

SPIMEX:

Key performance indicators



SPIMEX: Russia's largest commodities exchange

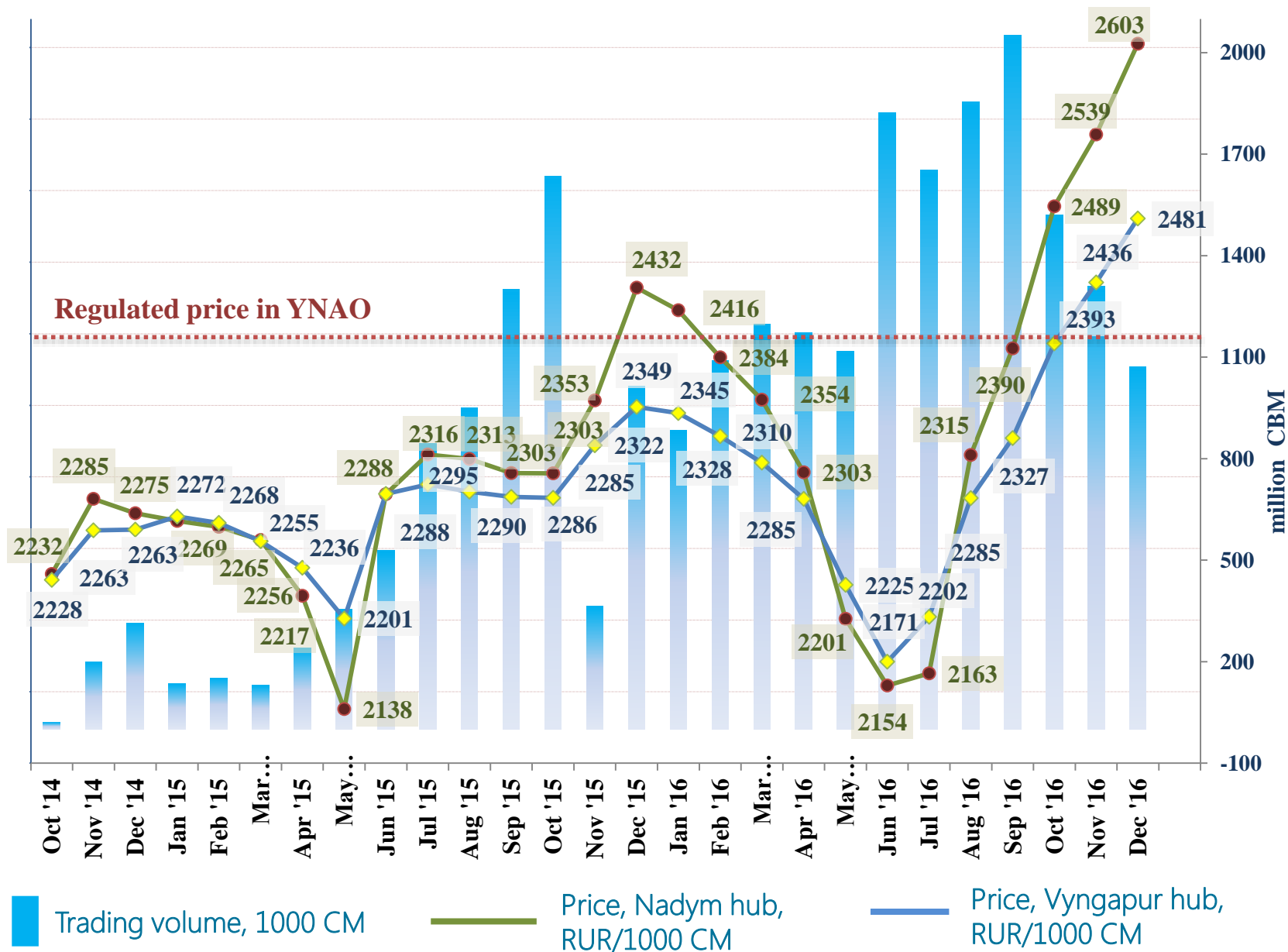
Profile

- Saint-Petersburg International Mercantile Exchange (SPIMEX)
- KEY shareholders: Transneft, Rosneft, Gazprom Neft, Zarubezhneft, Surgutneftegaz, Sovcomflot, Russian Railways, City of St.Petersburg and others.
- Clearing: Settlement depository company (SDCO).
- Settlements: 8 authorized banks: Sberbank, VTB Bank, Gazprombank, Alfa-Bank, Rossiya Bank, RRDB, Russian Agricultural Bank and National Settlement Depository.
- Advanced and liquid refined products market: over 17 million tones traded annually, **1900+** trading participants.
- Price indices calculation: based on exchange and OTC transactions in commodities. Registration of OTC transactions for crude oil, refined products, natural gas, LPG, coal and grain.
- Futures market for exchange-traded refined products and crude oil.

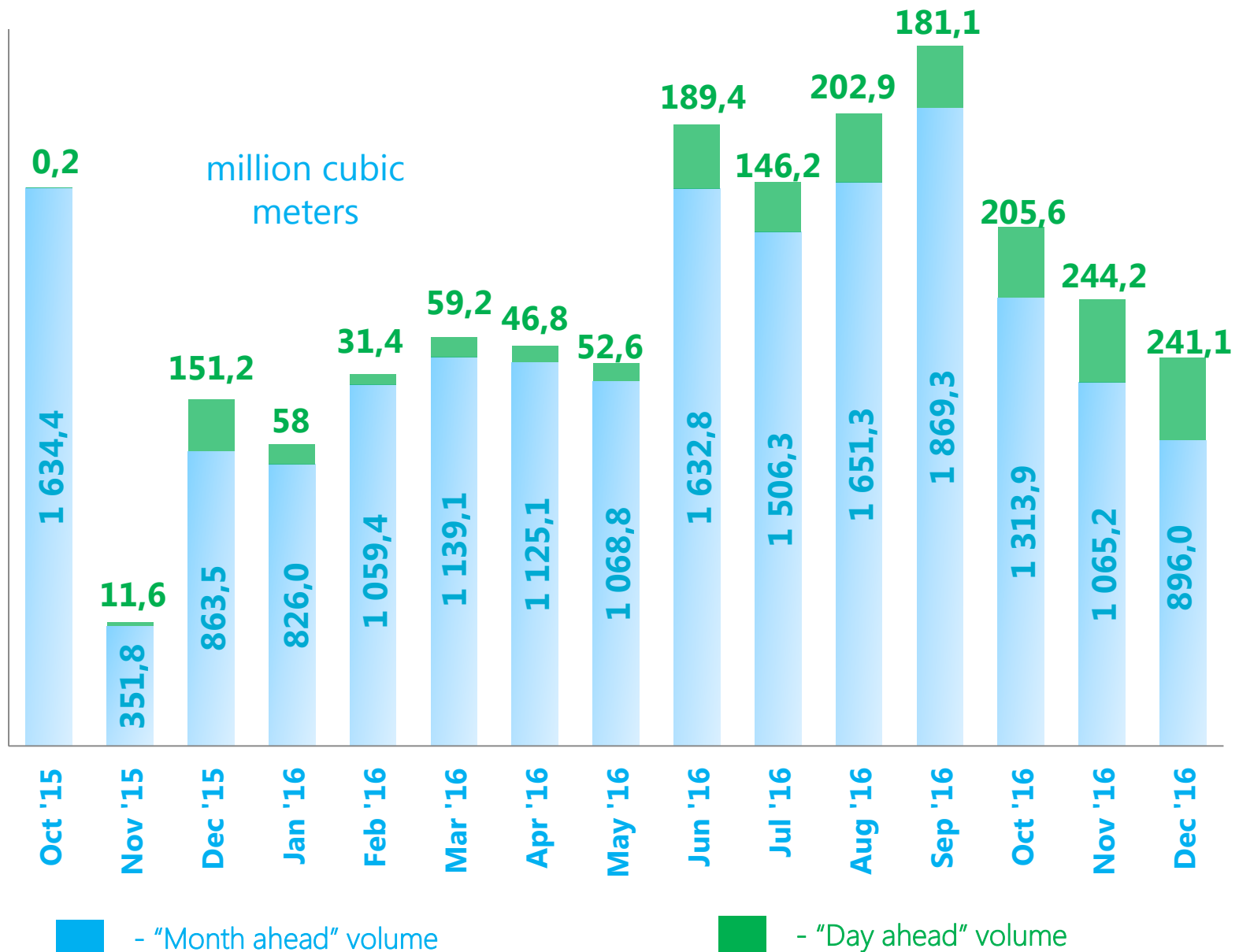
Market share and volume traded

- Refined products are the largest segment of domestic commodities market. The share of SPIMEX in all exchange-traded refined products in Russia stands at 98%.
- In 2008-2016 more than 89.29 million tones of refined products were traded via SPIMEX.
- In 2013 SPIMEX launched trading in crude oil. The sellers include ZarubezhNeft, TransNeft and Bashneft. The volume trade since launch stood at 2.84 mln tones. (38.51 bn ₺)
- In 2010 the SPIMEX Derivatives Market started trading in deliverable and settlement contracts of refined products. Volume traded since then has amounted to 1.62 million contracts (38.92 bn ₺).
- In 2014 the SPIMEX Natural Gas Market launched 'month ahead' trading. The sellers are largest domestic gas suppliers - Gazprom, Rosneft, NOVATEK.

SPIMEX natural gas trading volumes & prices



"Day ahead" and "Month ahead" trading volumes comparison



Natural Gas Spot Trading results (page 1)

CHARACTERISTICS	2014	2015	2016
Traded volumes (month ahead and day ahead, billion cm)	0,5	7,6	16,8
Traded volumes (billion RUB)	2,1	34	74,7
Number of Natural Gas Suppliers	2	5	6
Number of Natural Gas Buyers	14	58	90
Number of Natural Gas Consumers	22	205	380

Natural Gas Spot Trading results (page 2)

CHARACTERISTICS	2014	2015	2016
Number of regions involved	12	38	46
Number of trades	61	1181	6031
Successfully settled contracts share	100%	99,9%	99,8%
Average deviation between Exchange price and Regulated price in the Hub region	+2,2%	-1,7%	-1,5%
Seasonal deviation between Exchange price and Regulated price (June/December)	+0,2% / + 2,5%	-4,5%/ / +1,8%	-10,1%/ / +8,7%

SPIMEX-CEGH:

Proposals for cooperation



Main goals of CEGH – SPIMEX cooperation

Mutually coherent vision development in the area of efficient gas market infrastructure evolution, in particular in the following directions:

- increasing the degree of accuracy for perspective gas demand planning;
- increasing the gas infrastructure capacity utilisation ratio and costs diminishing in the gas marketing area;
- government gas industry regulation optimization,

taking into account sufficient details of our national gas markets development.

The following steps in these directions are necessary:

- Sharing experience of successfully functioning segments of the Austrian and Russian natural gas markets
- Sharing experience of modern gas industry regulation in the Austrian and Russian natural gas markets
- Sharing experience in the area of self-regulated organisations in the Austrian and Russian natural gas markets



Main directions for cooperation

- Exchange of information and “know-how” in the operational sphere of the Austrian and Russian natural gas markets
- Sharing of information about future development steps for our gas exchange markets
- Progress reports during the meetings of the EU-Russia Gas Advisory Council’s Work Stream on Internal Market Issues

Such fact-finding activity will be even more effective if it also includes, besides SPIMEX, other Russian participants - market infrastructure organizations and largest energy companies: the transportation operator (MRGP), a clearing house (SDCO), largest gas suppliers (Gazprom, Rosneft and Novatek), leading electric power generating companies (Inter RAO and T Plus) as well as key brokers.

Proposals for initial implementation

With the aim to delineate potential scope and nature for long-term mutually beneficial relations – it is advisable to arrange fact-finding seminars – in Russia for Austrian stakeholders and in Austria for Russian stakeholders:

1. To arrange a fact-finding seminar in Moscow, which will include business visits of the representatives of Austrian infrastructure organizations and gas market participants to the Federal Antimonopoly Service, SPIMEX, Clearing and settlement organizations.

2. To arrange a 5-day fact-finding seminar in Vienna, which will include business visits of the representatives of Russian gas market participants - market infrastructure organizations and largest energy companies to the Austrian gas market regulator, CEGH, MAM, BRPs and brokers which are most active in e-trades in natural gas in Austria.