

COMPANY PROFILE

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GAZPROM NEFT INVESTMENT CASE

The goal of the Gazprom Neft Strategy to 2030 is to build a new-generation company, and to become a benchmark for global industry peers in terms of safety, efficiency and technological advancement.

Ongoing digitalisation across the entire production chain to improve business efficiency

Extensive resource base

Highly efficient refining thanks to the modernisation of refineries

Managing every link in the value chain together, as a single integrated asset

An operational efficiency and HSE system covering all areas of the company's business

An adaptive system supporting investment decision-making

Growth in both operating cash flow and dividend payments

Following the best available environmental practices

Organisational, operational, cultural and digital transformation across the company

'Target Zero': zero harm to people, the environment, or property in our operations

p1.99 trillion

market capitalisation as at 31 December 2019

+21.2%

share price growth in 2019

Credit ratings

ACRA

AAA(RU)

INVESTMENT GRADE

Moody's

Baa2

INVESTMENT GRADE

Fitch

BBB

INVESTMENT GRADE

S&P

BBB-

INVESTMENT GRADE

The company's standing in the industry

No. 1

28.6% EBITDA margin
20.1% ROE (return on equity)
16.8% ROACE (return on average capital employed)

No. 2

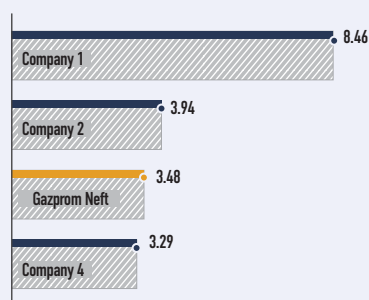
₱1,507.2 EBITDA per barrel of oil produced
₱453.0 billion CAPEX
0.70x Net debt/EBITDA

No. 3

₱795.1 billion adjusted EBITDA
96.1 mtoe hydrocarbon production
63.3 mt oil and oil-condensate production

Market valuation as at 31 December 2019

EV/EBITDA at year-end 2019¹



Value growth potential

A consensus forecast provided by financial analysts confirms that the company has strong upside potential.

Distribution of analysts' recommendations on Gazprom Neft shares



₱531.6

average price
(consensus forecast)

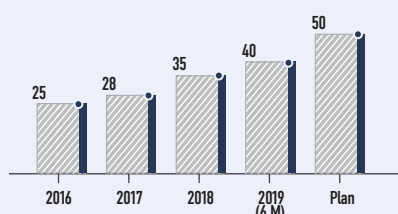
+27%

upside potential
(consensus forecast)

^{1/1} Calculations are based on data as at 31 December 2019. Peer companies are NOVATEK, Rosneft and LUKOIL.

Market capitalisation and shareholder return

Share of IFRS net profit, %



Total dividends per share, ₱



Steady dividend growth

40%

of IFRS net profit – dividend payout ratio in 1H 2019

