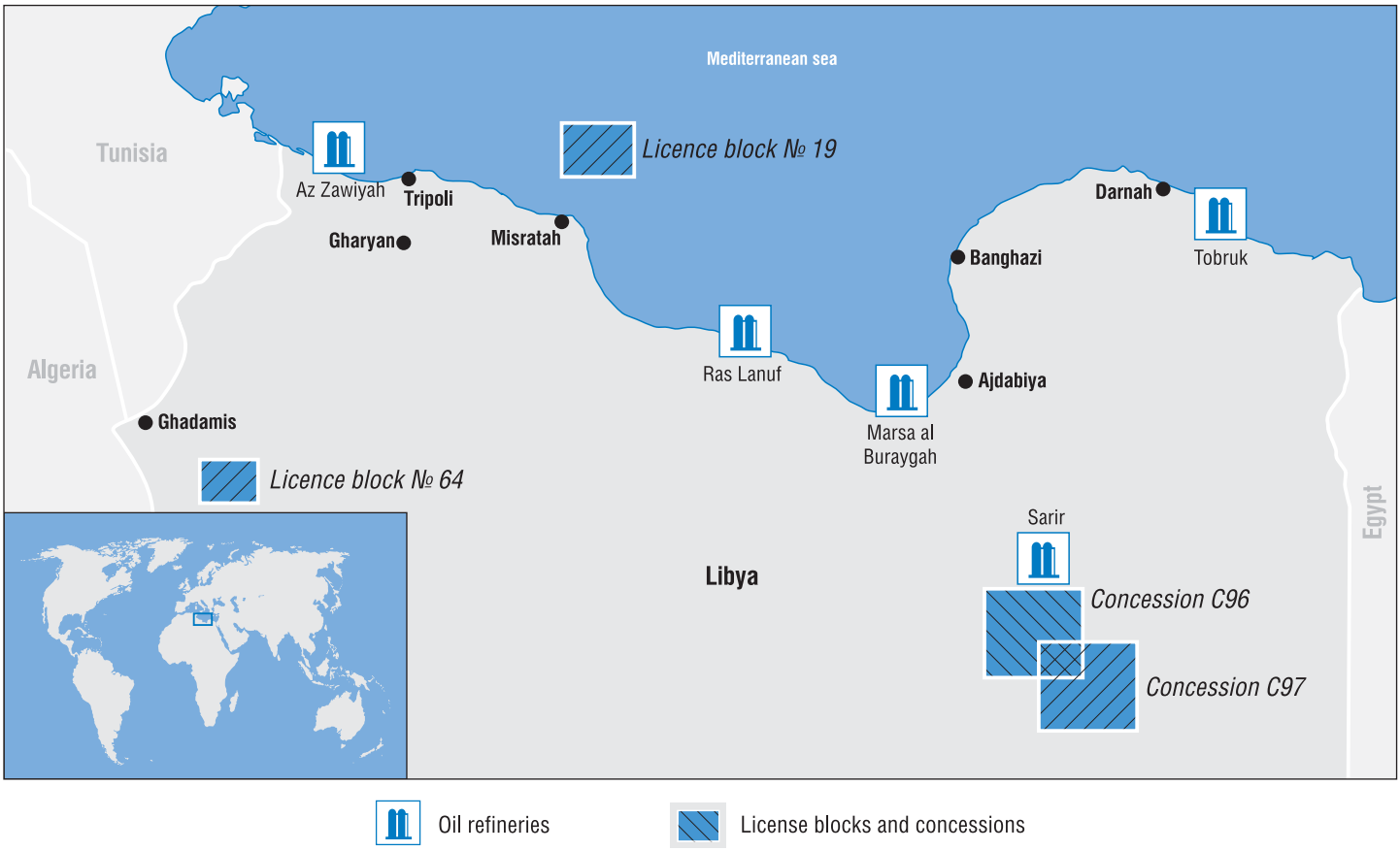
EXPLORATION DRILLING AND SEISMIC SURVEY REGION IN VIETNAM
(BLOCK № 112 INCLUDING EXTENSION) AND LOCATION OF BLOCKS № 129-132



- Project purpose and description:
  Search, exploration, production, and sales of hydrocarbons on the Vietnamese shelf in accordance with the production sharing agreement.
- Project start:
  Block № 112 – 2000
  Blocks № 129-132 – 2008
- Legal basis and participants:
  Block № 112. Oil and gas contract concerning Block № 112 of continental shelf of the Socialist Republic of Vietnam dated September 11, 2000 between VNK Petrovietnam, OAO Gazprom, NK Petrovietnam, and ZAO Zarubezhneftegaz. Project operator is joint operation company Vietgazprom.
  Blocks № 129-132. Oil and gas contract concerning Blocks № 129, 130, 131, and 132 between OAO Gazprom and VNK Petrovietnam, GKNG PVEP, and ZAO Zarubezhneftegaz. Project operator is joint operation company Vietgazprom. The oil and gas contract envisages that hydrocarbon search, exploration, production, and sales will be based on the Production sharing agreement. The contract validity period is 30 years. Seismic survey at sea is scheduled for 2009.
- Gazprom Group's share: 50 %
- Total reserves and resources estimate:
  Reserves at Block № 112 (including extension) – over 300 bcm of natural gas and over 600 thousand tons of condensate. Category C1 and C2 reserves of the Bao Vang field discovered within the block in 2007 amount to 18.6 bcm of hydrocarbon gases and 0.5 million tons of condensate;
  Reserves at Blocks № 129-132 – 700 tce
- Project progress:
  On February 13, 2008, a permit was received from the Government of the Socialist Republic of Vietnam to extend the Oil and Gas Contract over Block № 111/04, where most of the Bao Vang field is locate, which was discovered in 2007. The whole volume (2,000 km) of 2D sea seismic survey was completed in the coastal part of Blocks № 111/04 and № 112; 588,6 square km of 3D sea seismic survey was carried out in Bao Vang structure and 311,4 square km of 3D sea seismic survey was carried out in Bao Chang structure. The designed location of well VGP-113-BD-2X was determined.

Libya

HYDROCARBON EXPLORATION/SURVEY REGIONS AND CONCESSION SITES OF GAZPROM IN LIBYA
(LICENSE BLOCKS № 19 AND 64, CONCESSIONS C96 AND C97)



- Project purpose and description:
  Search, exploration, production, and sales of hydrocarbons at licensed areas № 19 and № 64 and within concessions C96 and C97 in Libya.
- Project start: 2007
- Legal basis and participants:
  Licensed areas № 19 and № 64 – Production sharing agreement with Libyan National Oil Corporation ("National Oil Company")
  Concessions C96 and C97 – participation in concessions belonging to Wintershall AG (project operator) as a result of the completion of an asset swap transaction with BASF.
- *Gazprom Group's* share:
  Licensed area № 19 – 10 %;
  Licensed area № 64 – 9.8 %;
  Concessions C96 and C97 – 49 %.
- Total reserves estimate:
  Licensed area № 19 – 300 bcm of natural gas;
  Licensed area № 64 – 20 million tons of oil;
  Concessions C96 and C97 – 90 million tons of oil.
- Project progress:
  Licensed area № 19
  The program of 3D seismic survey at this area has been completed and the seismic data are now being processed, same as those received earlier in the course of 2D seismic survey.
  Comprehensive interpretation of the seismic information is being carried out for the purpose of performing interactive analysis of the "3D cube" and preparing the final report based on the surveys. Regional summary is being developed with regard to the geologic and tectonic models of the eastern part of the Pelagic Basin, the nature and characteristics of the oil system.
  Preparatory work is underway to drill an exploration well. Pipes and other construction materials and supplies are being purchased. The drilling is scheduled to begin in 2010.

Licensed area № 64

Onshore field work was carried out that included seismic survey within the program of geologic exploration; the work is expected to be completed in June 2009. VIVID 3D seismic data were processed and comprehensive interpretation was carried out with regard to 2D/3D seismic survey data and borehole geophysics data (about 24,000 km) as well as data on more than 100 wells. The work is primarily aimed at building a regional geologic as well as structural and tectonic model of the territory in the Ghadames Basin.

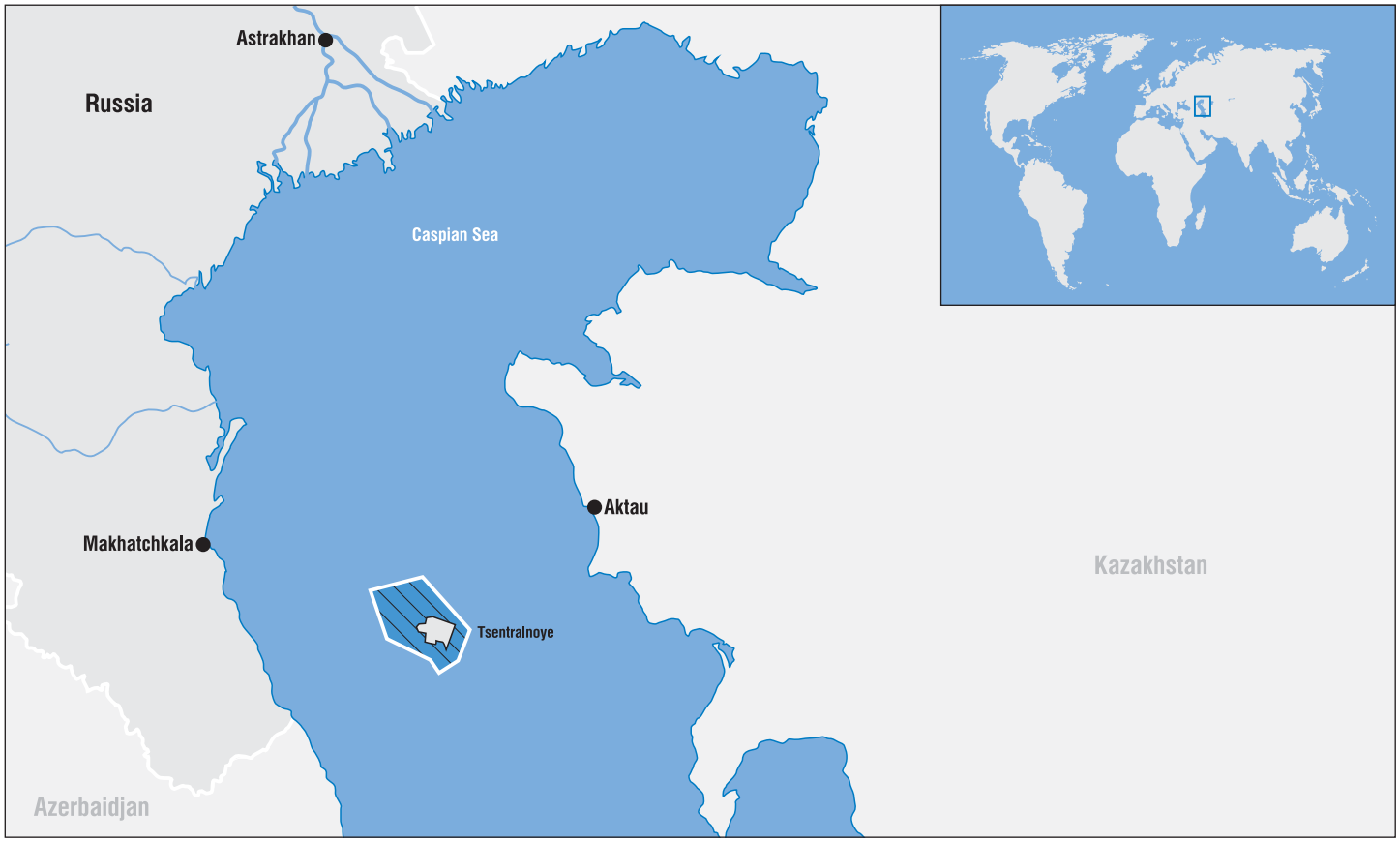
In accordance with the obligations, the geologic exploration cycle in the area involves drilling six exploration wells. The estimated depth of the wells to be drilled is 3,500 to 3,900 m. The drilling is expected to begin either in the end of August or in the beginning of September 2010.

Concessions C96 and C97

Current oil production amounts to about 2.7–2.8 million barrels per moth. Work is being carried out to increase oil production at the existing fields. Geologic exploration is also being carried out within concessions C96 and C97 in order to discover and commission new oil fields.

Kazakhstan

HYDROCARBON EXPLORATION AND SURVEY REGION IN CASPIAN SEA (THE TSENTRALNOYE FIELD)

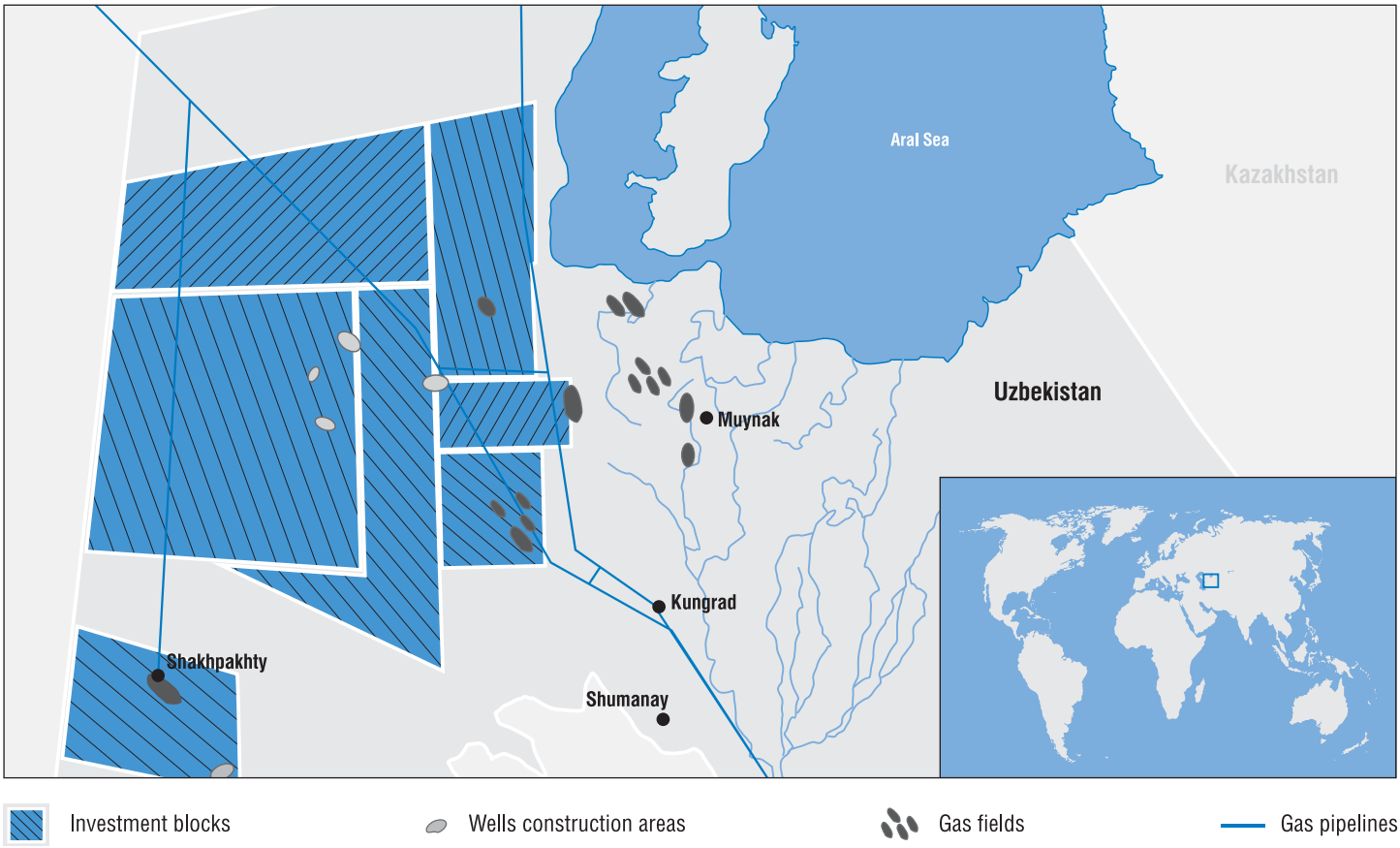


- Project purpose and description:
  Search and exploration of hydrocarbon resources in the geological structure Tsentralnaya in the Caspian Sea.
- Project start: 2003
- Legal basis and participants:
  Agreement between the Russian Federation and the Republic of Kazakhstan on the demarcation of the seabed in the northern part of the Caspian Sea for the purpose of exercising sovereign rights to use mineral resources dated July 6, 1998 (the Agreement) and Protocol to the Agreement dated May 13, 2002, which established general principles for the demarcation of the seabed of the Caspian Sea and the development of the adjacent sea fields and geological structures including the geological structure Tsentralnaya.
  For the purpose of implementing the project, the Russian side appointed an authorized company OOO Tsentr-Kaspneftegaz (established by OAO NK Lukoil and OAO Gazprom on a parity basis) whereas the Kazakhstan side appointed OA National Company KazMunayGaz.
- *Gazprom Group's* share: 25 %.
- Total reserves estimate: category C_1 reserves amount to 20.2 million tce and category C_2 reserves amount to 149 million tce of hydrocarbon raw materials.

- Project progress:
  The construction of the first exploration well with a depth of 4,227 m was completed. A new field – the Tsentralnoye field – was discovered (the Federal Agency for the use of Mineral Resources issued in November 2008 a certificate confirming the discovery of the field). In late 2008, OOO TsentrKaspneftegaz carried out 3D seismic survey and planned the beginning of the construction of the well Tsentralnaya № 2 for 4Q of 2010. OAO Gazprom and OAO NK Lukoil contemplate the issue of establishing a joint venture of OOO TsentrKaspneftegaz and OA NK KazMunayGaz in the form of a limited liability company for the purpose of acquiring rights later on to use mineral resources based on Production sharing agreements at the Tsentralnoye field.

Uzbekistan

HYDROCARBON EXPLORATION, SURVEY, AND PRODUCTION AREAS IN UZBEKISTAN
(USTYURT REGION)



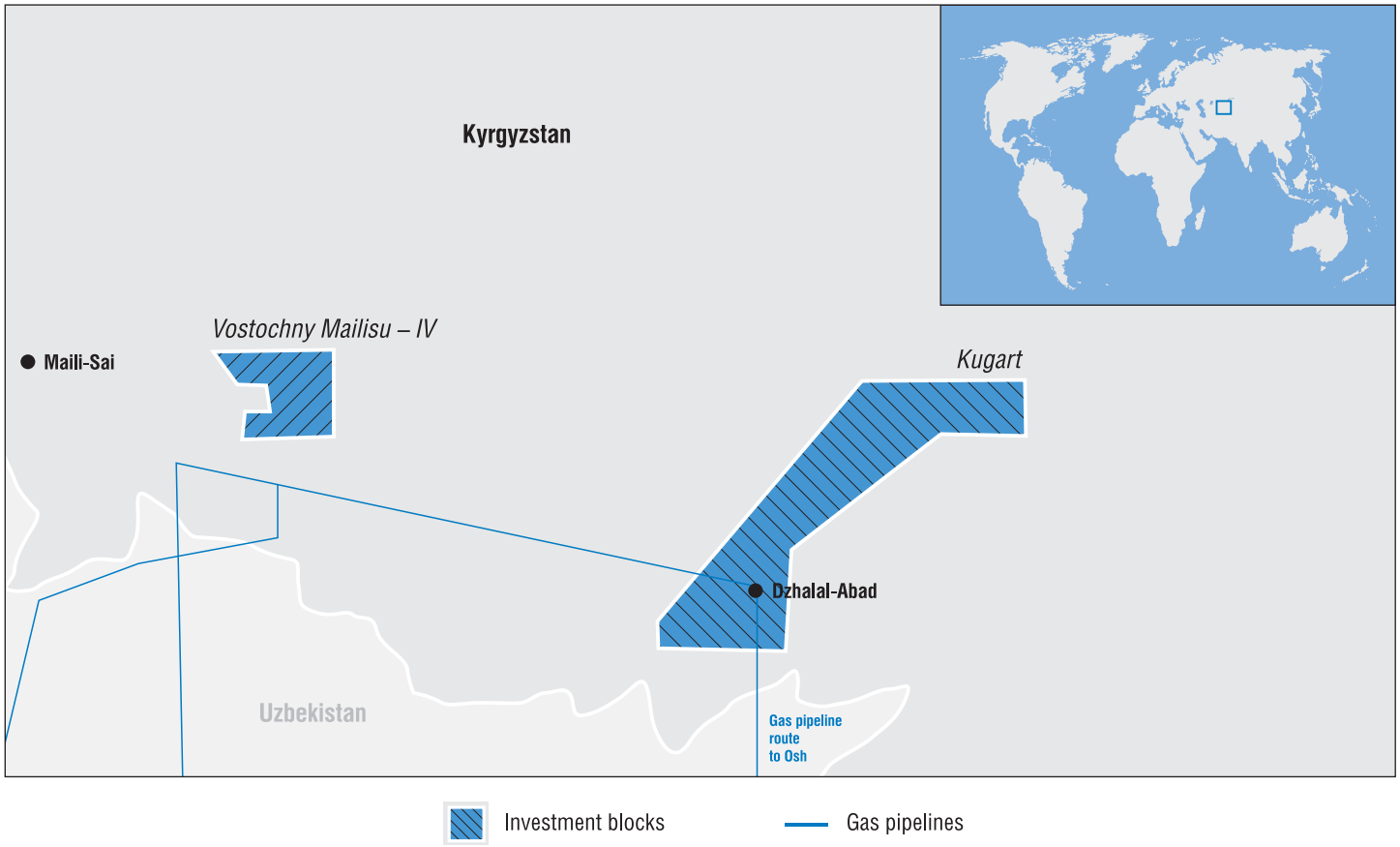
- Project purpose and description:
  Search, exploration, and production of hydrocarbons in the Ustyurt region of the Republic of Uzbekistan. After completing its geologic exploration work, *Gazprom* (that holds licenses for the use of mineral resources valid for five years) enjoys exclusive right to negotiate with the Republic of Uzbekistan with regard to the development of the discovered fields based on Production sharing agreements.
- Project start: 2006
- Legal basis and participants:
  Agreement on basic principles for geologic exploration of the investment blocks of the Ustyurt region of the Republic of Uzbekistan between National Holding Company Uzbekneftegaz and OAO Gazprom dated January 25, 2006. Project operator is ZAO Zarubezhneftegaz.
- Total reserves estimate:
  Category C_1 and C_2 reserves amount to some 120 bcm of natural gas and some 7 million tons of condensate.
- Project progress:
  In 2006, Management Committee of OAO Gazprom and the Cabinet of Ministers of the Republic of Uzbekistan approved a stage-by-stage Program of geologic exploration work in the Ustyurt region of the Republic of Uzbekistan for the period from 2006 through 2011 (Geological exploration Program). The project operator carried out the whole volume of aerial, gravimetric, and magnetic survey, processing and interpretation

of 2D seismic survey data, as well as 2D and 3D seismic survey at the seven allocated investment blocks (Shakhpakhtinsky, Agyinsky, Akchalaksky, Urginsky (western part), Kuanyshsky, Aktumsuksky, and Nasambeksky blocks).

Exploration well № 1, which was drilled on the Shakhpakhtinsky investment block based on the results of seismic survey carried out within the first stage of the Program, yielded – during its test on May 12, 2009 – the net production of hydrocarbon gas of some 480 mcm per day, which confirms the possibility of discovering a new field in the Republic of Uzbekistan.

Kyrgyzstan

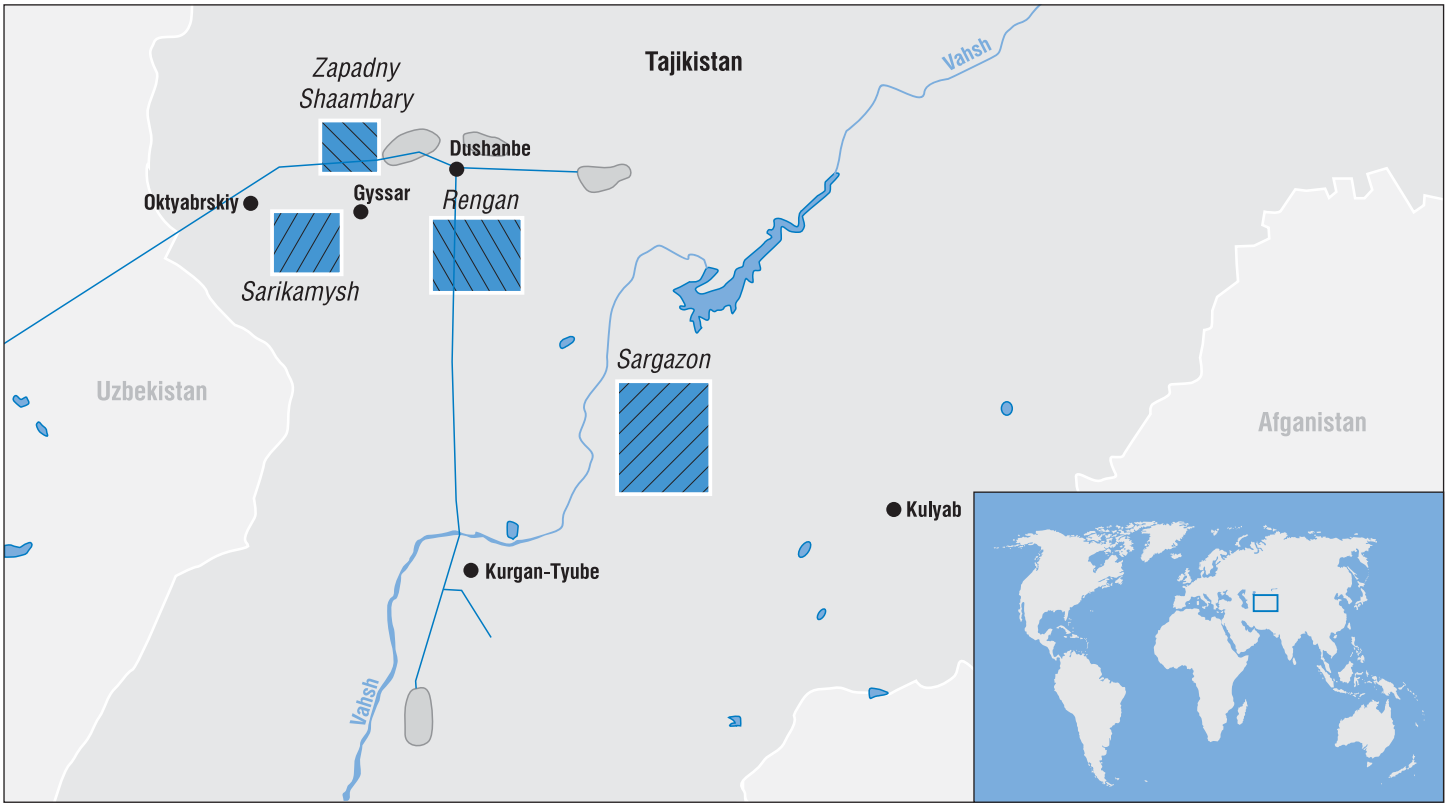
HYDROCARBON EXPLORATION/SURVEY REGIONS IN KYRGYZSTAN



- Project purpose and description:
  Creation of a basis (resource base) for the operation of a Russian-Kyrgyz joint venture that is being established. Carrying out geologic exploration work at oil-and-gas promising areas Vostochny Maylisu-IV and Kugart in the Republic of Kyrgyzstan.
- Project start: 2006
- Legal basis and participants:
  Agreement on cooperation in the gas industry between OAO Gazprom and the Government of the Republic of Kyrgyzstan dated May 16, 2003; Memorandum on intention to establish a joint Russian-Kyrgyz oil-and-gas company dated January 27, 2006; Agreement on general principles for geologic exploration of oil-and-gas promising areas in the Republic of Kyrgyzstan dated May 14, 2007 between the Government of the Republic of Kyrgyzstan and OAO Gazprom.
- Total reserves estimate: 2.1 bcm of natural gas and 500 thousand tons of oil.
- Project progress:
  In January 2008, OAO Gazprom completed the feasibility study and developed the stage-by-stage program for geologic exploration of the agreed-upon oil and gas promising sites and the Russian-Kyrgyz Steering Committee was established to supervise the fulfillment of the provisions of the Agreement dated May 14, 2007.
  In February 2008, OAO Gazprom received licenses for the use of mineral resources at Vostochny Maylisu-IV and Kugart. In July 2008, the Stage-by-stage program for geologic exploration at the areas of Kugart and Vostochny Maylisu-IV for the period from 2008 through 2011 was approved, which coordinated top-priority areas, volumes and stages of geologic exploration work at the specified areas, as well as the justified costs for their implementation. In December 2008, the design of geologic exploration work at these areas was completed.

Tajikistan

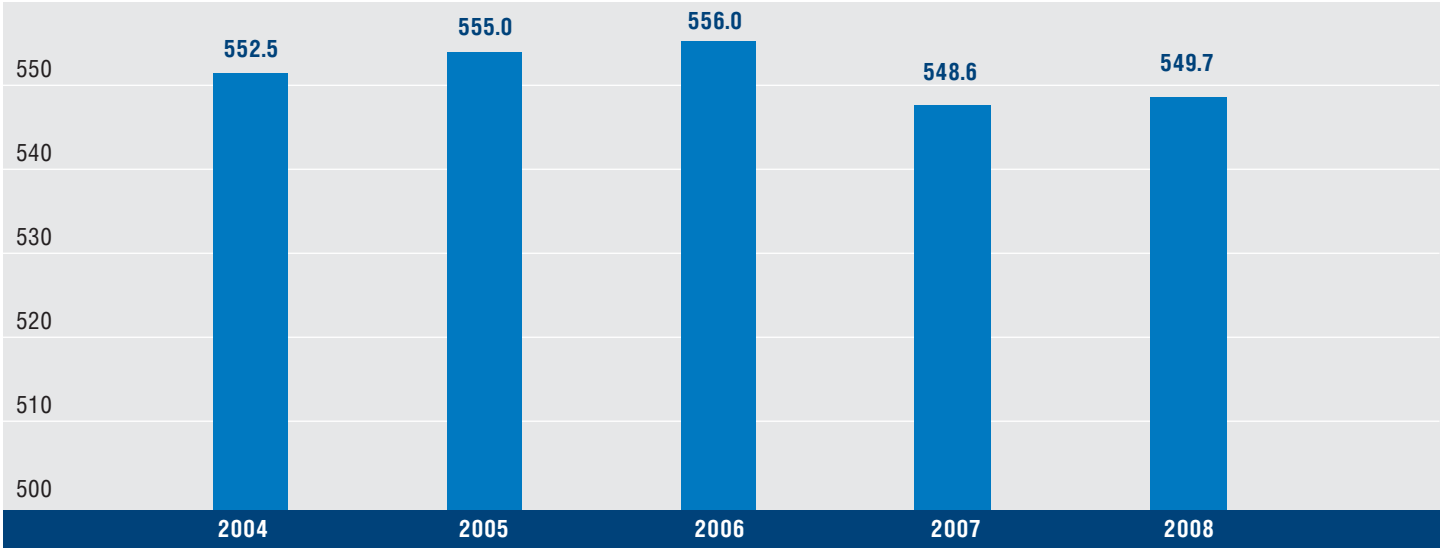
HYDROCARBON EXPLORATION/SURVEY REGIONS IN TAJIKISTAN



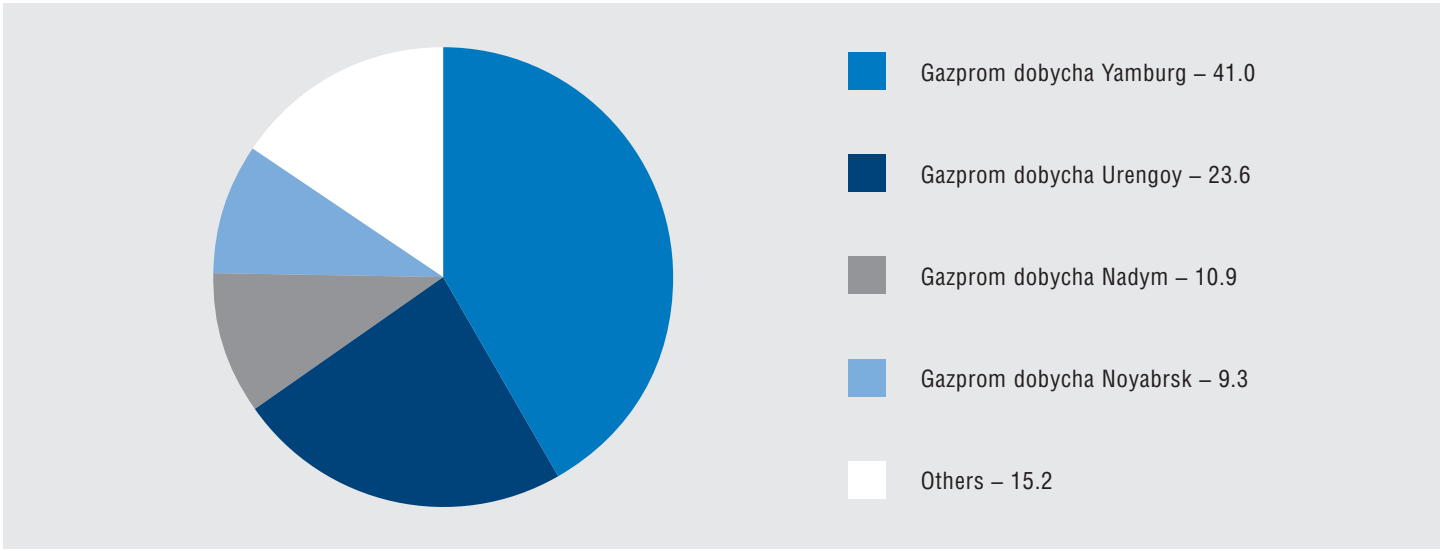
- Project purpose and description:
  Creation of a basis (resource base) for the operation of a Russian-Tajik joint venture that is being established. Performance of geologic exploration work at oil-and-gas promising areas Sarikamysh, Sargazon, Rengan, and Zapadny Shaambary in the Republic of Tajikistan.
- Legal basis and participants: 2006
- Legal basis and participants:
  Agreement on strategic cooperation in the gas industry between OAO Gazprom and the Government of the Republic of Tajikistan dated May 15, 2003; Memorandum on intention to establish a joint Russian-Tajik company dated March 28, 2006; Agreement on general principles for geologic exploration of oil-and-gas promising areas in the Republic of Tajikistan dated June 10, 2008 between the Government of the Republic of Tajikistan and OAO Gazprom.
- Total reserves estimate: up to 50 bcm of natural gas.
- Project progress:
  In August 2008, OAO Gazprom completed the feasibility study and developed the stage-by-stage program for geologic exploration of the agreed-upon oil and gas promising sites. In September 2008, the Russian-Tajik Steering Committee was established to supervise the fulfillment of the provisions of the Agreement dated June 10, 2008. OAO Gazprom received the license for the right to use subsurface mineral resources of Sarikamysh and Zapadny Shaambary.

HYDROCARBON PRODUCTION

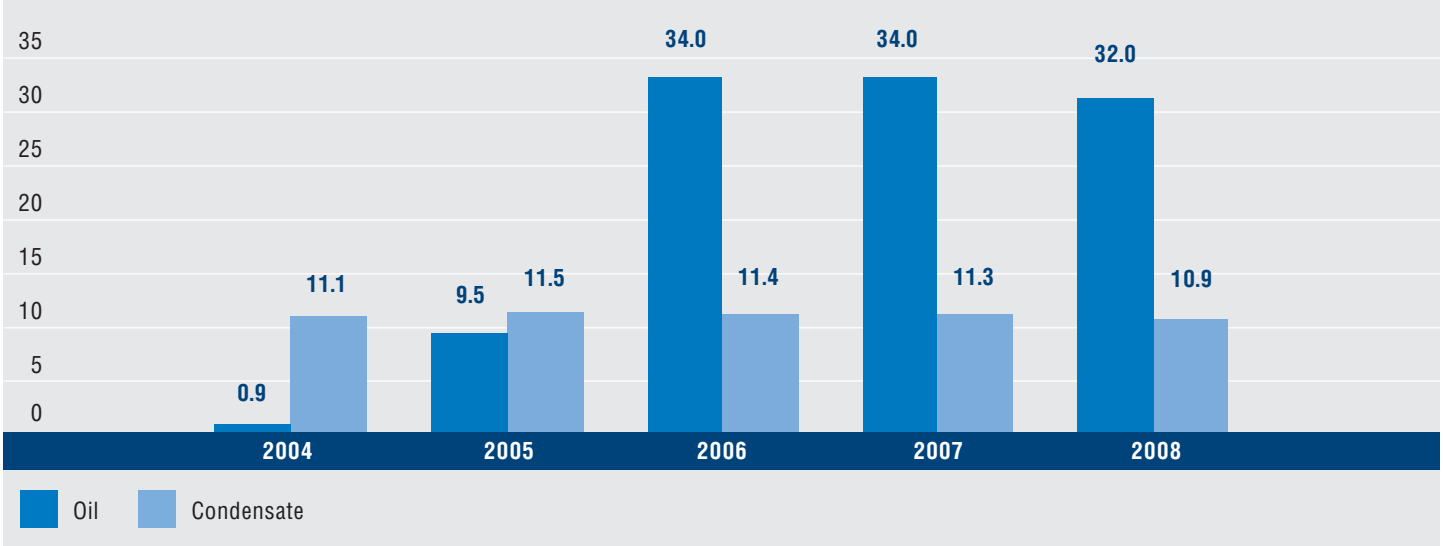
GAZPROM'S NATURAL GAS PRODUCTION, BCM



GAS PRODUCTION IN 2008 BY MAJOR OAO GAZPROM SUBSIDIARIES



GAZPROM'S LIQUID HYDROCARBONS PRODUCTION, MILLION TONS



GAZPROM GROUP PRODUCTION CAPACITY

	2004	2005	2006	2007	2008
Producing fields.	78	114	119	122	122
Gas production wells	6,652	6,941	7,010	7,154	7,214
including those in operation	6,094	6,401	6,513	6,640	6,723
Oil production wells	375	5,018	5,486	5,881	5,932
including those in operation	202	4,372	4,948	5,342	5,444
Comprehensive and preliminary gas treatment plants (CGTU and PGTU)	161	169	170	172	173
CGTU aggregate design capacity, bcm per year	909.0	939.6	957.8	976.0	991.0
Booster compressor stations (BCS)	41	44	44	45	45
BCS installed capacity, MW	3 956.1	4,176.1	4,176.1	4,300.1	4,460.1

GAZPROM'S MAJOR PERSPECTIVE FIELDS

Nadym-Pur-Tazovsky Region (Western Siberia)

Zapolyarnoye Field. It is located close to *Gazprom's* major fields that are under development. In 2004, the Cenomanian deposits of the Zapolyarnoye field characterized by low depth and high productivity of gas wells were brought to their design capacity of 100 bcm per year. The design annual production volume for these deposits was adjusted in 2007 and reached 115 bcm. This natural gas production level is expected to be reached in 2011. The development of the Zapolyarnoye field made it possible to significantly offset the decreasing production at *Gazprom's* "old" fields in Western Siberia. The Valanginian deposits of the field are planned to be commissioned in 2009 and reach their design capacity of 15.0 bcm per year in 2011

Kharvutinskaya Area of the Yamburgskoye Field. It is located in the southern part of the Yamburgskoye field. It was commissioned in 1996.
A preliminary gas treatment unit was commissioned in 2007 with an annual production capacity of 8.2 bcm. The design capacity of 30 bcm of natural gas per year is planned to be reached at this area in 2010.

LOCATION OF MAIN GAZPROM PERSPECTIVE FIELDS

Shelf fields Continental fields / objects

Achimovsk Deposits of the Urengoyskoye field. The deposits are divided into several areas for their stage-by-stage development. The area 1A of Achimovsk Deposits of the Urengoyskoye field was commissioned in July 2008. The area is being developed by ZAO Achimgaz – a joint venture established together with Wintershall Holding AG. During the period of its trial industrial development this area is expected to provide for the production of some 0.7 bcm of natural gas and 400 thousand tons of gas condensate per year. If the phase is a success, the commercial development of the field will begin with a production level of some 7.4 bcm of natural gas and 2.4 million tons of gas condensate per year. The second area of the Achimovsk deposits of the Urengoyskoye field is intended to be commissioned in 2008 with a production capacity of 3.5 bcm of natural gas per year.

Yen-Yakhinskoye Field. It was commissioned in 2003. The design annual production levels of 1.8 million tons of gas condensate and 5 bcm of natural gas were reached in 2007. Effective from 2010, the field is planned to be developed using the gas reinjection (cycling) technology that provides for the maximum withdrawal of gas condensate.

Yuzhno-Russkoye Field. It is located in Krasnoselkupskiy district of the Yamalo-Nenets Autonomous District of Tyuman oblast. OAO Severneftegazprom holds a license for its development. It was commissioned in 2007. In 2009 the field was brought to its design capacity of 25.0 bcm.

Priobskoe field. The largest field being developed by *Gazprom Neft* is the Southern part of Priobskoe field. (Khanty-Mansiisk autonomous district).The active development of this field started in 2004. By the year 2008 production at this filed was more than 23% from the total amount of *Gaprom Neft* production and as expected this indicator will reach 30.4 % by 2010.

Yamal Peninsula

The explored reserves of the fields on the Yamal Peninsula amount to over 10 tcm of natural gas and over 500 million tons of oil and gas condensate. In particular, 58 % of natural gas and over 60 % of oil and gas condensate are concentrated at the major fields in the region, i.e. the Bovanenkovskoye, Kharasaveiskoye and Novoportovskoye fields, *Gazprom Group* holding licenses for their development. *Gazprom* and the administration

of the Yamalo-Nenetski autonomous region developed the Program for comprehensive commercial development of hydrocarbon deposits on the Yamal Peninsula and the adjacent waters. The Program is aimed at developing the state policy underlying the investment, capital construction, and taxation as well as the regulatory basis to ensure the necessary environment for the development of the Yamal Peninsula.
The design natural gas production capacity of the Bovanenkovskoye field is defined as 115 bcm per year. In the long-term prospective, the design natural gas production capacity is to increase up to 140 bcm per year.

Shelf in the Arctic Seas

Shtokmanovskoye Gas Condensate Field. It is located in the central part of the Barents Sea to the north-west from the Yamal Peninsula and 650 km to the north-east from the city of Murmansk. The development plan for this field envisages a production level of 71 bcm per year. There is a potential of its increase up to 95 bcm per year. After the completion of the first development stage the design production capacity is expected to be 23.7 bcm of natural gas per year; natural gas will start being supplied through pipelines since 2013; LNG will start being supplied in a volume up to 7.5 million tons per year since 2014. Natural gas is planned to be supplied both through the UGSS and as LNG to remote markets. In 2007, *Gazprom* signed framework agreements with Total and StatoilHydro with regard to the basic principles of cooperation in the development of the first phase of the Shtokmanovskoye gas condensate field.
In 2008 a company of special purpose Stockman development AG was established for development, building, project planning, financing and exploitation of the first phase objects of Schtockmanovskoe field. Its main shareholders are OAO Gazprom 51%, French company Total 25% and Norwegian company Statoilhydro 24%.

Prirazlomnoye Oil Field. It is located on the shelf of the Pechora Sea. The plans include installing a sleetproof ocean drilling platform and starting production at the field in 2010; the design production capacity of 6.6 million tons per year is to be reached in 2012.

Obskaya and Tazovskaya Bays

There are a number of hydrocarbon fields located in the Obskaya and Tazovskaya bays in the Yamalo-Nenetski autonomous region of the Tyumen region. In accordance with the Program for developing hydrocarbon reserves on the shelf belonging to the Russian Federation for the period up to 2030 approved in 2005, the annual natural gas production on the shelf in the Obskaya and Tazovskaya bays and the adjacent land can reach up to 82 bcm. The aggregate reserves (categories C_1 and C_2) on the shelf in the region amount to 1.3 tcm of natural gas and 12.6 million tons of liquid hydrocarbons. *Gazprom* holds licenses for hydrocarbon production at Severo-Kamennomysskoye, Kamennomysskoye-morye, Obskoye fields, geologic examination licenses for the Chugoryakhinskaya area and also exploration and production licenses for Semakovskoye, Antipayutinskoe and Tota-Yachinskoe fields partialy located in Tazovakaya Bay. The development of the region is planned to begin with the commissioning of the Kamennomysskoye-morye field in 2015 with a design natural gas production capacity of 15.3 bcm per year.

Volga Region

Astrakhanskoye Field. It is located in the Volga estuary. Judging by its total reserves (categories C_1+C_2) of 3.4 tcm, its reservoirs are capable of yielding a production volume of 50–60 bcm of natural gas per year. Currently, its production is constrained at 12 bcm per year mostly due to environmental limitations as well as the need to use expensive technologies. In order to increase production volumes the opportunities are contemplated that envisage the development of the Astrakhanskoye field using the technology of pumping acid gases into the reservoir, which will allow decreasing hazardous emissions considerably and eliminating problems related to the storage and sale of associated sulfur.

Eastern Siberia and Russian Far East

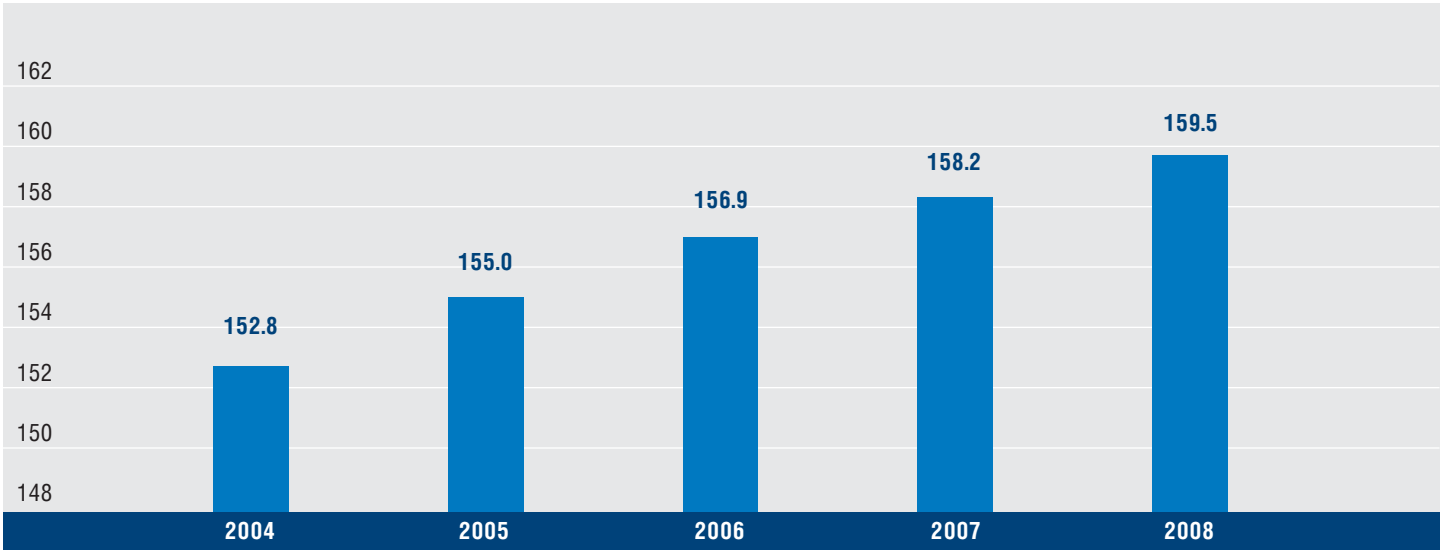
Eastern Siberia and Russian Far East, including the coastal shelf, accumulate considerable natural gas reserves estimated at some 10 tcm.
In 2003, a decision was taken to view the following as OAO Gazprom top-priority objective in the Russian East: arranging for the measures to participate in contests and auctions for the right to use mineral resources, carry out geologic exploration work, and develop hydrocarbon fields in the Krasnoyarsk area, Irkutsk region, Sakhalin region, Republic of Sakha (Yakutia), and Khabarovsk area, establishing interaction with the current players in the natural gas market in the region, as well as devising and implementing efficient projects for the supply of natural gas to ultimate consumers.
In accordance with the Eastern Program approved by the Government in 2007, the Island of Sakhalin is one of the top-priority regions for fullscale commercial development in Russian Far East.

Gazprom's key objectives in developing its operations at Sakhalin are to establish its own resource base and create and develop the gas transportation system connecting Sakhalin, Khabarovsk, and Vladivostok. Geologic exploration work is carried out in the Krasnoyarsky krai and the Irkutsk region. In 2008, the Government of the Russian Federation took a decision to transfer to *Gazprom* the Chayandinskoye oil and gas condensate field located in the Republic of Sakha (Yakutia) with natural gas reserves (categories C_1+C_2) of 1.24 tcm and the Kirinskoye gas condensate field located on the Sakhalin shelf with natural gas reserves (categories C_1+C_2) of 75.4 bcm.

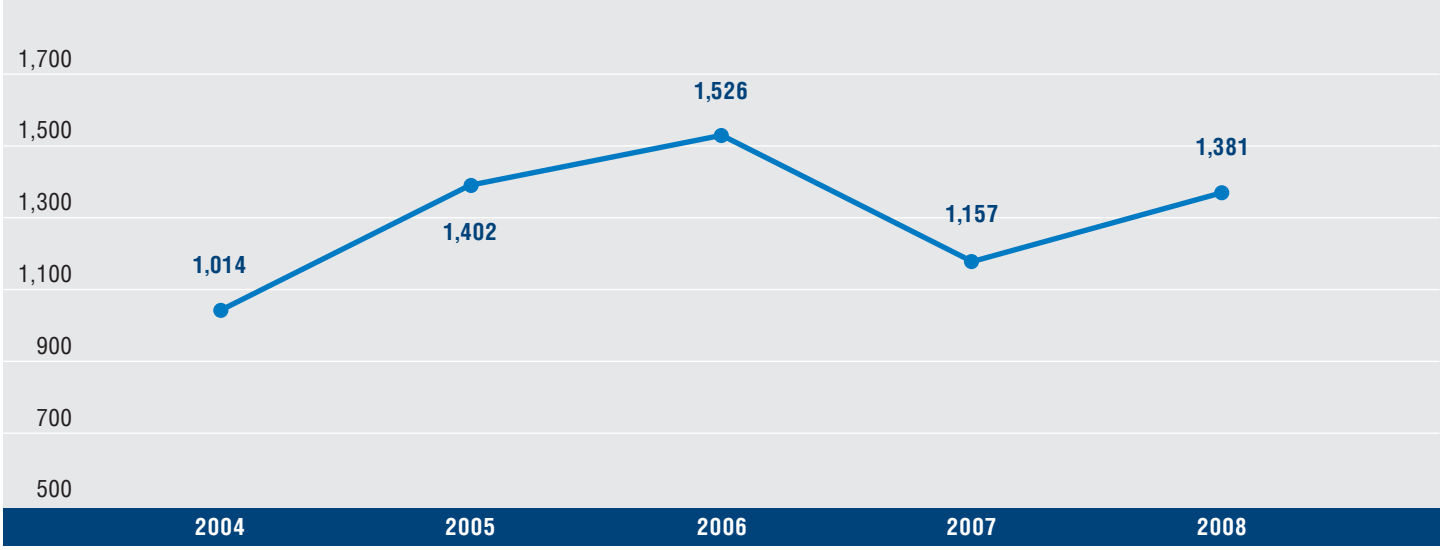
TRANSPORTATION AND UNDERGROUND STORAGE

Gazprom began to construct its gas pipelines more than 60 years ago, the Saratov – Moscow gas pipeline being its first one. Most parts of the gas transportation system were constructed in the period from 1970 to 1990. Currently, *Gazprom* owns and operates the Unified Gas Supply System, which provides for the collection, transportation, storage, and supply of almost all natural gas to the regions of the Russian Federation, Europe, and FSU countries.

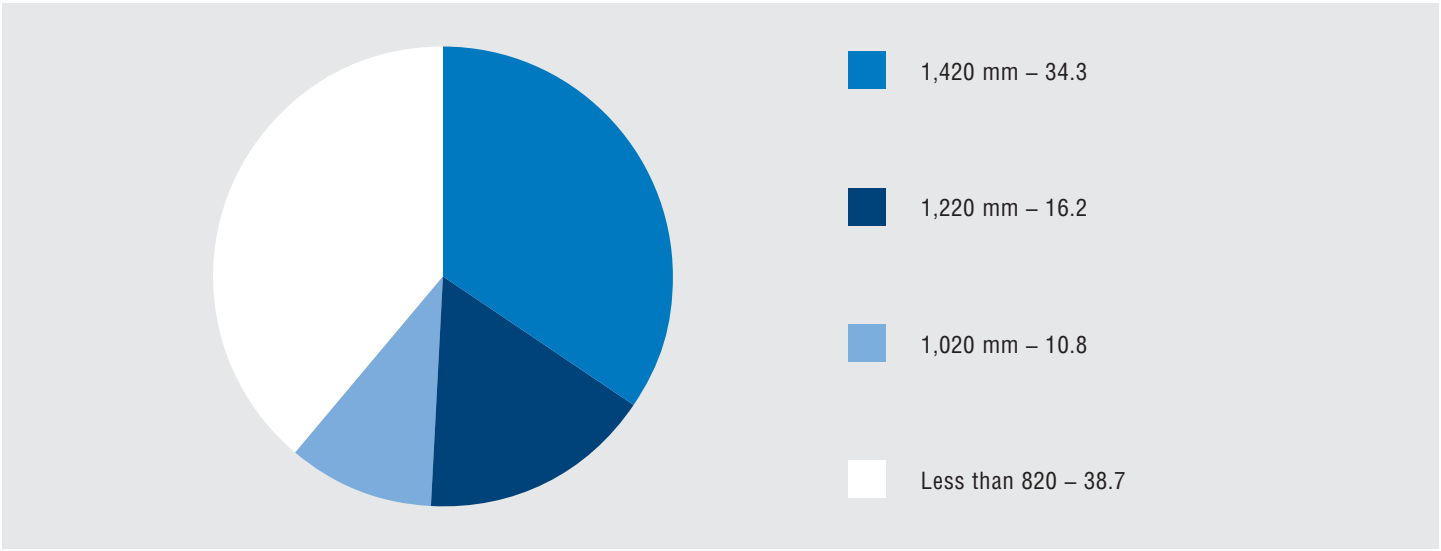
LENGTH OF TRUNK PIPELINES AND PIPELINE BRANCHES
(IN SINGLE-LANE MEASURING), THOUSAND KM



PIPELINE ANNUAL PUTTING INTO OPERATION, KM



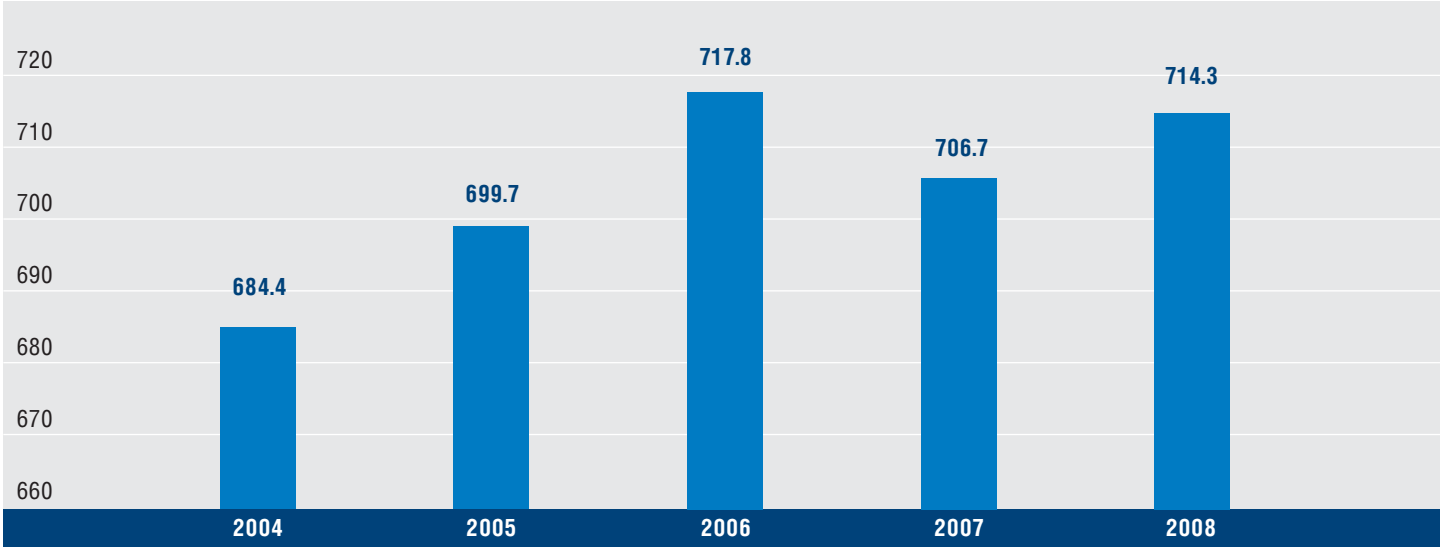
TRUNK PIPELINES STRUCTURE BY TUBES DIAMETER, %



GAZPROM GAS TRANSPOTRATION SYSTEM INSTALLED EQUIPMENT

	2004	2005	2006	2007	2008
Pipeline compressor stations	207	210	217	218	219
Gas pumping units	3,537	3,587	3,629	3,641	3,695
including:					
gas turbine units and gas	2,853	2,903	2,947	2,962	3,017
engine-compressors electric drive units	684	684	682	679	678
Installed capacity of pumping units, thousand MW	39.4	40.2	41.0	41.4	42.0

TOTAL AMOUNT OF GAS RECEIVED BY GAS TRANSPORTATION SYSTEM, BCM



EURASIAN GAS TRANSPORTATION SYSTEM

Gazprom's gas transportation projects:

- ① SRTO – Torzhok
- ② Gryazovets – Vyborg
- ③ Nord Stream
- ④ Expansion of the Urengoy gas transportation junction
- ⑤ Murmansk – Volkhov gas pipeline
- ⑥ Bovanenkovo – Ukhta and Ukhta – Torzhok gas pipelines
- ⑦ Sections of gas transportation system in Central Asia under development and reconstruction, including Prikaspiyskiy gas pipeline
- ⑧ Gas transportation system Sakhalin – Khabarovsk – Vladivostok
- Gas fields
- Major underground storage facilities (UGSF)
- Operating LNG terminals
- Potential LNG terminals
- Major gas pipelines

GAZPROM'S GAS TRANSPORTATION PROJECTS

SRTO – Torzhok

- Purpose: Transportation of natural gas from the fields located in northern areas of the Tyumen Region to the city of Torzhok that will make it possible to increase gas supply to the consumers in the North-Western region of Russia and gas export through the Yamal-Europe pipeline.
- Design characteristics: A length of 2,200 km and a design capacity varying from 20.5 to 28.5 bcm per year at different parts.
- Project progress: The whole linear part of the gas pipeline was commissioned in 2006. Two compressor stations were commissioned in 2008 with an aggregate capacity of 155 MW. The construction is planned to be completed in 2011.

Gryazovets – Vyborg

- Purpose: Gas supply to the North-West of Russia and the Nord Stream gas pipeline.
- Design characteristics: A length of 917 km. 7 compressor stations with an aggregate capacity of 1,180 MW.
- Project progress: As of 31.12.2008 473.7 km of the linear part of the gas pipeline were commissioned including 165.3 in 2008.The contract was signed with "Roils-Royce" company which was acknowledged to be the winner of competitive tender for delivery during the year 2010 of 6 gas-pumping units 52 MW each and 2 gas-pumping units 27 MW each to a compressor station "Portovaya" of trunk pipeline.

Nord Stream

- Purpose: Transportation of Russian natural gas to Western European countries.
- Design characteristics: A length of 1,223 km, pipe diameter of 1,220 mm, operation pressure up to 220 bar, and a capacity of up to 55 bcm of natural gas per year.
- Project progress: In June 2008 all necessary approvals from OAO Gazprom managerial bodies and German partners were obtained and the deal on entering Gasunie company (Netherlands) the number of shareholders of Nord Stream AG company which was founded in 2005 for engineering, building, operation and Nord Stream pipe line managing.
  As a result of that the shares in Nord Stream AG has been distributed in the following wasy: OAO Gazprom – 51 %, Wintershall Holding AG and EON Ruhrgas – 20 % each, Gasunie – 9 %. Nord Stream AG company prepared and sent to concerned entities the environment impact assessment report. Contracts were concluded for delivery of large-diametre pipes for the first line of the pipe-line, pipe-laying works, production of concrete weight coatings and logistics supply.

Expansion of Urengoy Gas Transportation Unit

- Purpose: Transportation of the increasing volumes of natural gas produced by *Gazprom* and independent producers at the fields that are under development in the Nadym-Pur-Tazovsky region.
- Design characteristics: A length of 400 km, three compressor stations with an aggregate capacity of 272 MW.
- Project progress: 378.1 km of the linear part of the gas pipelines and 3 compressor stations with capacity of 224 MW were commissioned included 76.4 km of the linear part of the gas pipelines and also 4 aggregates with total capacity of 64MW at Purtazovskaya CS commissioned in 2008.

Precaspian Gas Pipeline

- Purpose: Transportation of Turkmen and Kazakh naural gas through the territories of Turkmenistan, Kazakhstan, and Russia.
- Design characteristics: A production capacity of 20 bcm of natural gas per year.
- Project progress: In September 2008 OAO Gazprom, AO NK KazMunayGaz and GK Turkmengas signed an agreement on main principals of cooperation of Precaspean pipe line building, Regulation on coordinating committee, regulation on project managing group and bases task for project feasibility study.

Murmansk – Volkhov Gas Pipeline

- Purpose: Supply of natural gas from the Shtokmanovskoye field to the consumers in the North-Western region of Russia and gas export within the Nord Stream project.
- Design characteristics: A length of 1,365 km and a production capacity of 28–50 bcm (depending upon the production volume at the Shtokmanovskoye field). The commissioning is scheduled for 2013.
- Project progress: OAO Giprospetsnaz realizes development of project documentation, primary acquisition and its reconciliation have been completed. Engineering surveys are being done.

Bovanenkovo – Ukhta and Ukhta – Torzhok Gas Pipelines

- Purpose: Transportation of natural gas from the fields in the Yamal Peninsula to the central regions of Russia.
- Design characteristics: Bovanenkovo – Ukhta: a length of 1,100 km and a design capacity of 140 bcm of natural gas per year. Ukhta – Torzhok: a length of 1,300 km and a design capacity of 81.5 bcm of natural gas per year.
- Project progress: In August 2008 the building of underwater line through Baidiratskaya guba, the most complicated part of Bovanenkovo – Ukhta gas pipe line system was

Gas transportation system Sakhalin-Khabarovsk-Vladivostok

- Purpose: Meeting gas demand if consumers of Khabarovsk, Primorskiy krais and Sakhalin Oblast.
- Design characteristics: The main technical decisions of gas transportation system are supposed laying of 1,586 km of gas pipe line with 1,220 mm diameter for the whole rout. While operating at full capacity the volume of gas transmitted is supposed to be 30 bcm.
- Project progress: In 2008 design works were performed.

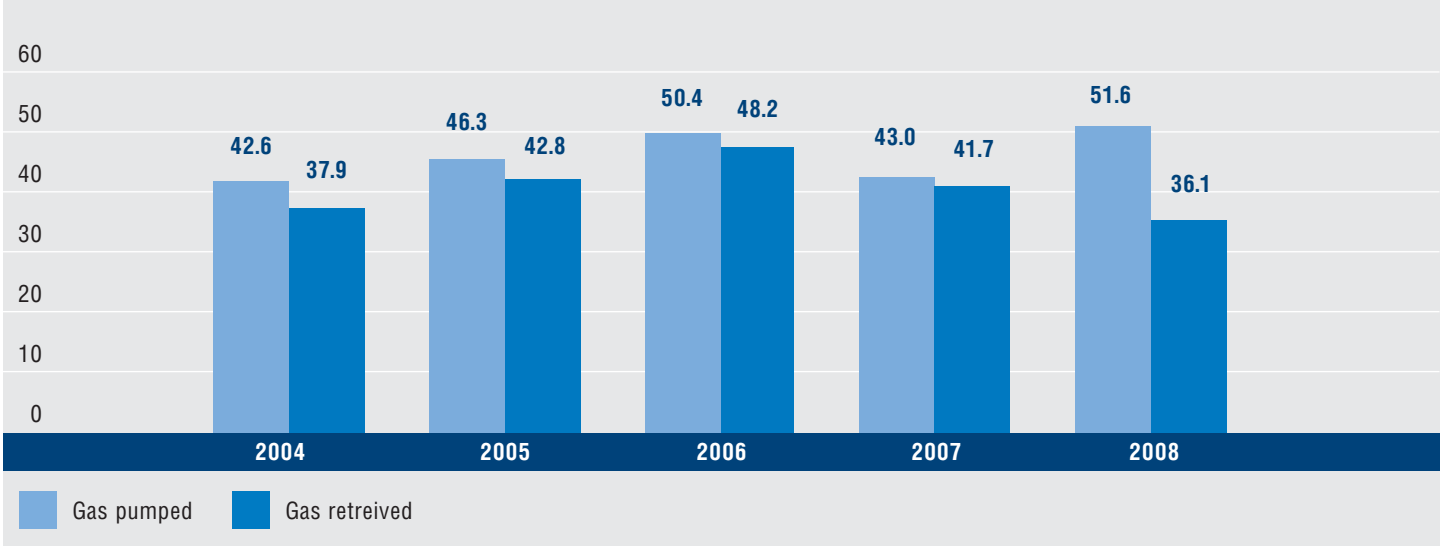
UNDERGROUND GAS STORAGE

A system of underground gas storage facilities provides for the regulation of seasonal fluctuations in natural gas supply, additional natural gas supply in case of sudden cold spells, technical breakdowns in the UGSS, and other critical situations, as well as for the safety of export supplies and long-term natural gas reservation.

CHARACTERISTICS OF GAZPROM'S UGSF LOCATED IN RUSSIA

	2004	2005	2006	2007	2008
Underground gas storage facilities	24	24	25	25	25
Total active capacity, bcm	62.38	64.25	64.65	64.94	65.2
Compressor station	19	19	17	17	17
Gas pumping units	243	247	220	230	232
Gas pumping units installed capacity, MW	991.4	1,009.8	694.3	758.6	778.6
Number of development wells	2,473	2,509	2,588	2,618	2,615

VOLUME OF GAS PUMPED INTO AND RETRIEVED FROM RUSSIAN UGSF, BCM

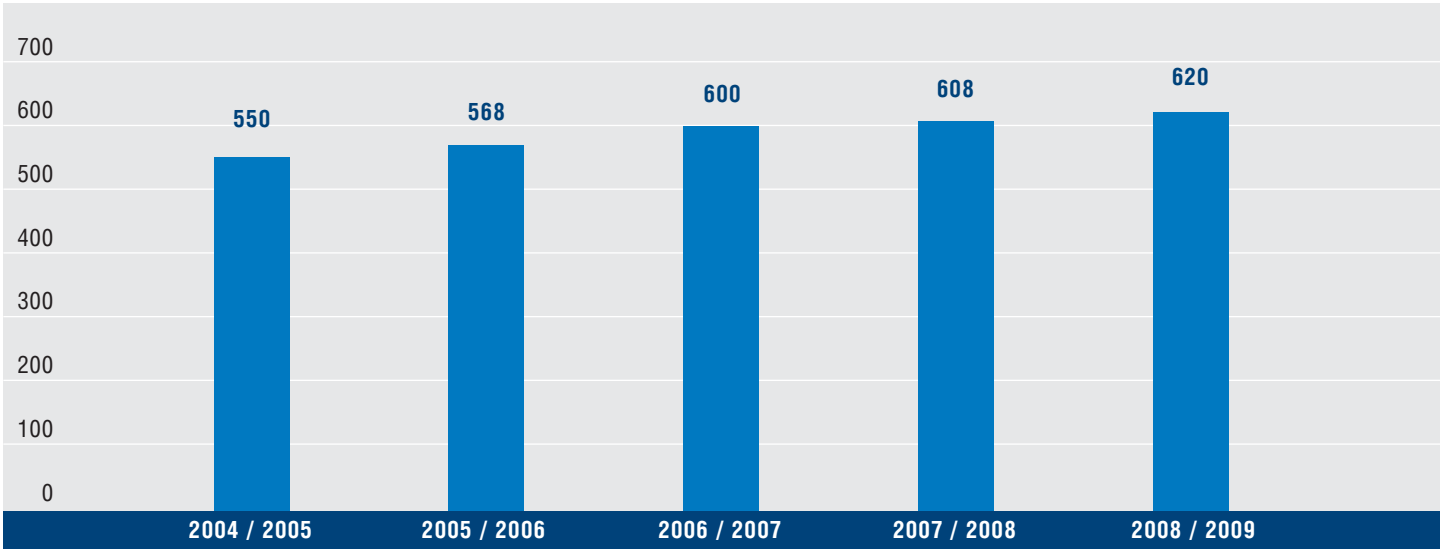


Gazprom implements its Program of work for the period from 2005 through 2010 related to the underground gas storage in the Russian Federation, which is aimed at bringing UGSF daily output up to 700 mmcm.

GAZPROM'S OPERATIONAL AND PROSPECTIVE UGSFS IN RUSSIA

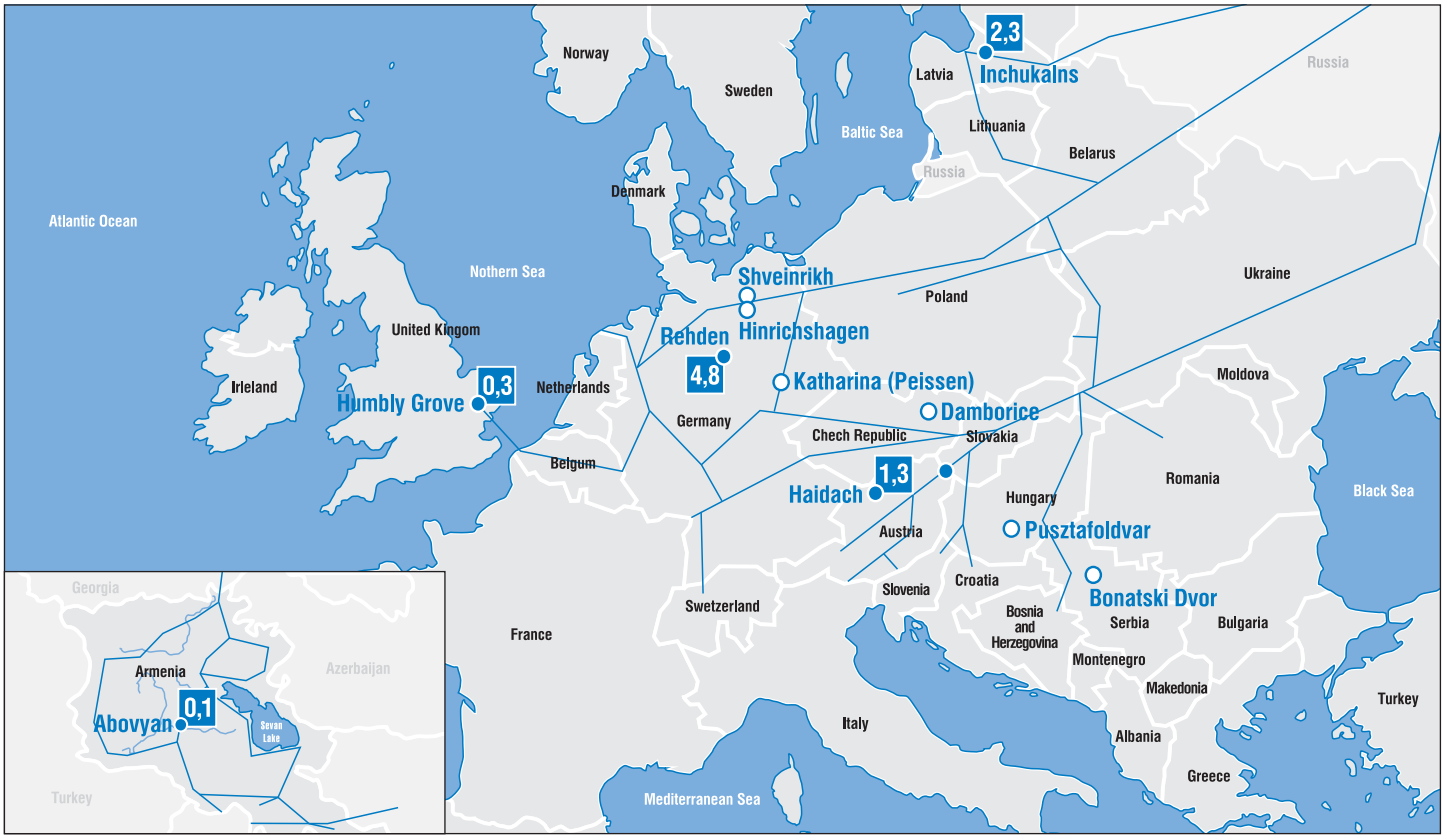
- Operating UGSFs, active capacity less, then 5 bcm
- Operating UGSFs, active capacity less, then 5 bcm
- UGSFs under construction and projected UGSFs
- Exploration areas for UGSFs
- Major gas pipelines

MAXIMUM DAILY RETRIEVAL FROM UGSF LOCATED IN RUSSIA
IN THE BEGINNING OF RETRIEVAL SEASON, MMCM



In order to improve the reliability of export deliveries the *Group* uses underground facilities and participates in construction of new underground facilities abroad.

OPERATIONAL UGSFS GAZPROM USES AND PROSPECTIVE UGSF PROJECTS
GAZPROM PARTICIPATES ABROAD

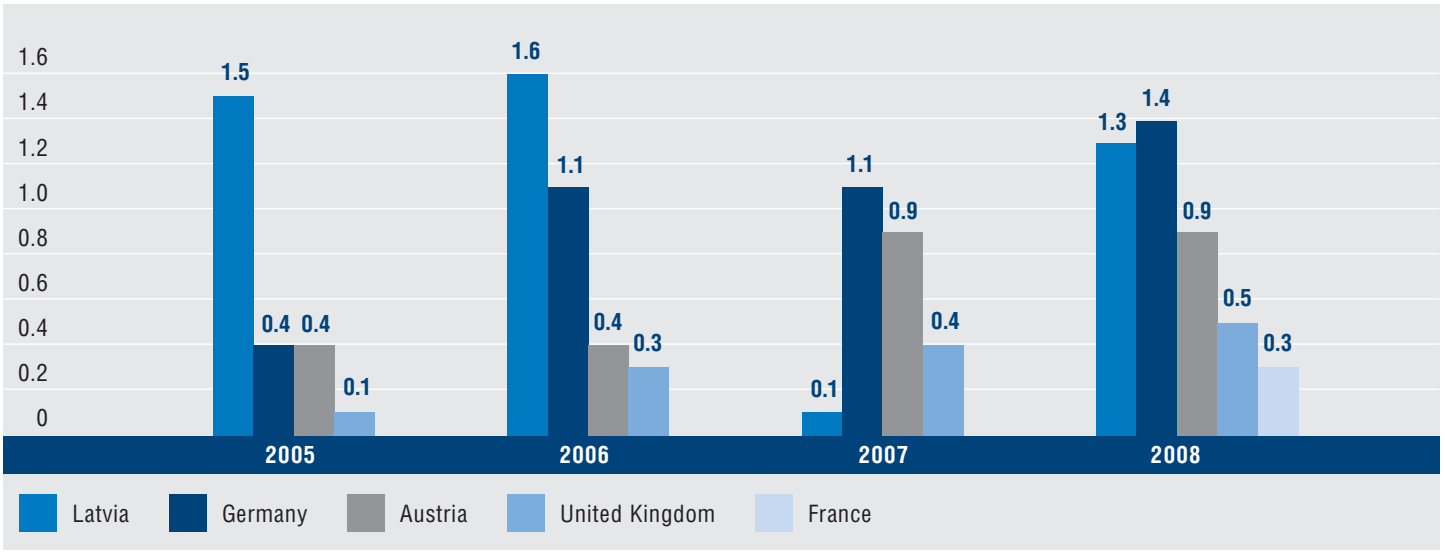


4,8 Operating UGSFs with *Gazprom's* participation, active capacity, bcm

Major gas pipelines

Potential UGSFs with *Gazprom's* participation

VOLUME OF GAS PUMPED INTO FOREIGN UGSF, BCM



ELECTRIC POWER SUPPLY TO UGSS TECHNOLOGIC FACILITIES

OAO Gazprom owns power generating assets to ensure reliable and continuous electric power supply to UGSS technologic facilities. Reliable power supply of all field production project sites, gas transportation and gas pocessing sites is one of the terms providing stable operation of OAO Gazprom gas transportation system.

As of December 2008 the following items were in the service:

- more than100.8 thousand km of electric power lines;
- more than 20 thousand of power transformers 6–220 kV;
- 1,858 of power stations, with a unit capacity of 500 kW or more each;
- 6.7 thousand of boilers and heat regenerators

In 2008 the total amount of electric power consumption at OAO Gazprom objects was 18.9 billion of kWh, the out put at own production capacities was – 1.35 billion of kWh. Consumption of heat power for technical needs in 2008 was 24.7 million of Gcal.

In 2008 within the frames of new construction and reconstruction plans the following objects of power generation were commissioned:

- 6 power stations for own usage with total aggregate capacity 59.8 MW
- 2 electric substations of 110/10 kV;
- 5 closed distribution devices with a voltage of 10 kV (at CS Purtazovskaya, CS Alexandrov gai, CS Mikunskaya, KS Omskaya, CA Novoyubileynaya);
- 11 centralized boilers with total capacity of 64 MW (on the bases of Kharasaveyskoe gas-condensate field; CS Novoyubileynaya, Novogryazovetskaya, Alexandov Gay, Omskaya)
- 29 separate boilers with total capacity of 13.5 MW (at CS Mikunskaya, Provodninskaya, Propolyarnaya, Peregrebnenskaya).

TECHNOLOGICAL COMMUNICATIONS AND AUTOMATION OF TECHNOLOGICAL PROCESSES CONTROL

The unified technological communications network is an integral part of OAO Gazprom multi-level management system. It provides for reliable, state-of-the-art, and high-quality transfer of all types of information in the interest of the company's operation.

In 2008, *Gazprom* restored and constructed 3,247 km of digital radio-relay communications lines, 686 km of cable communication lines, 664 km of radio cable lines, 1,536 km of fiber-optic communications lines, transmitting system SpectralWave 40/80 with length of 771km alongside of "Yamal-Europe" gas pipe line. 17 automatic telephone stations were also commissioned.

As of 21.12.2008 OAO Gazprom unified technological communications network currently includes:

- 82.7 thousand km of cable lines of communication;
- 28.6 thousand km of multi-channel radio-relay lines;
- 912 communications centers;
- 492 base and 28.1 subscriber trunking radio stations;
- a satellite communications network consisting of Yamal-100 and Yamal-200 responders and 271 earth stations
- 872 automatic telephone stations with a total capacity of 344, 394 numbers;
- unified departmental network for data transmission.

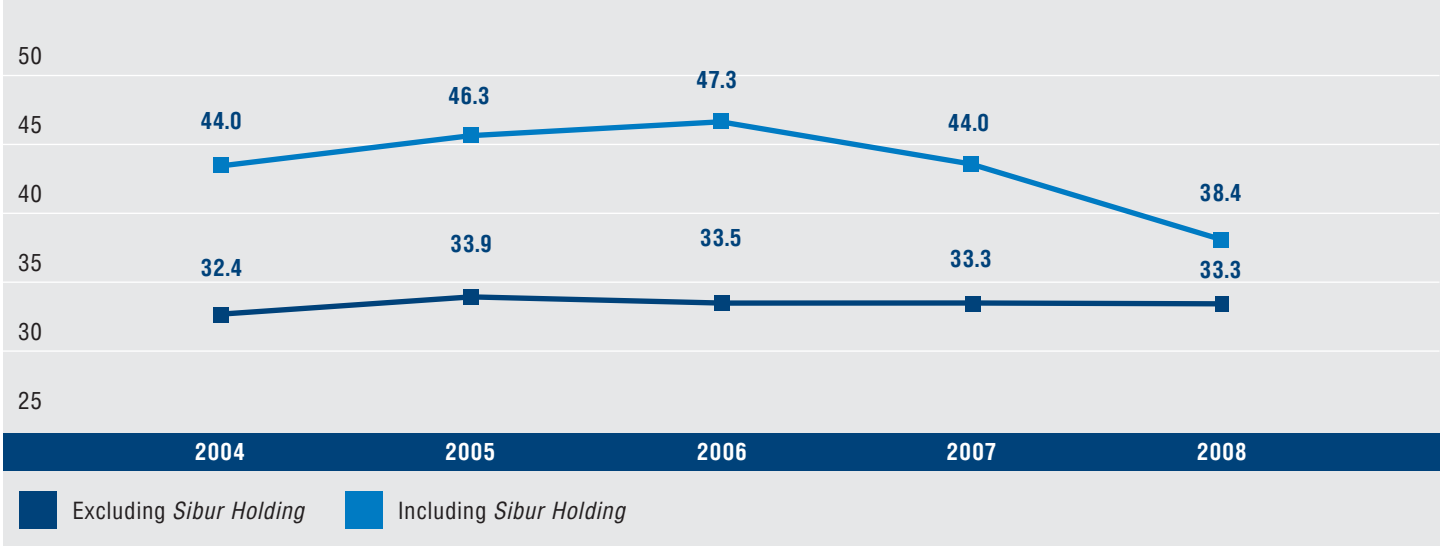
The following was performed at the natural gas production and transportation facilities in 2008:

- automation systems and automatic systems for technological processes control were commissioned at gas transportation unit 16 of Pestsovaya area of Urengoi gas condensate field, booster comressor station (2nd phase) of Zapadno-Takosalinskiy GM, booster comressor station (2nd phase) of Yamsoveyskoe gas condensate field, CS at Central Production Facility-1,2 of Urengoi oil ans gas condensate field, 2nd experimental area of gas transportation unit 22 of Atchimov deposits of Urengoi oil ans gas condensate field, gas transportation unit at Alexandov Gay CS.
- 38 wells of Kharvutinskaya area of Yamburg field, 15 additional wells of Yamburg field, 3 wells of the second experimental area of gas transportation unit 22 of Atchimov deposits of Urengoi oil ans gas condensate field and 9 wells of Astrakhan gas-condensate field were equipped with remote control systems.

As for gas transportation in 2008, 33 modular systems and 10 craft automatic systems were commissioned at new built linear compressor stations Miunskaya, Privodninskaya, Novogryazovetskaya, Voskresenskaya, Taezhnaya, Priozernaya and Oktyabrskaya. Complex acceptance inspections of process automated control system at Kholm-Zhirkovskaya CS were realized. Remote control was introduced at 5,501 km of pipe lines, 11 control poins, 123 linear controlled points at gas pipe lines and 47 CP of teleautomatics at gas-distribution station were commissioned, Reconstruction of 55 modular systems, 26 craft automatic systems, 62 fire extinguisher systems and gas contamination systems was realized.

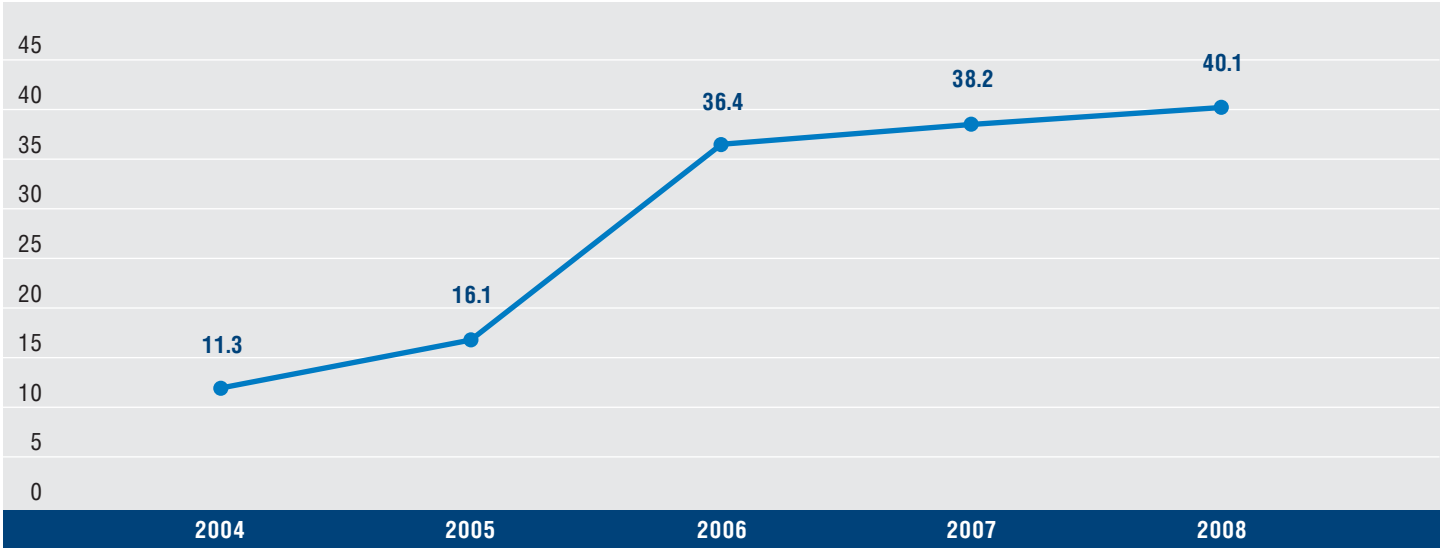
REFINING AND PRODUCTS

NATURAL AND ASSOCIATED PETROLEUM GAS PROCESSED BY GAZPROM, BCM



Note. Due to deconsolidation, *Sibur Holding Group's* results are not included in *Gazprom Group's* results effective from the 2nd half of 2008.

CRUDE OIL AND UNSTABLE CONDENSATE PROCESSED BY GAZPROM, MILLION TONS



REFINED AND PETROCHEMICAL PRODUCTS MANUFACTURED BY GAZPROM GROUP*

	2004	2005	2006	2007	2008
OAO Gazprom gas processing and gas production subsidiaries					
Stable condensate and oil, thousand tons	3,256.2	3,728.7	3,792.8	3,653.0	3,413.8
Stripped dry gas, bcm	25.0	26.5	26.0	26.5	26.5
Liquefied hydrocarbon gases, thousand tons	1,854.0	1,881.9	1,837.7	2,109.8	2,037.2
Motor gasoline, thousand tons	2,005.1	2,242.7	2,158.8	2,141.8	2,132.3
Diesel fuel, thousand tons	1,732.1	1,640.8	1,442.9	1,429.3	1,394.1
Fuel oil, thousand tons	392.8	380.8	380.5	394.2	389.7
Jet fuel, thousand tons	15.0	50.9	150.2	133.9	161.4
Helium, thousand cubic meters	3,452.3	1,636.4	3,838.1	4,874.0	5,037.9
Odorant, tons	2.7	3.1	3.0	2.8	3.0
Wide liquid fractions and fractions of multiple component hydrocarbons, thousand tons	398.4	541.6	881.4	587.5	554.6

	2004	2005	2006	2007	2008
Ethane, thousand tons	202.6	108.1	223.2	238.4	327.2
Technical carbon, thousand tons	35.1	33.6	34.5	35.4	30.4
Pentanes-hexane fraction, thousand tons	99.7	75.1	92.6	102.6	111.0
Sulfur, thousand tons	5,184.0	5,361.8	5,296.3	5,370.1	5,319.8
Gazprom Neft Group **					
Motor gasoline, thousand tons	-	883.0	5,060.0	5,376.9	5,473.9
Naphta, thousand tons	-	236.0	1,755.0	1,735.0	1,914.0
Diesel fuel, thousand tons	-	1,314.0	7,614.0	8,081.4	9,012.5
Jet fuel, thousand tons	-	277.0	1,640.0	1,810.3	1,805.9
Fuel oil, thousand tons	-	697.0	4,506.0	5,259.7	5,748.8
Lubricants, thousand tons	-	53.0	327.0	346.4	328.3
Liquefied hydrocarbon gases***, thousand tons	-	107.8	544.6	566.1	563.8

* The data in the table are exclusive of give and take raw materials.

** *Gazprom Neft's* data are included starting from the 4th quarter of 2005.

*** Including propane-propylene fraction of OAO Moscow oil-processing plant.

LOCATION OF GAS PROCESSING, OIL REFINING AND PETROCHEMICAL PLANTS

Gas processing plant/complex (GPP/GPC)

Oil refinery (OR)

OAO Salavatnefteorgsintez Plants

Name	Company	Location	Year of establishmet	Annual capacity of processing/ Product range production as of 31.12.2008	Main products
OAO Gazprom gas processing and gas production subsidiaries					
Astrakhan gas processing plant (GPP)	OOO Gazprom dobycha Astrakhan	Astrakhan	1986	• 12.0 bcm of natural gas • 7.3 million tons of gas condensate, and crude oil	Dry natural gas, stable condensate, liquefied gas, wide fraction of light hydrocarbons (WFLH), gasoline, diesel fuel, fuel oil, sulfur
Orenburg GPP	OOO Gazprom dobycha Orenburg	Orenburg	1974	• 37.5 bcm of natural gas • 6.2 million tons of gas condensate and crude oil	Dry natural gas, stable condensate, liquefied gas, WFLH, gas sulfur, odorant
Orenburg Helium Plant	OOO Gazprom dobycha Orenburg	Orenburg	1978	• 15.0 bcm of natural gas	Helium gaseous and liquefied, dry natural gas, liquefied gas, ethane, WFLH, pentane-hexane fraction (PHF)
Sosnogorsky GPP	OOO Gazprom pererabotka	Sosnogorsk, Komi Republic	1946	• 3 bcm of natural gas • 12.3 million tons of unstable condensate (deethanization) • 10.9 million tons of unstable condensate, including deethanized (stabilization)	Dry natural gas, stable condensate, liquefied gas, motor gasoline, technical
Urengoy Condensate Preparation Plant	OOO Gazprom pererabotka	Urengoy	1985		De-ethanized gas condensate, stable gascondensate, liquefied gas, motor gasoline, diesel fuel, gas condensate light distillate
Condensate Stabilization Plant	OOO Gazprom pererabotka	Surgut	1985		Stable gas condensate (oil), motor gasoline, diesel fuel, TS-1 jet engine fuel, liquefied gas, WFLH, PHF, gas condensate light distillate
OAO Salavatnefteorgsintez					
Oil processing plant	OAO Salavat-nefteorgsintez	Salavat	1953	• 11.7 million tons of oil and gas condensate	Unleaded gasoline Normal-80, Regular-92, Premium-95, gasolines in compliance with the European standards (Regular Euro-92/4, Premium Euro-95/4), gas condensate distilate, oil toluol, fuel oil, isopentane-isoamylene fraction, oil benzol, oil solvent, absorbent-kerosene, disel fuel, raw materials for production of oil road bitumen, technical sulpher, oil bitumens, broad fraction of light hydrocarbons, demercaptanized stable gas condensate, catalysts
“Monomer” plant	OAO Salavat-nefteorgsintez	Salavat	1991, based on capacities of 1960th–80th	• 300 thousand tones of ethylene • 144 thousand tones of propylene • 45.7 thousand tones of polyethylene	Oil benzol, propylene, ethylene, styrole, heavy pirolysis resin, pentane-isoprene cyclopentadiene and butylene-butadiene fraction, polystyrene of base grades, shock-resistant polystyrene plate, polyethylene of base grades
Natural gas chemical plant	OAO Salavat-nefteorgsintez	Salavat	2007, based on capacities of 1950th–1980th	• 38.4 thousand tones of plasticizers • 173 thousand tones of propyl carbinol • 539.9 thousand tones of ammonia • 630 thousand tones of carbamide	More than 20 names of production, including a carbamide, liquid ammonia, aqua ammonia, oxigen technical, carbon dioxide, nitrogen technical, propyl and isopropyl carbinol, plasticizers, phthalic anhydride
Chemical plant	OAO Salavat-nefteorgsintez	Salavat	1965	• 31.2 thousand tones of sodium nitrate • 17.0 thousand tones of dimethylamine	Solution of sodium nitrite, sulfiric natrium technical, dimethylamine

Name	Company	Location	Year of establishmet	Annual capacity of processing/ Product range production as of 31.12.2008	Main products
Gazprom Neft					
Omsk oil-processing plant	OAO Gazprom Neft	Omsk	1955	• 19.5 million tons of oil	Automobile and technical gasoline, diesel fuel, avia fuel, black strap, oils, aromatic hydrocarbons, hydrocarbonic liquefied gases, oil bitumens, sulphur
Oil-processing plant in Panchevo	Naphta Indusry Srbia*	Panchevo (Serbia)	1968	• 7.3 million tons of oil	Automobile and technical gasoline, diesel fuel, avia fuel, black strap, aromatic hydrocarbons, hydrocarbonic liquefied gases, bitumens, sulphur and propylene
Oil-processing plant in Novi-Sad	Naphta Indusry Srbia*	Novi-Sad (Serbia)	1968		Technical gasoline, diesel fuel, black strap, oils, liquid bitumens

* The deal on acquiring controlling share of the company was completed by Gazprom neft in February 2009

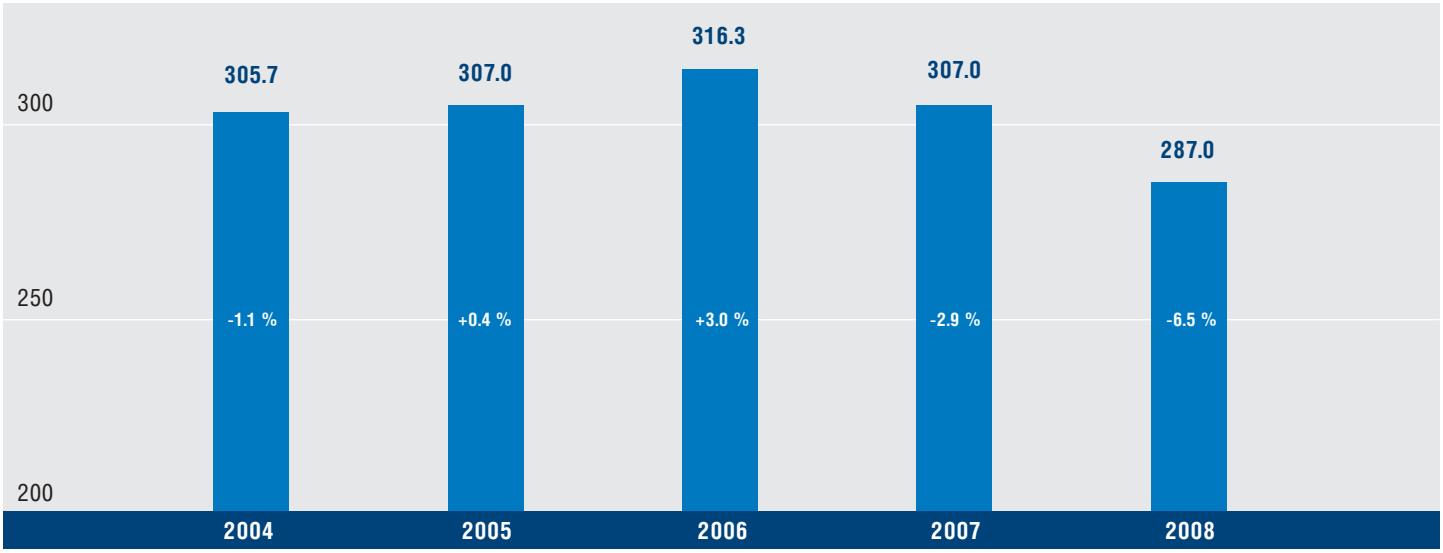
More than that *Gazprom Group* has an access to capacities of the following processing plants (according to participation shares in capital of OAO NGK Slavneft and OAO Moscow oil-processing plant):

Name	Company	Location	Year of establishmet	Annual capacity of processing/ Product range production as of 31.12.2008	Main products
Moscow oil-processing plant	OAO Moscow oil-processing plant	Moscow	1938	• 12,15 million tons of oil	Atomobile and technical gasoline, diesel fuel, avia fuel, black strap, oil asphalt, hydrocarbonic liquefied gases, sulpher
Yaroslav-nefteorgsintez	OAO NGK Slavneft	Yaroslavl	1958-1961	• 15,2 million tons of oil	Automobile and technical gasoline, diesel fuel, avia fuel, black strap, oils, aromatic hydrocarbons, sulphur, sulphur acid, paraffin-wax products
Yaroslavl oil-processing plant named after D.I. Mendeleev	OAO NGK Slavneft	Yaroslavl oblast	1879	• 0,3 million tons of oil	Technical gasoline, diesel fuel, black strap, oils

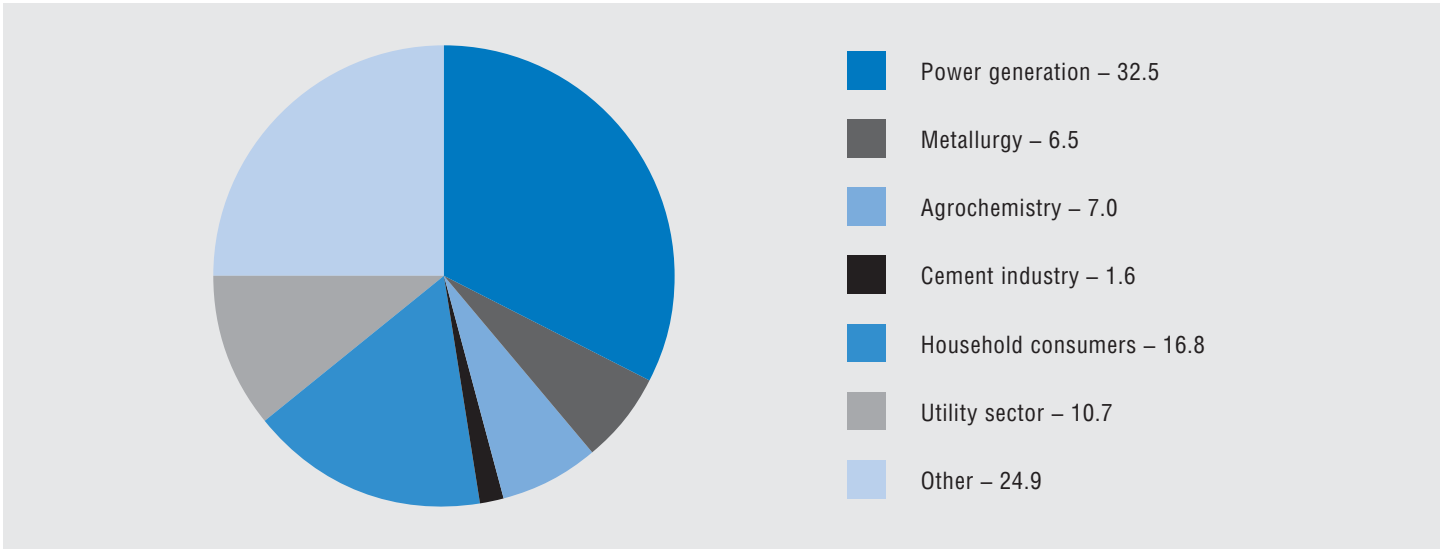
MARKETING

Domestic Market

GAZPROM GROUP GAS SALES TO RUSSIAN CONSUMERS, BCM



GAZPROM GAS SALES STRUCTURE IN RUSSIA BY GROUPS OF CONSUMERS IN 2008



Natural gas produced by *Gazprom Group's* companies is primarily sold to Russian consumers at state-regulated prices.

The regulated wholesale gas price change parameters are defined by the Government of the Russian Federation. Specific regulated wholesale prices, differentiated by consumer type and by price bands which take into account the distance from the gas production regions to the consumer, are approved by the Federal Tariff Service (Russian FTS). Retail gas prices for household consumers are fixed by local administration of subjects of the Russian Federation.

Prior to January 1, 2005, wholesale gas prices were differentiated by seven price bands. As a result of further improvement of territorial price differentiation, aimed at price covering production and transportation costs, the number of price bands was increased. As of 2007, Russian FTS fixed wholesale gas prices using the said parameters for 13 price bands with differentiation by categories of consumers.

AVERAGE WHOLESALE GAS PRICES FOR CONSUMERS IN THE RUSSIAN FEDERATION
(EXCEPT GAS SOLD TO HOUSEHOLD CONSUMERS),
ROUBLES PER 1,000 CUBIC METERS (NET OF VAT)

Price band	from 01.01.2004	from 01.01.2005	from 01.01.2006	from 01.01.2007
0	526			
I	634	619	677	779
II	739	745	815	937
III	828	879	960	1,104
IV	871	985	1,080	1,242
IVa	923	1,041	1,198	
V	912	1,005	1,104	1,270
VI	937	1,033	1,136	1,306
VII	1,040	1,148	1,320	
VIII		1,088	1,202	1,382
IX		1,119	1,241	1,427
X		1,154	1,284	1,477
Xa		1,304*	1,673	
XI		1,160	1,295	1,489
Gas transferred through Barnaul – Biysk – Gorno-Altaisk gas pipeline (section 87th km – Gorno-Altaisk)				1,673
Gas transferred by Nyuksenitsa-Arkhangelsk gas pipeline (section 147th km – Mirny)				2,360

* Effective from August 1, 2006, the price was RR 1,455 per 1,000 cubic meters

AVERAGE WHOLESALE GAS PRICES FOR HOUSEHOLD CONSUMERS IN THE RUSSIAN FEDERATION,
ROUBLES/1,000 CUBIC METERS (NET OF VAT)

Price band	from 01.01.2004	from 01.01.2005	from 01.04.2005	from 01.01.2006	from 01.01.2007
0	464				
I	492	579	619	677	779
II	536	616	660	726	835
III	576	671	720	794	913
IV	588	720	773	857	986
IVa		678	730	833	958
V	600	725	778	863	992
VI	610	730	783	870	1,001
VII		736	792	883	1,015
VIII		744	802	896	1,030
IX		752	810	907	1,043
X		764	822	920	1,058
Xa				920**	1,196
XI		728.5*	789.1*	920	1,058
Gas transferred through Barnaul – Biysk – Gorno-Altaisk gas pipeline (section 87th km – Gorno-Altaisk)					1,427
Gas transferred by Nyuksenitsa-Arkhangelsk gas pipeline (section 147th km – Mirny)					1,836

* Adjusted for the prices for the settlements that had suffered from the flood in 2002

** Effective from August 1, 2006, the price was RR 1,040 per 1,000 cubic meters

The ultimate regulated wholesale gas price includes the following regulated components: wholesale gas price, a transportation tariff and a marketing and sales services fee. *Gazprom* receives its natural gas sale revenues at the wholesale regulated price. The regulated transportation tariff is paid to the gas distribution companies, which transport gas through their networks to the consumers, and the marketing and sales services fees are paid to the regional gas sales companies. The wholesale gas price for household consumers is 24 % below the wholesale gas price level for other consumers.

In certain cases, the retail prices for household consumers may also include gas network maintenance and repair fee charged by utility or municipal organizations. Gas pricing for household consumers have some unique

features: the existence of privileged categories of consumers; in the absence of metering devices at individual apartments gas fees are generally calculated in accordance with the established norms.

Effective 2008, new differentiation of wholesale gas prices was introduced that envisages 67 price bands. Average wholesale gas price for industrial consumers in 2008 was RR1,699.2 per 1,000 cubic meters (net of VAT) and gas price for household consumers was RR1,288.8 per 1,000 cubic meters.

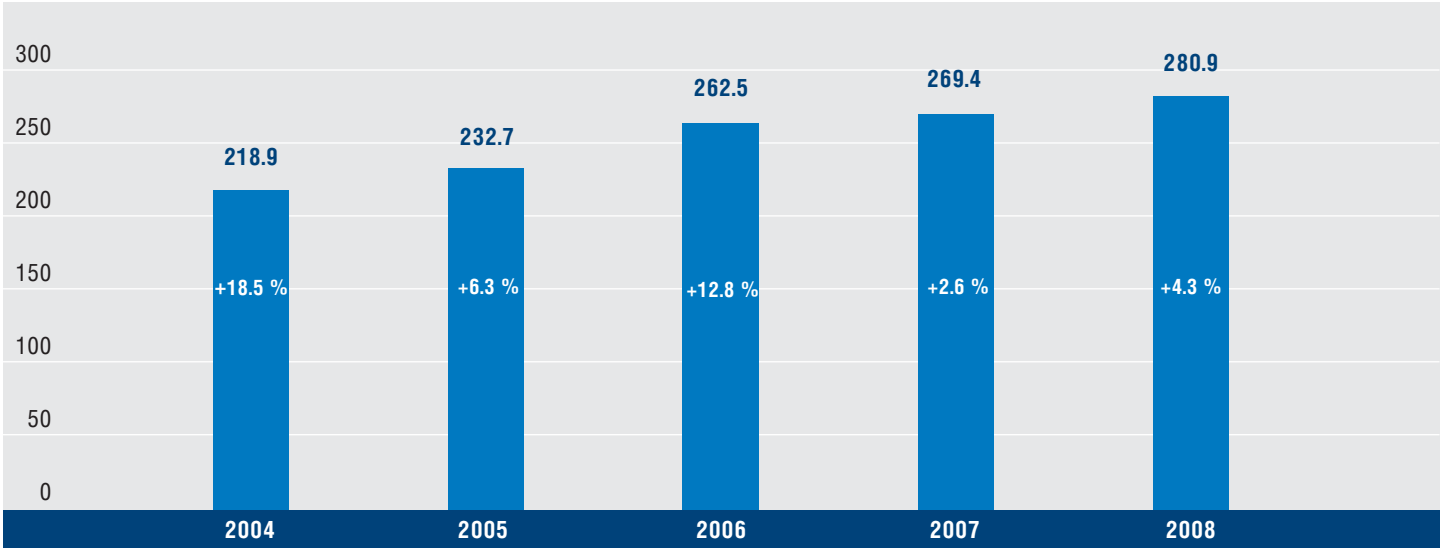
From 2007 for the purpose of informing the natural gas market participants about the principles underlying the calculation of wholesale gas prices that are to be used after 2011 Russian FTS began to calculate indicative gas prices, which are calculated using a formula intended to ensure the equal profitability from gas sales in the external and domestic market. The indicative prices calculated for 2007–2008 were on average 2.2–2.9 times higher than average regulated prices.

REGULATED VS. INDICATIVE WHOLESALE GAS PRICES

Indicator	2007		2008			
	3rd quarter	4th quarter	1st quarter	2nd quarter	3rd quarter	4th quarter
Average wholesale gas price, calculated by equal profitability formula, Roubles per 1,000 cubic meters	3,982	3,878	3,758	3,837	4,281	4,844
Average regulated wholesale gas price, Roubles per 1,000 cubic meters	1,355	1,357	1,699	1,695	1,697	1,697
Equal profitability price / regulated price ratio, x	2.94	2.86	2.21	2.26	2.52	2.85

External Market

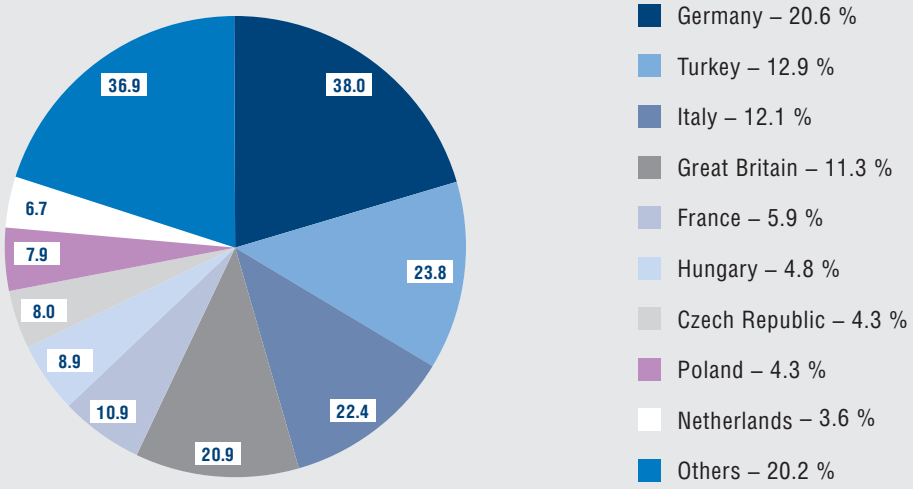
GAZPROM'S GAS SALES ABROAD, BCM



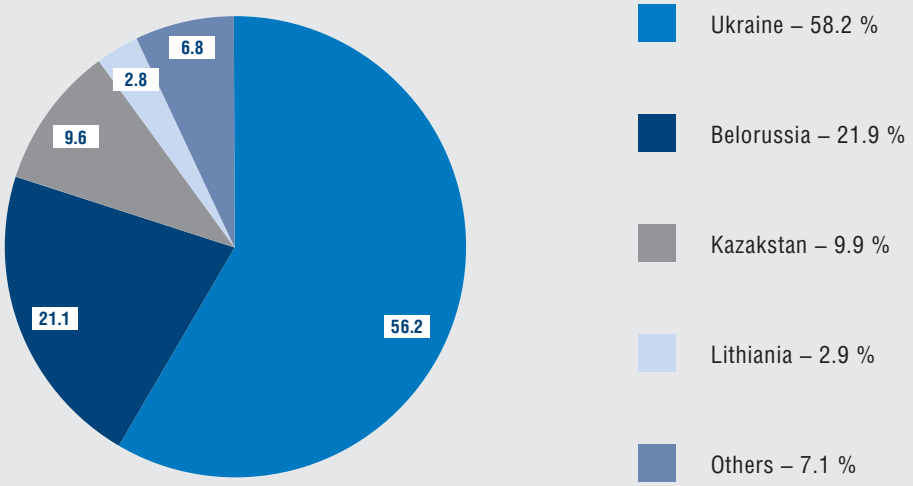
GAZPROM'S GAS SALES IN EXTERNAL MARKETS

	2004		2005		2006		2007		2008	
	Volume, bcm	Share of total, %	Volume, bcm	Share of total, %	Volume, bcm	Share of total, %	Volume, bcm	Share of total, %	Volume, bcm	Share of total, %
CIS and Baltic States	65.7	30.0	76.6	32.9	101.0	38.5	100.9	37.5	96.5	34.4
Far abroad	153.2	70.0	156.1	67.1	161.5	61.5	168.5	62.5	184.4	65.6

VOLUME AND STRUCTURE OF OAO GAZPROM'S GAS SALES FAR ABROAD IN 2008, BCM AND %



VOLUME AND STRUCTURE OF GAZPROM'S GAS SALES IN CIS AND BALTIC STATES IN 2008, BCM AND %

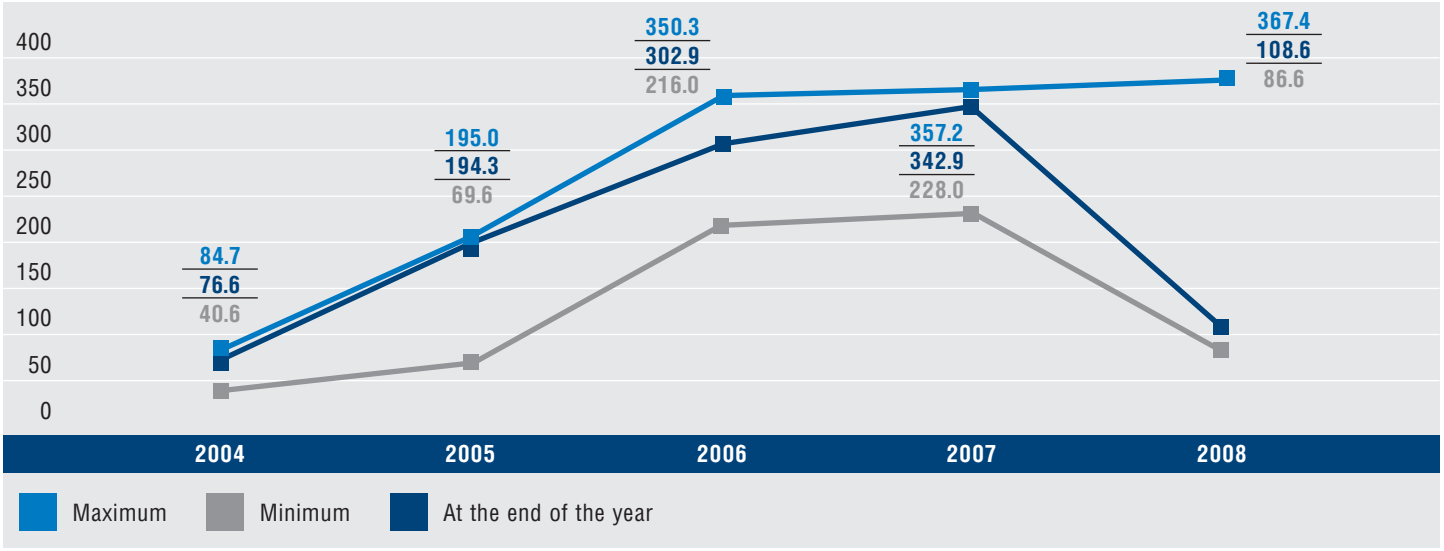


SHARE CAPITAL, DIVIDENDS, FINANCIAL AND MARKET INDICATORS

SHARE CAPITAL STRUCTURE OF OAO GAZPROM AS OF THE END OF THE YEAR, %

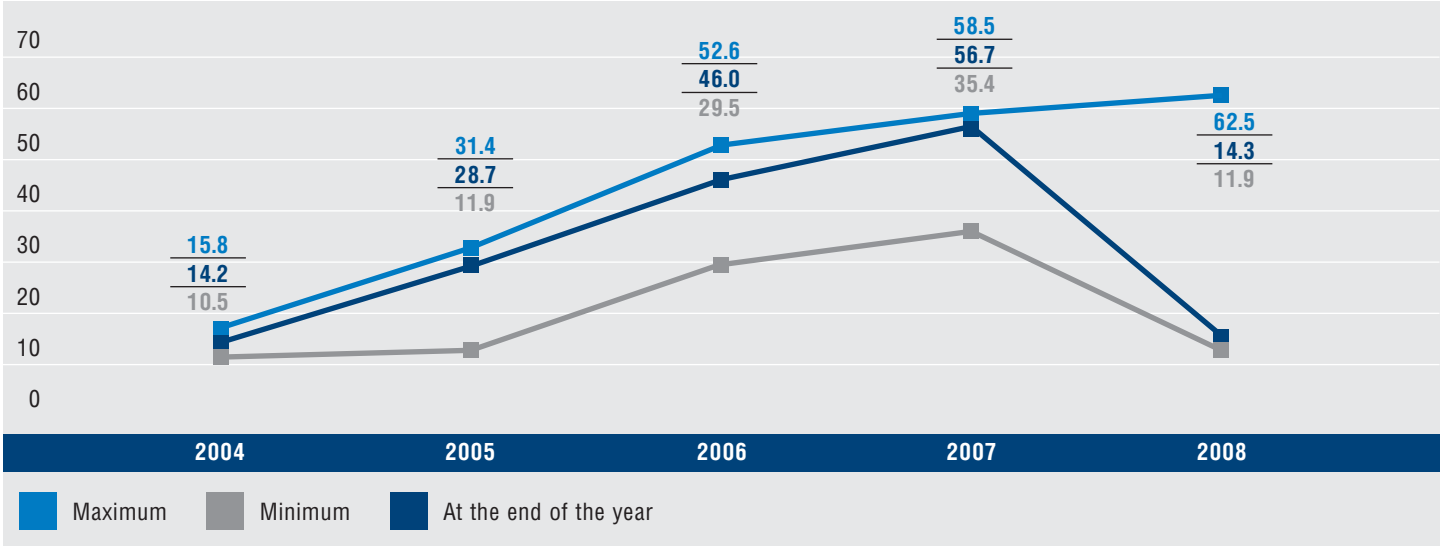
	2004	2005	2006	2007	2008
Shareholding controlled by the Russian Federation,	39.262	50.002	50.002	50.002	50.002
including:					
Federal Agency for Federal Property Management	38.373	38.373	38.373	38.373	38.373
OAO "Rosgazifikatsiya"	0.889	0.889	0.889	0.889	0.889
OAO "Rosneftegaz"	-	10.740	10.740	10.740	10.740
ADR holders	4.422	4.422	13.200	21.020	22.150
Other registered entities	56.316	45.576	36.798	28.978	27.848

OAO GAZPROM SHARE PRICE AT RUSSIAN STOCK EXCHANGE*, RUR PER SHARE



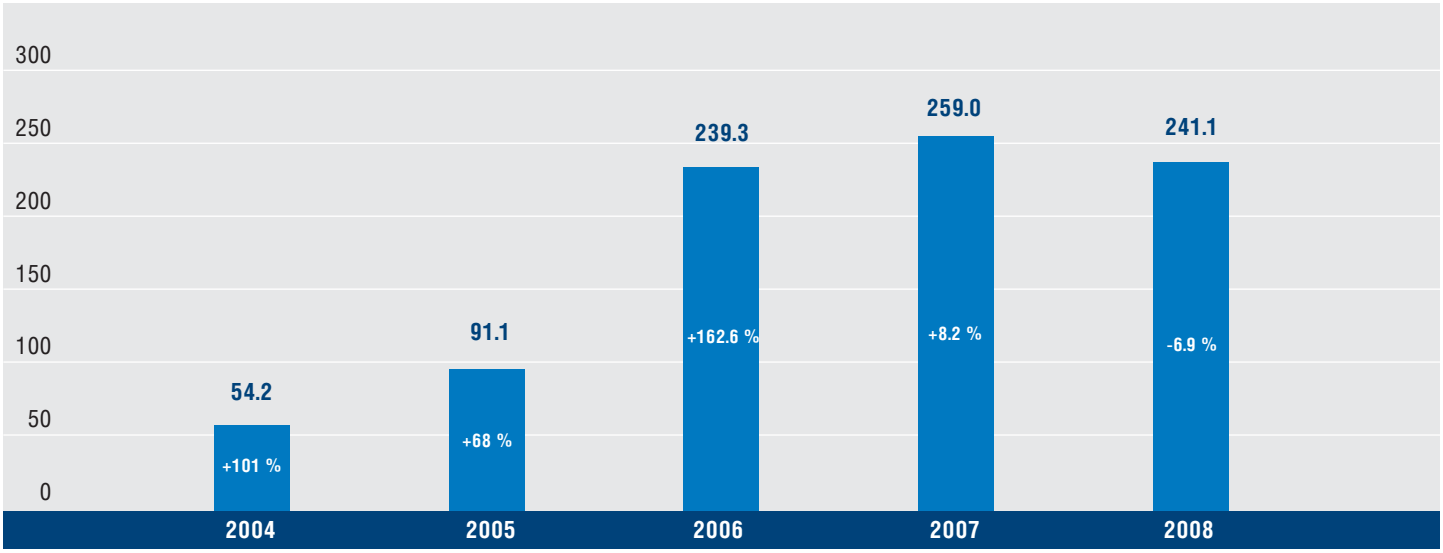
* 2004–2005 figures refer to St. Petersburg Stock Exchange, 2006–2007 figures – to Moscow Interbank Currency Exchange (MICEX).

OAO GAZPROM ADR CLOSE PRICE AT LONDON STOCK EXCHANGE*, $ PER ADR.



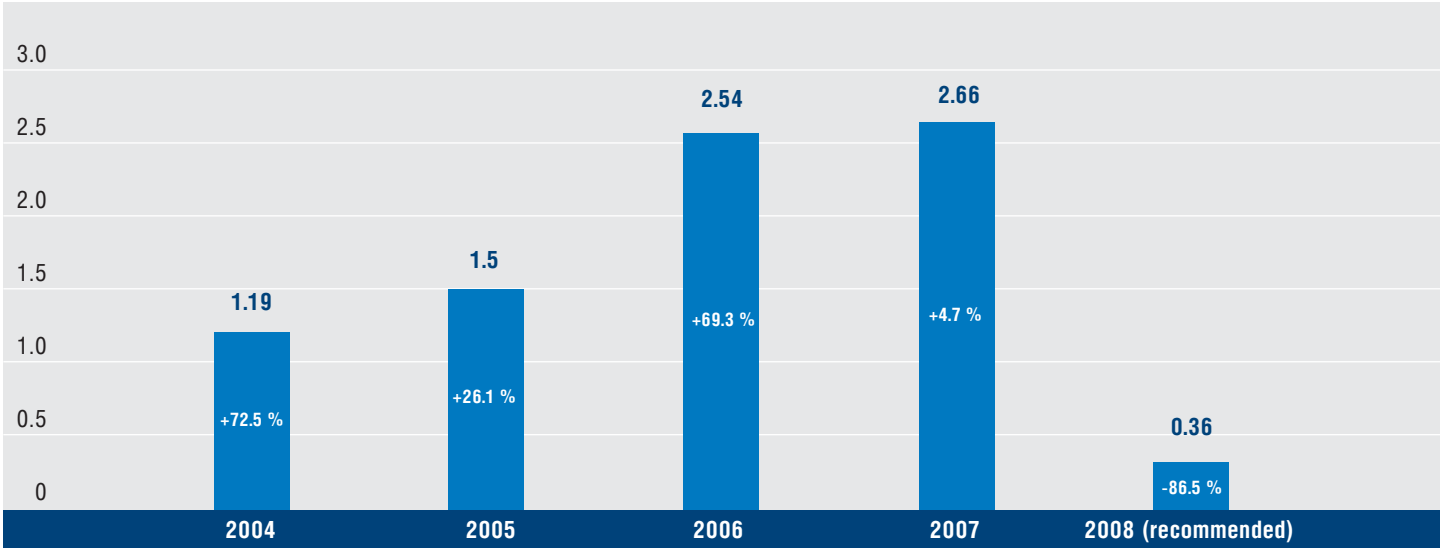
* Considering the ratio of 1 ADR = 4 OAO Gazprom ordinary shares.

OAO GAZPROM AVERAGE MARKET CAPITALIZATION , BLN.$



* The average market capitalization of OAO Gazprom for 2006 and previous years was calculated in accordance with OAO Gazprom Dividend policy as the sum of the arithmetic average of the daily market capitalization of the internal market and the arithmetic average of the daily market capitalization of the external market. Due to the liberalization of OAO Gazprom share market and the leveling of prices for OAO Gazprom shares and ADRs starting from 2007 the figure is determined as the average annual close price of shares at MICEX at the average annual exchange rate of the Central Bank of Russia multiplied by the total number of OAO Gazprom shares issued.

DIVIDEND GROWTH, RUR PER SHARE



OAO GAZPROM FINANCIAL AND MARKET RATIOS

	2004	2005	2006	2007	2008
Return on equity, %*	8.70	6.08	9.40	7.73	3.62
Return on assets, %*	6.41	4.79	7.55	6.08	2.8
Return on sales, %*	23.85	29.09	30.87	27.41	35.72
Current liquidity ratio *	3.04	3.35	2.95	2.80	2.72
Quick ratio *	2.52	2.67	2.35	2.34	2.26
Equity/assets ratio *	0.74	0.79	0.80	0.79	0.77
Debt to capital ratio, %	23.7	20.23	16.90	19.84	21.54
P/E ratio (domestic OAO Gazprom share market)	11.29	22.65	20.83	22.51	14.86
P/E ratio (external OAO Gazprom share market)	14.49	24.06	20.83	22.51	14.86
Market capitalization, $ bln	54.24	91.13	239.33	259.0	241.1

* Calculated in accordance with the Regulation on information disclosure by securities issuers approved by Order of the Russian Federal Financial Market Service № 06-117/pz-n dated October 10, 2006.

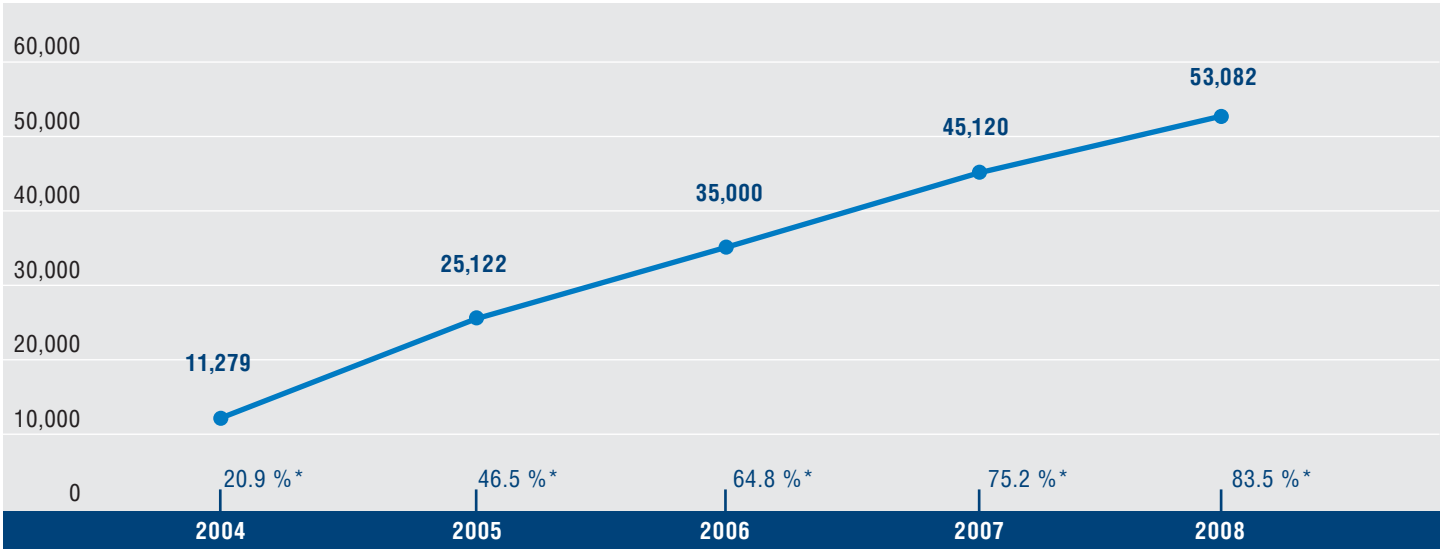
BUSINESS PROPERTY

Number of *Gazprom Group's* corporate immovable property items exceed 80 thousand, including 60 thousand items that are owned by the head company OAO Gazprom. Corporate immovable property are located on more than 700 thousand plots.

Thus, since the initiation of a large scale work of OAO Gazprom property rights state registration the number of property items increased by 25%. However the property rights state registration works were performed in 2008 ahead of time and as of now OAO Gazprom property right are registered for 83.5% of all immovable property items.

The remaining items for the major part represent newly commissioned items, title to which is to be registered gradually in line with the documents preparation; as well as property items commissioned prior to enactment of Federal Law on Immovable property rights and transactions state registration, documents of title for which require adaptation in accordance with the effective legislation (through judicial procedures if applicable).

OAO GAZPROM IMMOVABLE PROPERTY RIGHTS STATE REGISTRATION



* Share of registered items

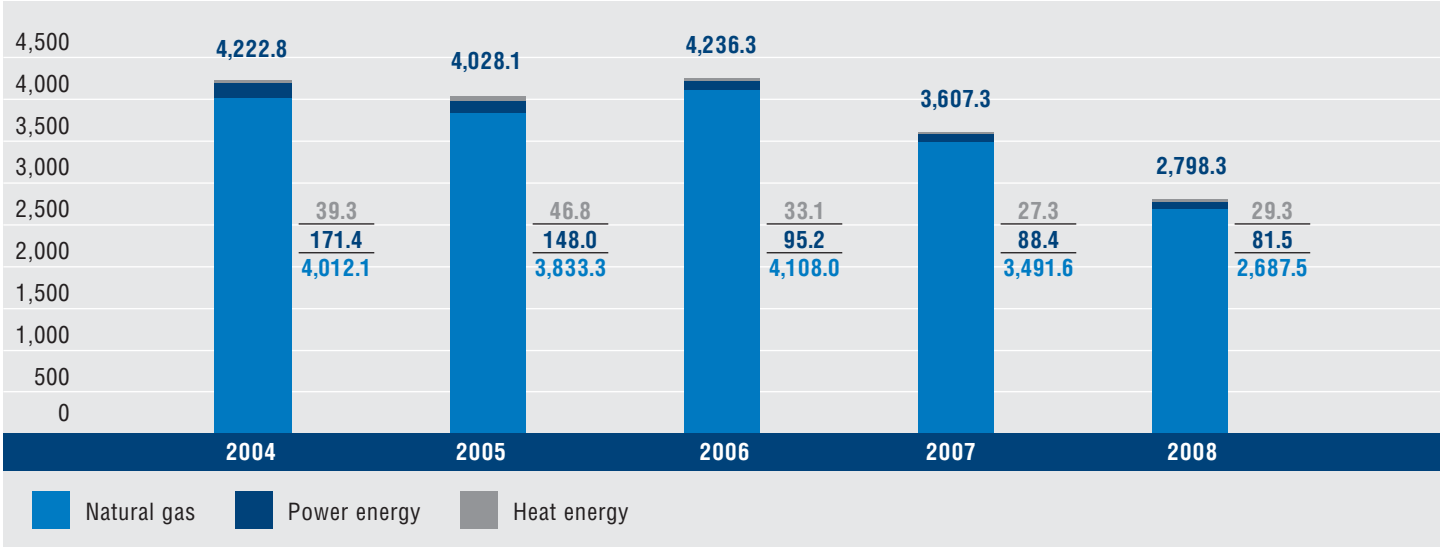
In 2008 works for OAO Gazprom rights re-registration for land plots in accordance with the require-ments of Federal Law on Land Code enactment continued. For the year the number of items, rights for land plots under which are registered in accordance with the requirements of the effective legislation, exceeded 20%.

ENERGY SAVING

In 2006 the implementation of OAO Gazprom energy saving program for the period from 2004 through 2006 was completed. *Gazprom's* total saving of fuel and energy resources amounted to 12.5 million tons of coal equivalent in the said period.

In 2007 a new OAO Gazprom energy saving program for the period from 2007 through 2010 was approved. The total saving of the fuel and energy resources by *Gazprom's* subsidiaries involved in the Program amounted to 2.8 million tons of coal equivalent in the reporting period (compared to the planned 2.4 million tons of coal equivalent).

FUEL AND ENERGY SAVING IN GAZPROM IN 2004-2008.,TCE THOUSANDS



PERSONNEL

PERSONNEL STRUCTURE OF GAZPROM GROUP'S MAJOR GAS PRODUCTION, TRANSPORTATION, UNDERGROUND STORAGE AND PROCESSING SUBSIDIARIES IN 2004–2008

	2004	2005	2006	2007	2008
Number of employees as of year-end, in thousands	251.8	247.1	232.2	222.0	221.3
including, %:					
management	9.1	9.1	9.1	9.3	9.5
specialists	19.5	20.1	21.2	22.2	22.9
workers	66.9	66.3	65.0	63.1	63.4
other employees	4.5	4.5	4.7	5.4	4.2

EDUCATIONAL LEVEL OF EMPLOYEES OF GAZPROM GROUP'S MAJOR GAS PRODUCTION, TRANSPORTATION, UNDERGROUND STORAGE AND PROCESSING SUBSIDIARIES IN 2004–2008, %

	2004	2005	2006	2007	2008
Management:					
higher and post-graduate	69.8	72.7	75.5	77.3	79.3
specialized secondary	26.3	24.0	21.7	19.7	18.3
Specialists:					
higher and post-graduate	64.4	67.7	70.4	73.3	75.8
specialized secondary	30.9	28.1	25.7	23.0	20.7
Workers:					
higher and post-graduate	8.6	9.7	10.8	12.1	12.7
specialized secondary	23.6	24.5	24.9	26.0	25.9

AGE STRUCTURE OF EMPLOYEES OF GAZPROM GROUP'S MAJOR GAS PRODUCTION, TRANSPORTATION, UNDERGROUND STORAGE AND PROCESSING SUBSIDIARIES IN 2004–2008, %

	2004	2005	2006	2007	2008
Under 30	17.7	17.1	16.9	16.8	16.7
30–40 years	26.7	26.5	26.8	27.0	27.1
40–50 years	36.4	36.1	35.7	34.0	32.8
Over 50	19.2	20.3	20.6	22.2	23.4