



RELEASE

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Project finance documentation signed for Amur Gas Processing Plant

- Total amount borrowed: EUR 11.4 billion.
- Financing is provided by 22 banks from Europe, Asia, and Russia.
- Unprecedented deal in Gazprom's history and one of Europe's largest in last few years.

Gazprom Pererabotka Blagoveshchensk and Gazprom completed the signing of project finance documentation for the construction of the Amur Gas Processing Plant (GPP).

The total amount of debt financing is EUR 11.4 billion. The funds are provided by 22 European, Asian and Russian banks, with Gazprom Pererabotka Blagoveshchensk acting as the borrower.

Fourteen banks from Europe and Japan are participating in the deal. These banks are to provide up to EUR 3.66 billion under the insurance coverage provided by Western export credit agencies for a tenor of 17 years. Gazprom Pererabotka Blagoveshchensk is the first Russian company to raise project financing under ECAs' cover for such a long tenor. An additional EUR 1 billion for 15 years will be provided on an uncovered basis.

Financing on the part of Chinese banks is arranged by Bank of China, China Construction Bank Corporation, and China Development Bank, with the latter serving as the largest lender. These financing institutions are providing a loan facility of EUR 3.4 billion for a tenor of 15 years.

The Russian banks – Gazprombank, Sberbank, VTB Bank, Otkritie Bank, and VEB.RF – are to provide multi-currency credit lines of EUR 1.08 billion and RUB 170 billion. About one third of the total amount will be covered by the Russian Agency for Export Credit and Investment Insurance (EXIAR).

In terms of size, this deal has no precedence in the history of Gazprom and is among the largest project financing deals in Europe over the last few years.

"The Amur GPP will become one of the largest gas processing plants in the world. Its construction is well underway: as of today, the project is 54 per cent complete.

The signing of project finance documentation is a landmark event for this project. Now, the project enjoys support from our long-standing and reliable partners from Europe, Asia, and Russia. Remarkably, for the first time in our history we have raised project financing from Chinese banks.

I am convinced that this transaction will become the foundation for the strengthening and development of mutually beneficial cooperation in Gazprom's key financial markets over the long term," said Alexey Miller, Chairman of the Gazprom Management Committee.

Background

The construction site of the Amur GPP is located near the town of Svobodny in the Amur Region.

The plant will have a design capacity of 42 billion cubic meters of gas per year. The GPP will include the world's largest helium production facilities.

The plant comprises six production lines, with the first two lines slated for commissioning in 2021. The remaining lines will be consecutively put in operation before the end of 2024. The GPP is expected to reach its design capacity by 2025.

In addition to sales gas and helium, the GPP will produce ethane, propane, butane, and pentane-hexane fraction.

Gazprom Pererabotka Blagoveshchensk (part of the Gazprom Group) is the project company for the Amur GPP project. Construction management is carried out by NIPIGAZ (part of the SIBUR Group), general contractor.

INFORMATION DIRECTORATE, PJSC GAZPROM

www.gazprom.ru

Media

+7 (812) 609-34-21

+7 (812) 609-34-05

+7 (812) 609-34-31

+7 (812) 609-34-27

pr@gazprom.ru

Investment Community

+7 (812) 609-41-29

ir@gazprom.ru