

On the Brink of the Abyss (April 2014)

Breakdown of Naftogaz's debts claimed by Russia in April 2014

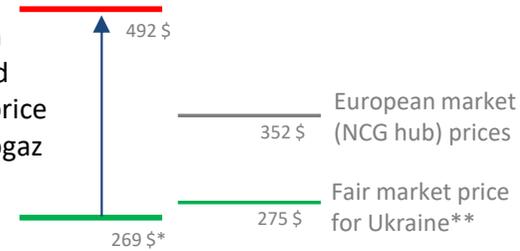
Debt for gas offtaken in Q4'2013 and Q1'2014 = \$ 2.3 bn
 Prepayment for gas transit = \$ 1.25 bn
 Debts related to 'take-or-pay' for 2012-2013 = \$ 19.4 bn
 Prepayment for the Black Sea fleet* = \$ 10.8 bn

Total = \$ 34 bln

* - received by Naftogaz as discount to gas price supplied by Gazprom

In April 2014 Gazprom has increased the gas price for Ukraine to the level higher than the fair market price:

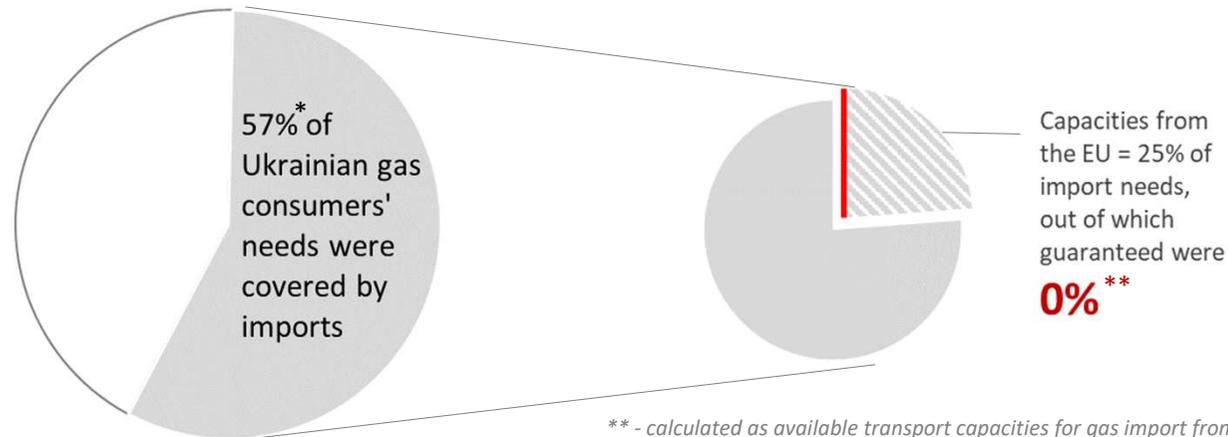
Gazprom increased the gas price for Naftogaz by 83%



* - Gazprom's gas price for Naftogaz in March 2014

** - based on export parity price (NCG minus transportation from the east border of Ukraine to German hub NCG and minus wholesale trade margin)

It was not possible to cover consumers' needs for gas by using available capacities of non-Russian gas imports



* - calculated as total volume of import to total volume of gas consumption for 2013

** - calculated as available transport capacities for gas import from EU in January 2014 to total volume of gas consumption for 2013

Sources:

- The relationship between 'Naftogaz' and 'Gazprom' has changed. What is a financial result? Gasmarket.media
- Infographics / What is the benefit for Ukraine from change in relationship with 'Gazprom'?, Novoe vremya
- Separate Award of Stockholm Arbitrage on gas supply contract, paragraph IX.2 Relief Sought by Gazprom, p. 689, website of Naftogaz
- Ukraine owes \$ 11 billion to Russia for the loss of Crimea? BBC Moscow as of 01.04.2014
- Key results of Arbitrage on gas supply contract, website of Naftogaz
- Volumes of gas consumption and import of natural gas in Ukraine for 2013, website of Naftogaz
- Available transport capacities for gas import from EU in January 2014, Annual report of NJSC 'Naftogaz of Ukraine' for 2015, p. 30 (UA version)
- Internal data of NJSC 'Naftogaz of Ukraine', estimations and calculation of the team of NJSC 'Naftogaz of Ukraine', responsible for Stockholm Arbitrage