



RELEASE

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RUB 8.0397 per share dividends recommended by Board of Directors for 2016

The Gazprom Board of Directors addressed issues associated with arranging and holding the Company's annual General Shareholders Meeting.

The Board of Directors resolved to convene the annual General Shareholders Meeting of Gazprom at the Company's office on 16 Nametkina St. in Moscow from 10 a.m. (local time) on June 30, 2017. The registration of the Meeting participants is to be carried out on June 28 (from 10 a.m. to 5 p.m.) and on June 30 (from 9 a.m.).

The Board of Directors approved the agenda of Gazprom's annual General Shareholders Meeting consisting of the following items:

- on the approval of the Company's Annual Report;
- on the approval of the Company's Annual Accounting (Financial) Statements;
- on the approval of the distribution of the Company's profit based on the results of 2016;
- on the amount, period and form of the dividend payout based on the results of 2016, as well as on the date when a list of persons entitled to receive dividends is drawn up;
- on the approval of the Company's Auditor;
- on the remuneration for the Board of Directors (Supervisory Board) Members, who are not governmental officials, in the amount established by the Company's regulatory documents;
- on the remuneration for the Audit Commission Members, who are not governmental officials, in the amount established by the Company's regulatory documents;
- on the amendments to the Company's Articles of Association;
- on the amendments to the Company's Regulation on the Board of Directors;
- on the amendments to the Company's Regulation on the Management Committee;
- on the amendments to the Company's Regulation on the Management Committee Chairman;
- on the approval of the Company's updated Code of Corporate Governance;
- on Gazprom's participation in the Global Gas Centre association;
- on the election of the Company's Board of Directors (Supervisory Board) Members;
- on the election of the Company's Audit Commission (Internal Auditor) Members.

The Board of Directors formed the Shareholders Meeting Presidium made up of the Gazprom Board of Directors Members and approved the Board of Directors Chairman Viktor Zubkov as the Shareholders Meeting Chairman.

The Board of Directors recommended that the Shareholders Meeting approve the distribution of Gazprom's profit based on the 2016 operating results.

The Board of Directors recommended that the Shareholders Meeting approve the proposal to pay out RUB 8.0397 per share in annual dividends (1.9 per cent higher than last year) based on Gazprom's operating results in 2016. Thus, it is recommended to allocate RUB 190,327.4 million (20 per cent of the profit under International Financial Reporting Standards) for dividend payout.

Gazprom continues to pursue the policy aimed at maintaining the dividend amount equal to or higher than the level already achieved by the Company. The recommendation of the Board of Directors concerning the dividend payout for 2016 takes into account the need to ensure that the Company remains financially sustainable, its priority strategic projects are implemented, and the shareholders' interests are respected.

The Board of Directors proposed that the Shareholders Meeting set July 20, 2017, as the deadline for listing the persons entitled to receive dividends. The recommended deadline to receive dividends for the nominee shareholders and trustees who are stock market professionals recorded in the Register of Shareholders is August 3, 2017; for the rest of the registered shareholders, it is August 24, 2017.

It was resolved to provisionally endorse and submit to the Shareholders Meeting for consideration the Company's 2016 Annual Report and the 2016 Annual Accounting (Financial) Statements of Gazprom prepared in accordance with the Russian legislation.

The Board of Directors also endorsed the Report on related-party transactions executed by Gazprom in 2016.

The meeting approved the proposals on the amount of the remuneration for the Board of Directors and the Audit Commission Members.

The Board of Directors reviewed the results of the open tender held to select an auditing company responsible for performing the statutory annual audit of Gazprom and nominated the tender winner, FBK, to be endorsed by the General Shareholders Meeting of Gazprom as the Company's Auditor.

The Board of Directors approved and submitted to the Shareholders Meeting for consideration the draft amendments to Gazprom's Articles of Association, as well as to the regulations on the Gazprom Board of Directors, Management Committee, and Management Committee Chairman. The amendments were prepared due to the changes in the Federal Law on Joint Stock Companies and the Federal Law on Arbitration (Arbitration Proceedings) in the Russian Federation.

In addition, the Board of Directors adopted decisions on other issues associated with arranging and holding the annual General Shareholders Meeting of Gazprom.

At present, the Company has several hundred thousand shareholders in Russia and abroad. Therefore, shareholders are advised to exercise the right to take part in the Meeting via their trustees by proxy or via a filled out voting ballot sent to Gazprom, or to give instructions regarding the vote to a nominee shareholder responsible for share registration.

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