



GAZPROM SCHWEIZ AG

FINANCIAL STATEMENTS

2015

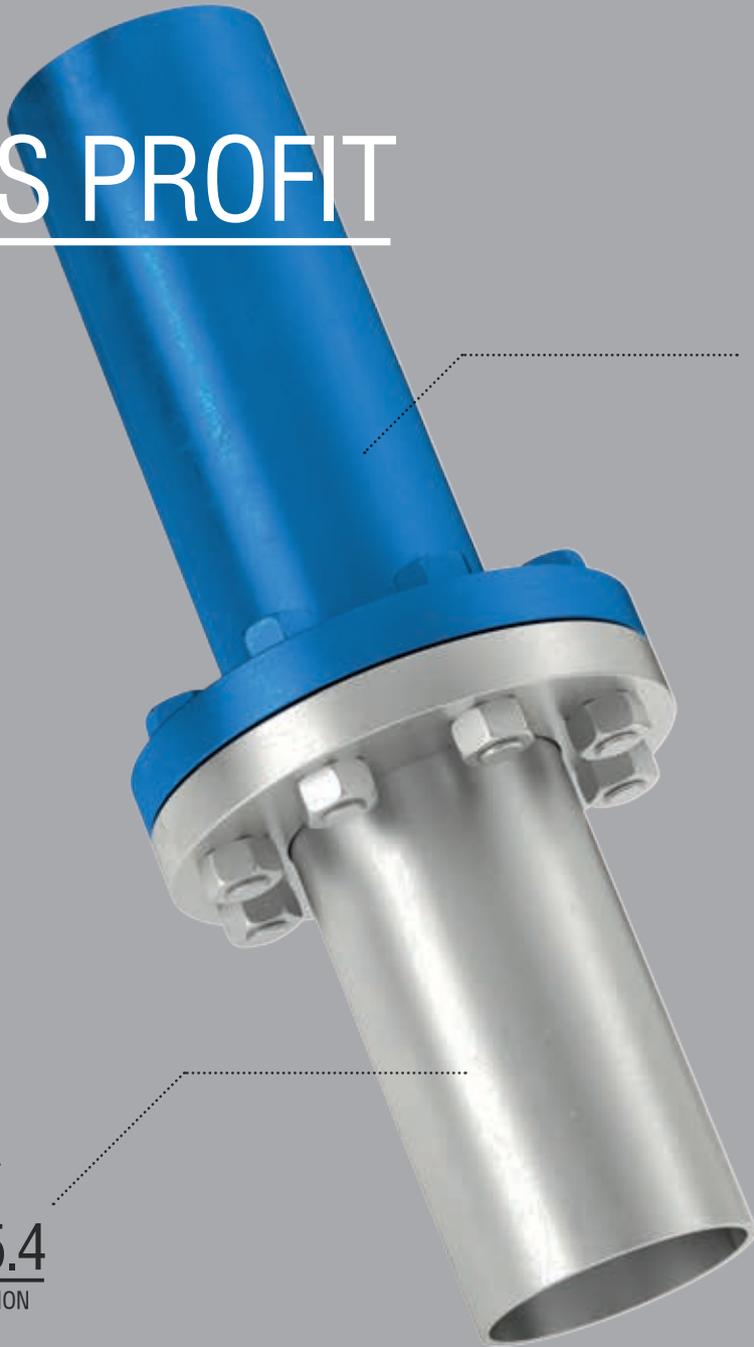
www.gazprom-schweiz.ch

— KEY FIGURE

GROSS PROFIT

2015
CHF
91.2
MILLION

2014
CHF
75.4
MILLION



— REPORT OF THE STATUTORY AUDITOR ON THE FINANCIAL STATEMENTS

As statutory auditor, we have audited the accompanying financial statements of GAZPROM Schweiz AG, which comprise the balance sheet, income statement and notes, for the year ended 31 December 2015.

BOARD OF DIRECTORS' RESPONSIBILITY

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as

well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements for the year ended 31 December 2015 comply with Swiss law and the company's articles of incorporation.

REPORT ON OTHER LEGAL REQUIREMENTS

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

WILLY WENGER

Audit expert | Auditor in charge

KAI MAUDEN

Zurich, 18 March 2016

— 01

BALANCE SHEET

CHF	31.12.2015	31.12.2014
ASSETS		
Cash and cash equivalents	110,981,471.49	342,217,154.49
Trade receivables		
due from third parties	26,497,649.56	138,000,307.31
due from related parties	215,259,450.09	481,646,372.75
Other current receivables		
due from third parties	34,308.17	647,950.94
due from related parties	53,285,343.50	133,867,790.60
Inventory and unbilled services	10,766,202.68	16,901,667.21
Advance payments		22,748,193.30
due from third parties	2,630,386.65	0.00
due from related parties	10,768,201.37	0.00
Accrued income	5,062,674.45	101,154.30
CURRENT ASSETS	435,285,687.96	1,136,130,590.90
Financial assets	692,612.02	666,668.72
Investments	21,736,198.53	21,585,600.38
Fixed assets	1,781,752.43	2,072,317.82
Intangible assets	49,537.19	34,064.14
TOTAL NON-CURRENT ASSETS	24,260,100.17	24,358,651.06
	459,545,788.13	1,160,489,241.96
LIABILITIES AND SHAREHOLDER'S EQUITY		
Trade payables		
due to third parties	133,016,756.40	510,916,993.90
due to related parties	85,235,398.10	395,822,553.52
Other short-term liabilities	509,681.80	356,500.50
Accrued expenses	5,381,737.41	5,377,635.19
Deferred functional currency gain	27,985,586.42	25,764,400.45
TOTAL SHORT-TERM LIABILITIES	252,129,160.13	938,238,083.56
TOTAL LIABILITIES	252,129,160.13	938,238,083.56
Share capital	300,000.00	300,000.00
Statutory retained earnings	150,000.00	150,000.00
Available earnings		
Profit brought forward	188,434,825.40	
Profit for the year	18,531,802.60	206,966,628.00
TOTAL SHAREHOLDER'S EQUITY	207,416,628.00	222,251,158.40
	459,545,788.13	1,160,489,241.96

— 02

INCOME STATEMENT

CHF	2015	2014
Net revenue from goods and services sold	4,288,608,826.23	7,352,412,792.03
Other income	76,421.12	85,143.56
GROSS SALES	4,288,685,247.35	7,352,497,935.59
Cost of sales	-4,197,495,823.42	-7,277,096,777.45
GROSS PROFIT	91,189,423.93	75,401,158.14
Personnel expenses	-9,175,718.94	-8,165,866.50
Other operating expenses	-61,565,650.59	-26,124,085.04
Depreciation and amortization on fixed asset items	-535,168.58	-501,859.56
TOTAL OPERATING EXPENSES	-71,276,538.11	-34,791,811.10
OPERATING PROFIT	19,912,885.82	40,609,347.04
Financial income	83,939.08	7,317,976.06
Financial expenses	-86,392.90	-37,947.49
Loss on exchange rate	-2,374,701.53	-1,994,750.26
Result from investments	5,103,114.42	-9,511,067.81
PROFIT BEFORE TAX	22,638,844.89	36,383,557.54
Direct taxes	-4,107,042.27	-3,017,224.44
NET PROFIT	18,531,802.60	33,366,333.11

— 03

NOTES TO THE ANNUAL FINANCIAL STATEMENTS**1 ACCOUNTING PRINCIPLES APPLIED FOR THE FINANCIAL STATEMENTS**

These financial statements have been prepared in accordance with the provisions of commercial accounting as set out in the Swiss Code of Obligations. Since PJSC Gazprom is publishing consolidated financial statement under generally accepted standards (IFRS), Gazprom Schweiz AG has not disclosed the Audit Fees in the Notes as well as prepared a cash flow statement in accordance with the Swiss Law (Art. 961d OR). Significant balance sheet items are accounted for as follows:

NET REVENUE FROM GOODS AND SERVICES SOLD

Net revenue from goods and services sold consists solely of sales from natural gas trading.

TRADE RECEIVABLES

Trade receivables and other short-term receivables are carried at their nominal value. Impairment charges are calculated for these assets on an individual basis.

INVENTORIES

Inventories are valued at the lower of cost (acquisition or manufacturing cost) and net realisable value. Cost comprises the purchase price as well as all incidental costs. Net realisable value is the estimated selling price less the estimated cost to completion and the estimated selling cost.

INVESTMENTS

Investment in subsidiary is carried at cost less accumulated impairment losses in the Company's balance sheet.

RECOGNITION OF REVENUE

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Company's activities. Sales are presented, net of goods and services tax, rebates and discounts.

NON-CURRENT ASSETS AND LEASES

Property, plant and equipment is carried at cost or manufacturing cost less depreciation.

Depreciation is calculated on the basis of the following useful lives and in accordance with the following methods:

Non-current assets	Furniture and equipment
Useful life	5 years
Method	20% linear method

FOREIGN CURRENCY TRANSLATION

The USD is Gazprom Switzerland AG's functional currency because the entity's cash flows and transactions are denominated mainly in USD.

As at 31 December 2015, the annual financial statements are translated into Swiss francs as follows:

- Assets and liabilities (including shareholdings and loans to Group companies) are translated at closing rates
- The income statement is translated at average rate
- Equity capital is translated at historic rates
- Translation differences are recognized as income in accordance with the imparity principle (provisioning of unrealized gains)

CHF	31.12.2015	31.12.2014
2 TOTAL AMOUNT OF GUARANTEES, INDEMNITY LIABILITIES AND PLEDGES IN FAVOR OF THIRD PARTIES		
Pledged cash to secure credit cards	160,000.00	150,000.00
Pledged cash to secure payment guarantees	0.00	17,800.00
Pledged cash to secure bank guarantees	0.00	0.00
3 TOTAL AMOUNT OF LIABILITIES FROM LEASING CONTRACTS NOT INCLUDED IN THE BALANCE SHEET	175,552.22	161,716.14
4 THE NUMBER OF FULL-TIME EQUIVALENTS DID NOT EXCEED 50 ON AN ANNUAL AVERAGE BASIS.		
5 PENSION LIABILITIES	0.00	0.00
6 INVESTMENTS		
IMUK AG, CHUR, SWITZERLAND Scope of business: Holding and trading of real estate		
Share capital	CHF 100,000.00	100,000.00
Amount of holding	% 100.00	100.00
Book value	CHF 2,787,040.37	2,766,503.95
Book value in functional currency	USD 2,784,222.74	2,784,222.74
PROMGAS S.P.A., MILAN, ITALY Scope of business: Gas trading		
Share capital	EUR 516,500.00	516,500.00
Amount of holding	% 50.00	50.00
Book value	CHF 8,677,773.03	8,613,830.48
Book value in functional currency	USD 8,669,000.00	8,669,000.00

CHF		31.12.2015	31.12.2014
GAZPROM AUSTRIA GMBH, VIENNA, AUSTRIA Scope of business: Gas trading			
	Share capital	EUR 1,453,456.68	1,453,456.68
	Amount of holding	% 50.00	50.00
	Book value	CHF 10,271,384.13	10,195,699.00
	Book value in functional currency	USD 10,261,000.00	10,261,000.00
OOO GISSARNEFTGAZ, KARSHI, UZBEKISTAN Scope of business: Gas exploration and trading			
	Share capital	UZS 40,772,398,000.00	40,772,398,000.00
	Amount of holding	% 5.00	5.00
	Book value	CHF 1.00	0.99
	Book value in functional currency	USD 1.00	1.00
7	OTHER OPERATING EXPENSES CONSIST OF THE ITEMS BELOW		
	Sponsorship and charity	-54,210,235.07	-21,866,855.42
	Office costs	-891,192.63	-954,193.96
	Travel expenses	-628,780.95	-863,776.60
	Insurance	-475,704.32	-376,082.07
	Consultancy fees	-566,213.64	-571,286.61
	Receivables write-off	-3,329,014.51	0.00
	Others	-1,464,509.47	-1,491,890.37
8	ADDITIONAL INFORMATION		
	Received dividends	5,103,114.42	5,897,859.51
	Result from revaluation of shares	0.00	-15,408,927.31
	Interest income	83,939.08	7,317,976.06
	Income from accounting services	10,000.00	10,000.00
	FX income	0.00	0.00
	FX expense	-2,374,701.53	-1,994,750.26
	Income/expense from reserves	-4,102.22	1,041,023.17
	thereof from operating activities	14,253.24	80,551.19
	thereof from tax	-18,355.47	960,471.99
	Dividends paid	33,366,333.00	75,517,531.56

— 04

APPROPRIATION OF AVAILABLE EARNINGS

CHF		31.12.2015	31.12.2014
	Voluntary retained earnings, 1st January	188,434,825.40	188,434,825.29
	VOLUNTARY RETAINED EARNINGS	188,434,825.40	188,434,825.29
	Annual earnings	18,531,802.60	33,366,333.11
	AVAILABLE EARNINGS TO BE AT THE GENERAL MEETING'S DISPOSAL	206,966,628.00	221,801,158.40
	Dividends	-18,531,802.60	-33,366,333.00
	VOLUNTEERS RETAINED EARNINGS TO NEW ACCOUNT	188,434,825.40	188,434,825.40

GAZPROM Schweiz AG | Pelikanplatz 15 | 8001 Zurich
info@gazprom-schweiz.ch | www.gazprom-schweiz.ch

[DELIVERING ENERGY ACROSS CONTINENTS](#)