

Guarantee for security of supply and demand: Cooperation along the value chain

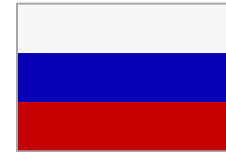
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- Access to reserves
- Upstream investments
- Securing long-term supply
- Stable framework conditions

➔ Security of supply



- Downstream market access
- Sharing technology
- Securing long-term deliveries
- Stable returns

➔ Guaranteed market

Complementary interests as the basis for a win-win partnership

- Wintershall Holding GmbH: 100% subsidiary of BASF SE
- Strategic partnership with Gazprom since 1990
 - Joint venture WINGAS*
- WINGAS #2 in German market, expanding into Europe
 - e.g. the Netherlands, Belgium, UK, Austria
- Security of supply through long-term supply contracts beyond 2030
- Joint investment in modern and expanding infrastructure to secure market access
 - Well connected pipeline system in North West Europe (> 2,700 km)
 - Various gas storage facilities in North West Europe (~6.0 billion m³)
- Direct connections to European gas hubs

* With the asset swap between BASF SE and OAO Gazprom Wintershall will completely transfer the currently jointly operated natural gas trading and storage business to its long-term partner Gazprom. Subject to the approval by the relevant authorities, the transaction is to be completed by mid-2014 or later and financially retroactive to April 1, 2013.



Yamal-Europe pipeline (1993-2005)

- Pipeline system from Siberia via Belarus and Poland to Germany to reduce dependency on Ukrainian transit

Nord Stream (2005-2011)

- Total Capex: € 9.4 bn (including onshore pipelines OPAL/NEL)
- First direct connection between European Gas market and world largest gas reserves in Western Siberia

South Stream offshore (2012-2018)

- Total Capex: €10.0 bn.
- Further possibility of supply diversification for the Southern European market growth



Increased security of supply for Europe via joint midstream business

Wintershall Holding GmbH

First Asset Swap 2007



Extension of partnership with Gazprom by joint production at Yuzhno Russkoye

- **BASF/Wintershall**
 - receives 25% minus 1 share plus 10% shares without voting rights in YR
 - improves reserve base and long-term secured production margins
- **Gazprom**
 - increases share in WINGAS from 35% to 50% minus 1 share
 - improves access to high-price European downstream markets
 - receives 49% shares of Wintershall AG (holding concessions C96 / C97 in Libya)
- Total investment at Yuzhno Russkoye over 2 billion € (100%)



Sharing technical know-how, financial risk, and business success.

Wintershall Holding GmbH

Second Asset Swap in 2012



Wintershall and Gazprom increase gas production of Achimov deposits in Western Siberia

- **BASF/Wintershall**
 - receives a working interest of 25% plus one share in the development of Blocks IV and V
- **Gazprom**
 - take over 100% of the jointly run natural gas trading and storage business as well as 50% of the E&P activities of Wintershall Noordzee
- Asset Swap Agreement signed in November 2012*, closing planned for mid-2014
- Presumed plateau production of >8 billion m³ p.a. from both new blocks according to first indications
- First hydrocarbon production expected 2016



Synergies through regional and technological expertise of both partners

A subsidiary of BASF – The Chemical Company

* The transaction will be financially retroactive to April 1, 2013.

Mutual interest to expand partnership

Advantages

- **Gazprom**
 - Raise participation in high-price European gas market, further development of promising international portfolio
- **Wintershall**
 - Increase reserve base, long-term increase in gas production

Both partners offer

- **Gazprom**
 - Access to gas reserves, expertise in production under arctic conditions and for long-distance gas transportation
- **Wintershall**
 - Technological and geological know-how in upstream business in challenging formations and conditions, marketing expertise for high-price European market



Combining expertise of both partners creates win-win situation



Gazprom & Wintershall

- The perfect example that complementary interests are the basis for a successful partnership
 - Mutual respect and understanding for the other culture
 - Mutual long-term obligation
 - Everyone contributes what they are best at

Backup



Yuzhno Russkoye

Maintain level for 10 years

25 billion m³ p.a.*
plateau production

Achimgaz

Further development Block IA

up to **8** billion m³ p.a.* by 2018
plateau production

Achimov Blocks IV & V

Start joint development

>8 billion m³ p.a.*
plateau production

Production growth

in Russia

~110 million boe p.a.
by 2018**

* Russian Standard Conditions (RSC) ** Equals ~300,000 boe/d

- **Build on the unique partnership with Gazprom**
- **Maintain plateau production level for next 10 years at Yuzhno Russkoye**
 - Plateau production: 25 billion m³* p.a.
- **Further develop Block IA of Achimov formation in Urengoy (Achimgaz) to plateau level**
 - Targeted plateau production: up to 8 billion m³* p.a. by 2018
- **Joint development of Block IV and V of Achimov formation in Urengoy**
 - Agreement signed with Gazprom in November 2012

Securing supply through upstream investments

* Russian Standard Conditions (RSC)

** Without production volumes from blocks IV and V of Achimov formation



- 1973: First Russian gas exports to both German states
- 1990: Creation of first Joint Venture for gas trading between Gazprom and BASF (WIEH, 1993 follows WINGAS)
- 1992: Joint construction of first pipeline STEGAL (Germany) (now at GASCADE, a joint venture between Gazprom and Wintershall)
- 1993: Joint construction of first gas storage capacity in Rehden, Germany
- 1993-2005: Joint construction of Yamal-Europe pipeline system
- 2003-08: Creation of first upstream joint venture Achimgaz (Russia)
- 2005-2011: Joint construction of Nord Stream pipeline
- 2007: Creation of upstream joint venture Yuzhno Russkoye (Russia) in exchange for WINGAS shares and Libyan assets
- 2012-14: Asset swap: Joint development of further areas of Achimov in exchange for gas trading and gas storage assets as well as upstream assets in the Netherlands; Joint construction of South Stream pipeline (to be completed by 2018)