



PJSC STROYTRANSGAZ

09

ANNUAL REPORT 2009

 СТРОЙТРАНСГАЗ
STROYTRANSGAZ

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In 2010 Stroytransgaz is celebrating its 20th anniversary. There are clouds that cast gloom over our birthday rejoicing. Nevertheless, we have retained our status of the largest player on the international construction market.

Dear Shareholders, Customers and Partners!

In 2010 Stroytransgaz is celebrating its 20th anniversary. There are clouds that cast gloom over our birthday rejoicing.

The sizeable debt burden and staff changeover have left their imprint. Nevertheless, we have retained our status of the largest player on the international construction market. Participation in foreign projects fosters the growth of Stroytransgaz as an international engineering and construction company and offers a leading edge in competition for projects conceived by customers from different countries.

Stroytransgaz is one of the few Russian companies working with virtually all major domestic and foreign oil and gas companies, including Gazprom, LUKOIL, Rosneft, Transneft, TNK-BP, DEPA, Dolphin Energy, GAIL, Reliance, Saudi Aramco, SONATRACH, and Syrian Gas Company. In the recent years, the list of our customers has welcomed the largest operators of the Russian electric power market: the Federal Atomic Energy Agency, Rosenergoatom Concern, UES FGC, and TGK-1.

In 2009, the amount of contract work performed by the company exceeded 42 billion rubles.

Year upon year, Stroytransgaz is strengthening its position on the world construction market. The share of international projects in Stroytransgaz's total number of contracts is increasing steadily – in 2009 it reached 53%.

In 2009, we completed the basic scope of work in construction of the Sheiba – Abqaiq oil pipeline in Saudi Arabia; the country's largest

gas processing plant (South Middle Area Gas Exploitation Project Phase I), a turnkey project, was constructed by Stroytransgaz and put in commission in Syria; the first out of three main phases of the construction of the Taweelah-Fujairah gas pipeline was completed in the United Arab Emirates.

December 2009 featured the topping-out ceremony when the Turkmenistan–Uzbekistan–Kazakhstan–China pipeline, one of the world's largest gas mainlines, built with participation of Stroytransgaz was put in commission.

In Russia, a significant share of operations is performed in the oil industry, amounting to 33% of the total volume of receipts in 2009. Within the accounting period, we implemented successfully not only construction projects of surface facilities for the oil industry that constitute traditional core activities of Stroytransgaz, but also completed our pilot project of ice-resistant platform construction for oil production in the Caspian Sea.

The Eastern Siberia-Pacific Ocean oil pipeline (ESPO) was commissioned, where Stroytransgaz was responsible for the construction of the most critical sections; the company now keeps being involved in the implementation of the ESPO project. The Baltic Pipeline System-2 is under construction.

We are looking forward to oil-and-gas projects in the Far East and Murmansk Oblast where the development of the largest gas field Shtokman is underway.

During the fiscal period, the construction of electric-power facilities became landmark operations for the company. Two years ago we tapped into this sector, taking part in two major projects – the construction of the Yugo-Zapadnaya cogeneration plant and energy block № 4 at the Kalinin nuclear power plant. Today, Sroytransgaz is taking part in construction of ten thermal and nuclear power facilities with electric capacity exceeding 7,500 MW. These include nuclear, thermal and gas-turbine power stations. The share of the electric power construction in the company revenue is increasing steadily; at the moment it totals 10%.

The fiscal year was marked by the contract that was awarded for construction of the Molzhaninovka gas-turbine power plant (GTPP) in Moscow, with the design electric and thermal capacity equal to 200-260 MW and 380 Gcal/hour, respectively. By the end of 2009 we

completed the first phase of the construction and received a preliminary work order. In December, the construction of energy block № 2 at the Rostov nuclear power plant was completed, where our company was one of the participants.

Summing up the company's performance, we would like to express our gratitude to our partners and customers who made it possible to implement all the above projects. We look forward to further mutually advantageous cooperation for the benefit of Russia.



Leonid Mikhelson
Chairman of the Board of Directors



Alexander Kapnik
Chairman of the Management Board

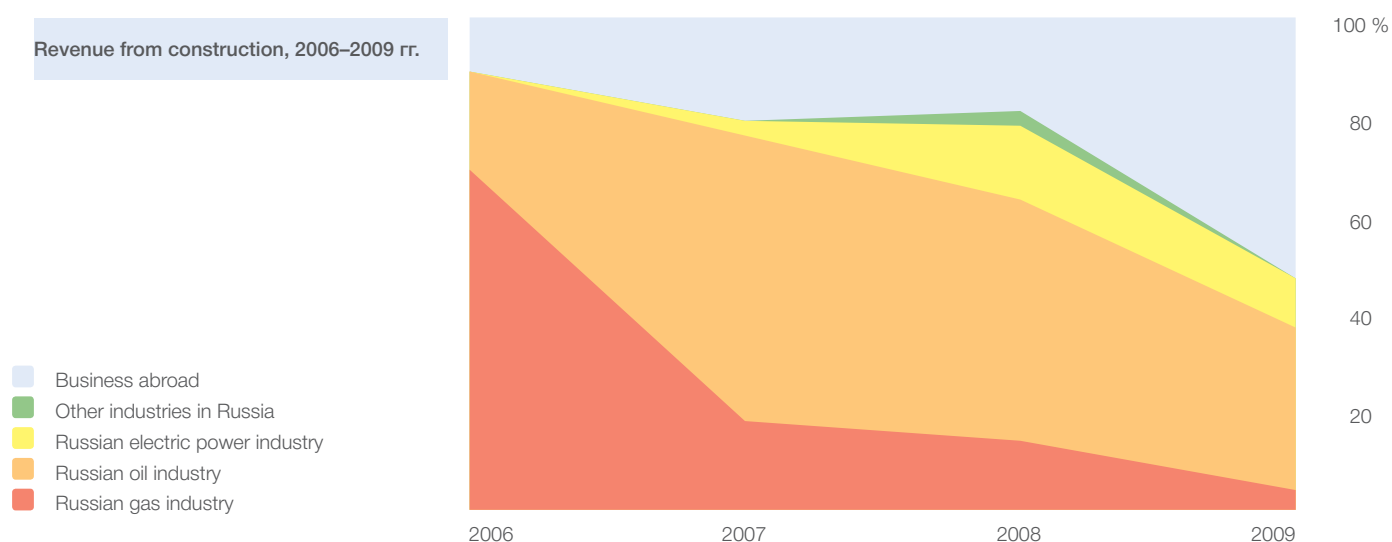


Key Indicators

of Financial and Production Performance

Indicators	Units	2005	2006	2007	2008	2009	Change 2008/2009, %
Production indicators							
Amount of work contracted	bln rubles	24.5	51.2	41.1	35.9	42.7	119
including Russia	bln rubles	24.5	43.3	33.4	24.3	19.6	81
other countries	bln rubles	–	7.3	7.7	11.6	23.1	199
Built and commissioned:							
Oil pipelines	km	–	150	400	318	205	64
Gas pipelines	km	500	350	695	651	372	57
Linear compressor stations	MW	80	211	123	–	80	100
Pump stations, oil treatment units	mln tons/year	–	–	1,8	–	30	100
Gas processing plants	bln m ³ /year	–	–	–	–	2,2	100
Underground gas storage facilities	MW	–	55	20	20	–	–
High-voltage power transmission lines	km	460	55	220	115	130	113
Roads	km	100	–	140	275	–	–
Employees	individuals	3.4	5.5	6.9	7.8	7.6	98
Items of equipment	units	746	1067	1486	1542	2020	131
Financial indicators							
Net revenue from sales	mln rubles	23380	45923	37971	34381	41446	121
Profit on sales	mln rubles	1656	2665	1491	(4932)	(2747)	56
Net profit	mln rubles	319	669	428	(6223)	(6739)	108
Earnings per share	rubles	96	201	129	–	–	–
Dividends per share	rubles	42	56	н/д	–	–	–
Capital investment in production assets (exclusive of leasing)	mln rubles	249	819	1748	1080	92	9
Current ratio		1.19	1.36	1.44	1.24	0.89	72

Revenue from construction, 2006–2009 rr.



Corporate Calendar

Company Milestones

1990

Company foundation

1992

First general contract signed: for construction of a compressor station, Gazprom

1994

Entry into the international market

Construction of gas pipeline branch offices in Greece

Commencement of construction of thirteen booster compressor stations at the Urengoy gas-condensate field, Gazprom

Impetus for pipeline construction: building the Palmyra gas pipeline in Nebraska, Enron, USA

1995

Contract signed for construction of ten booster compressor stations at the Yamburgsk field, Gazprom

1996

Construction commenced on the Yamal-Europe gas pipeline, Gazprom

1997

Contract of the 21st century signed for development of the infrastructure on the Zapolyarnoe gas-oil-condensate field, a largest field in the world, Gazprom

Tapping new activities: construction of the Karashursk underground gas storage facility in Udmurtia

Gasification program for Russian regions started, Gazprom

1998

Company certified for compliance with ISO 9001-1994 Quality Management Standard

2000

Contract signed for the construction of the Haoud El Hamra-Arzew gas pipeline, the first project in Algeria

2001

Construction of the Zapolyarnoe-Urengoy gas pipeline completed; the first start-up facilities constructed by Stroytransgaz are put in commission at Zapolyarnoe field

2002

Blue Stream, the first company project in construction of the main gas pipeline, completed (Russia-Turkey)

Construction starts in India. Concurrent victory in three tenders for pipeline construction

Entry into the Central Asian market. Implementation of projects in Kazakhstan

2003

First project implemented for the Russian defense industry

2004

Company passed an audit and is certified for compliance of its environmental management system with ISO 14001:2004

Company certified for compliance with OHSAS 18001:1999 Occupational health and safety management systems

Construction of an aluminum smelter commenced in Khakassia, RUSAL

Construction of an oil pipeline commenced in Sudan

2005

Company takes part in the largest oil pipeline project – Eastern Siberia-Pacific Ocean pipeline, Transneft

Construction of oil and gas infrastructure in Syria. First gas processing project

2006

Tapping the electric energy market: construction of the Yugo-Zapadnaya cogeneration plant, St. Petersburg

Construction of India's largest East-West gas pipeline commenced

Entry into the offshore facility market: first Russian experience in the entire cycle of construction of topsides of an off-shore ice-resistant platform for the integrated production facility in the Caspian Sea, LUKOIL

2007

Company entered the Engineering News Record list of 100 Top Global Companies in construction

Company is first in Russia to tap the oil and gas market in Saudi Arabia: construction of an oil pipeline for Saudi Aramco

Company signs its first contract in nuclear power: construction of the Kalinin nuclear power plant, the Federal Atomic Energy Agency

2008

Stroytransgaz awarded the title of best Russian EPC/EPCM company

Entry into the oil and gas construction market of the United Arab Emirates: contract signed for construction of the Taweelah-Fujairah gas pipeline, Dolphin Energy Ltd.

Highlights from 2009

January

Stroytransgaz completed the construction of the second start-up complex of the Kanchurin-Musin underground gas storage facility in the Republic of Bashkortostan, Gazpromtransgaz Ufa. The company started the reconstruction of the underground gas storage facility in 2004 with the construction of the first start-up facility.

February

Stroytransgaz passed successfully a recertification audit for the compliance of its environmental management system with the requirements of ISO 14001:2004 international standard and received the certificate of compliance with the Russian GOST R ISO 14001-2007 standard. The certificates also include construction of nuclear, thermal, and other types of electric power stations.

March

Stroytransgaz successfully completed a certification audit of its quality management system for compliance with international DIN EN ISO 9001:2000 standard.

April

Within the corporate strategy aimed at expanding activities in the electric power construction, Stroytransgaz was awarded a contract for construction of the first phase of the Molzhaninovka gas turbine power plant with the design electric and thermal capacity equal to 200-260 MW and 380 Gcal/hour, respectively. The facility is located in the northern administrative district of Moscow.

May

The company signed the contract for construction of the Baltic Pipeline System-2, an oil pipeline, for Transneft.

July

The construction and assembly operations within the offshore ice-resistant platform LSP-1 project are completed. The platform is designed

for development of the Yuri Korchagin field located in the Russian sector of the Caspian Sea. The EPC contract for the construction of the operational-technological and energy facilities is completed by STG Engineering, a Stroytransgaz subsidiary.

August

Stroytransgaz completed its first project in the high-voltage power grid construction. Within the contract for construction of the Molzhaninovka gas turbine power plant (CCGT), Stroytransgaz performed reconstruction of overhead transmission lines and fiber-optic lines. The lines were also relocated from the construction site for the plant and delivered for operation. In line with the project, the overhead and fiber-optic lines were removed and relocated with subsequent reconstruction and installation of two double-circuit overhead lines and three fiber-optic communication lines.

September

The international Engineering News Record agency published rating lists. Based on 2008-year performance, Stroytransgaz ranked 141st among the 225 Top Global Contractors and 111th among the 225 Top International Contractors in construction.

On the eve of the Day of Oil and Gas Workers, 129 employees of the company were awarded certificates of honor, commendations and badges of merit from the RF Ministry of Energy and Stroytransgaz.

October

The Murmansk Oblast government and Stroytransgaz entered into the liaison and cooperation agreement, which is aimed to foster joint activities in construction of field production, transportation, hydrocarbon processing, and gasification facilities as well as industrial, electric power and road infrastructure, including marine and overland transport. Infrastructure development on the

Shtokman gas and condensate field as well as further growth and improvement of the Murmansk transportation hub are among top priority projects.

November

The construction of the largest gas processing plant in Syria is completed. The project was based on EPC terms that included design, equipment delivery, construction and commissioning of the gas processing facility. Assuming 2.6 billion cubic meters of feed gas, the plant's annual output totals 2.2 billion cubic meters of commercial natural gas, 38.5 thousand cubic meters of liquefied propane-butane, and 230 thousand cubic meters of gas condensate.

December

Stroytransgaz successfully passed a supervisory audit for compliance of its environmental management system (EMS) to requirements of International Standard ISO 14001: 2004. As a result, the certificate term was extended to 2010.

The start-up ceremony for the Malai-Bagtyarlyk gas pipeline took place in Turkmenistan. Under the contract, Stroytransgaz provided design, procurement of equipment and materials, construction of the pipeline and the adequate infrastructure, including the gas dehydration unit and gas metering station.

Company Profile

Operations and Positions Marketwise

Core Activities: Scope and Forms

Stroytransgaz sees comprehensive and all-inclusive services rendered to Russian and international customers as its top priority in projects in the fuel and energy sector, including grading and site preparation, construction, development and reconstruction of oil and gas production, transportation and processing facilities. In addition, within its diversification program, Stroytransgaz participates in implementation of projects designed for the electric power industry as well as for road construction, non-ferrous, iron and steel industries, defense enterprises, industrial and civil construction.

The company core competencies in construction include:

- > Pipeline systems, including headwork, pumping and compressor units, underground gas storage facilities
- > Multi-purpose gathering pipelines
- > Oil and gas fields infrastructure
- > Gas delivery facilities
- > Oil tank farms and storage facilities
- > Rail and offshore terminals
- > Oil refineries and gas-processing plants
- > Power supply facilities for oil and gas, construction and metallurgical industries
- > Nuclear power plants
- > Thermal power stations

- > Electric grid facilities
- > Roads
- > Other industrial construction projects
- > Civil construction

In addition to construction services, the company provides design and engineering for all the aforesaid facilities, diagnostics, tests and delivery for commissioning. Stroytransgaz gives dedicated attention to streamlined procurement of materials and equipment.

The services are available in the following formats and forms:

- > General contract
- > EPC contract (engineering, procurement, construction)
- > Construction – assembly
- > Engineering services
- > Project management

Position in the Key Markets

For a few years, Stroytransgaz has been the only ENR-rated Russian company that operates in the industrial and infrastructure development sector. The company cast anchor in rating lists of the Engineering News Record (ENR) international agency that enters the McGraw-Hill group (USA).

Stroytransgaz Vs its Competitors on the Global Market. Source: ENR. 225 Top Global Contractors 2009

Company	Revenue in 2007 U.S. \$ mln	Revenue in 2008 U.S. \$ mln	Rating
Bechtel, San Francisco, U.S.A.	17 696	21 659	10
Fluor Corp., U.S.A.	13 332	17 300	16
Saipem, Italy	11 757	12 204	25
TECHNIP, France	10 004	11 002	27
Foster Wheeler Ltd., U.S.A.	3 448	5 508	43
McDermott International, U.S.A.	4 574	4 777	51
Tecnicas Reunidas SA, Spain	3 108	3 643	66
Toyo Engineering Corp., Japan	3 267	3 321	78
Petrofac LTD. UK	2 440	3 329	87
Punj Lloyd, India	1 966	2 574	97
Stroytransgaz, Russia	1 504	1 474	141
Sinopec Engineering Inc., China	908	1 435	144
GAMA, Turkey	1 191	1 414	145
National Petroleum Construction, U.A.E.	1 155	1 330	150
Tekfen Constr. & Installation Co., Turkey	792	1 018	175
Industrial Dev't & Renovation Org. Iran	613	794	208

The ENR rating list for 2009 shows that Sroytransgaz ranks:

- > 141st among the 225 Top Global Contractors
- > 111th among the 225 Top International Contractors

In the lists of the Expert RA rating agency, in 2009 Sroytransgaz ranked 148th among the 400 largest companies of Russia.

The key drivers moving Sroytransgaz to the fore on the Russian oil and gas market and contributing to its success on international industry-related markets stem from the company's competitive advantages.

International Experience. Due to its involvement in international projects, Sroytransgaz is able to build up its experience as an engineering and construction company capitalizing on its global status.

Flagship Customers. Sroytransgaz outcores its competitors, working with such Russian and international market leaders as Gazprom, LUKOIL, Mosenergo, NIAEP, NOVATEK, Rosneft, TNK-BP, Transneft,

Atomenergoproekt, UES FGC, DEPA, Dolphin Energy, GAIL, Reliance, Saudi Aramco, SONATRACH, Syrian Gas Company and many others.

Long-Term Relationship with Customers. Sroytransgaz takes an assiduous attitude to building long-term relationships with its major customers – reinforcing them through representation in the company board of directors. This novelty introduced in 2008 factors into steady and predictable filling up of the company's contract portfolio.

Revenue Diversification. In the previous years the revenue received from a major customer could go as far as 95%; thus, the company became determined to smooth down this dependence. Today, contracts have been distributed among different industries and different regions of the world. There are contracts for construction of facilities for the Russian electric power industry, amounting to 10% of the revenue in 2009; facilities in the Russian oil sector account for 30%; foreign contracts account for more than 50%.

Sroytransgaz Vs its Competitors on the Russian Market. Source: Expert RA. 400 Largest Russian Companies, 2009

Company	Revenue in 2007 mln. rubles	Revenue in 2008 mln. rubles	Rating
Group of companies SU-155	47,591.6	66,925.2	66
Transstroy Corporation	37,625	49,456.3	96
Inteko	N/A	38,941.3	121
Globalstroy-Engineering	54,228.7	38,471.9	125
Glavstroy corporation	31,861.8	36,058.6	140
Sroytransgaz	37,971.2	34,380.9	148
Gruppa E 4	27,303.6	30,265	164
Mosinzhstroy	21,220.4	29,654.6	170
Mostotrest	21,653.6	28,704.9	179
Mosmetrostroy	21,663.3	26,886.3	188
Inzhtransstroy	N/A	22,265.3	221
Avtoban DSK	11,186.6	21,044.3	234
Mospromstroy	18,609.7	20,916.4	237
Metrostroy	14,458.2	20,863	239
Mezhtregiontruboprovodstroy	N/A	19,845.1	248
Sevzapelektrosetstroy	15,760.3	14,937.9	310
Mosstroyemkhanizatsiya-5	16,625.3	14,253.7	323
MDS-Grup	13,519.3	14,222.4	324
Mostostroitelny Otryad № 19	11,626.3	13,367.1	342
Group of companies LenSpetsSMU	8,903.2	13,023.6	354
Dalspetsstroy	9,256.6	12,990.3	356
Tekhnopromexport	16,460.2	12,983.7	357
Svarochno-Montazhny Trest	9,673.9	12,888.4	361
Yamaltransstroy	6,763.4	12,235.7	377

Strategy for Development

Cutting-Edge Technology. Improvement of operational performance, application of high-efficiency equipment and advanced technology, extended network of engineering and design subsidiaries, together with emphasis on their involvement in scientific and technological monitoring of projects have always been the company's priorities since the time of its foundation. In 2009, linear construction projects were implemented through extensive application of such technological processes as automated welding, gas-shielded welding, flux-cored welding, high-speed downhill welding of fixed joints with cellulose-coated electrodes, and electric resistance welding. The construction of compressor stations as well as the development of infrastructure for oil and gas fields and underground gas storage facilities benefited from industrialized methods of construction, innovative materials and structures supplied both by Stroytransgaz subsidiaries and outside companies.

Strategy for Development

Stroytransgaz is committed to its corporate strategy aimed at diversification of its operations in development of facilities for oil and gas, electric power and infrastructure construction industries. The strategic objectives are defined as follows:

- > Reinforce front-line positions on the Russian market of engineering and building services for oil, gas and electric power construction
- > Expand activities in construction of road and transport infrastructure, nuclear power plants and other electric power facilities
- > Extend the global footprint of the company

The key factors that influence the company's business activity in Russia and other countries include:

- > Increased involvement of the government in management of economic relations in Russia
- > Commenced implementation of long-term programs for development of the Russian oil, gas and electric energy sectors, including projects for construction of new pipeline systems, development of hydrocarbon fields in the Nenets Autonomous District, on the Barents Sea shelf, Yamal Peninsula, and in Eastern Siberia as well as development of national oil-refining, gas and chemical industries;
- > Implementation of large-scale programs for development of the oil and gas sector in the Near East, Africa, Southeast and Central Asia, the Balkans
- > Growing instability in some countries of the Near East and Africa,



increasing risks of possible economic sanctions and risks of operational safety

- > Unstable international financial situation due to the global financial crisis

The overall instability has resulted in amendments in amounts of capital construction projects, curtailing and/or suspending of investment programs for most of the Russian and foreign oil and gas producers. The main trends of the Russian market for engineering and construction contract services can be outlined as follows:

- > Ongoing implementation of major oil and gas projects
- > Emerging engineering and service entities that evolve from oil and gas companies and perform design and construction assignments for the former parent companies
- > More stringent requirements to contractors in terms of compliance with environmental, technological and other standards
- > Increased financial requirements to contractors resulting in the situation when only large and financially stable companies can qualify for the position of the general contractor (the EPC-contractor)

These factors have triggered the growing aggravation of competition in construction of oil and gas facilities, and, having an impact on the Sroytransgaz performance, determined the company's policy in the medium term.

Oil and gas construction:

- > To increase participation in projects for the hydrocarbon process industry
- > To expand operations in construction of on-shelf oil and gas facilities
- > To take part in large-scale pipeline construction projects

Electric power construction:

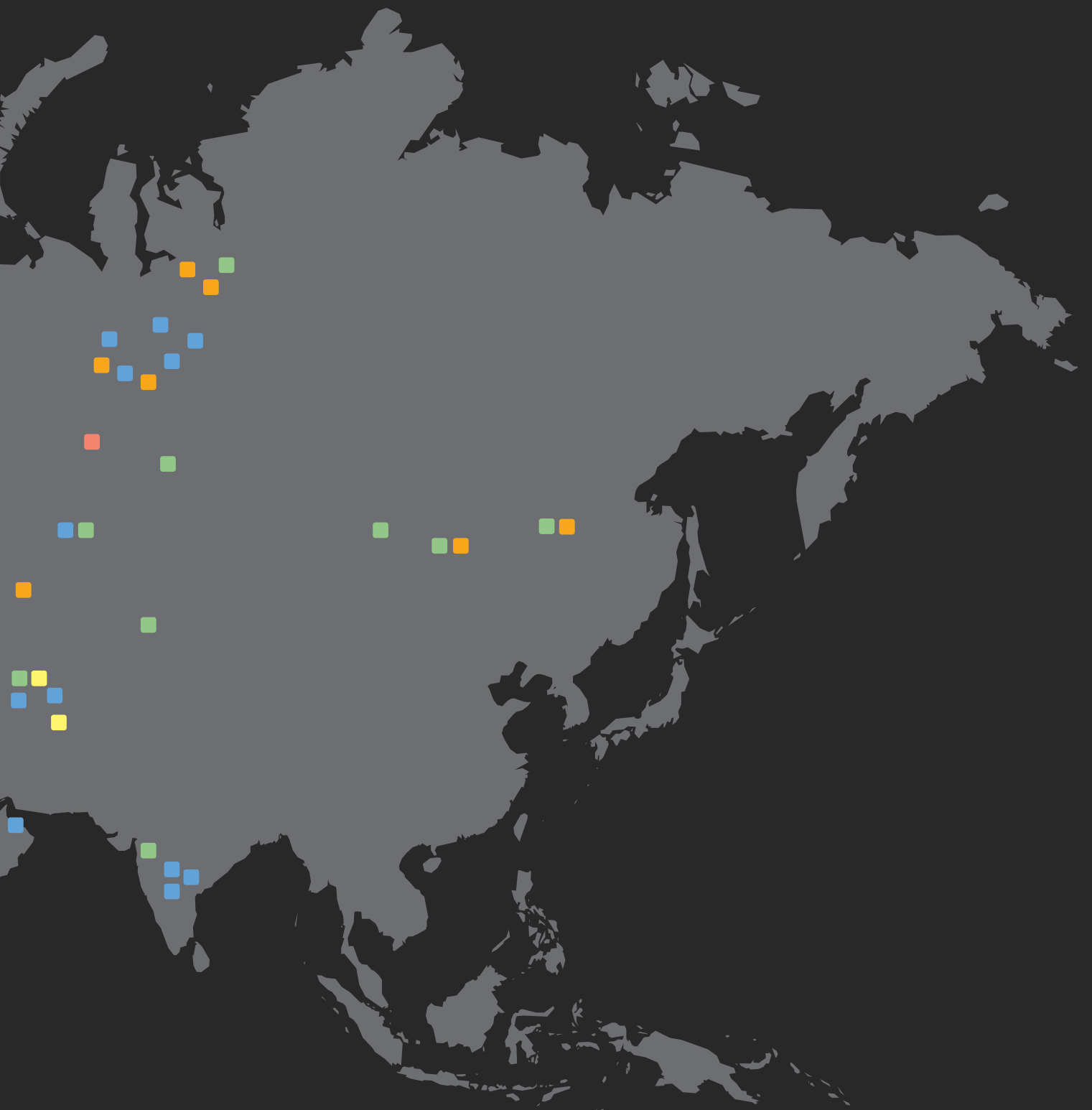
- > To increase the percentage of contracts in the thermal and nuclear power industry
- > To boost activity in electric grid construction
- > To take part in construction of small-scale power generation facilities



Stroytransgaz Worldwide

Stroytransgaz sees comprehensive and all-inclusive services rendered by it to Russian and international customers as its top priority in projects for the fuel and energy sector, including grading and site preparation, construction, development and reconstruction of oil and gas production, transportation and processing facilities. Stroytransgaz participates in implementation of projects designed for the electric power industry as well as for road construction, non-ferrous, iron and steel industries, defense enterprises, industrial and civil construction.

- 
- A world map with a dark grey background and light grey landmasses. Numerous small, colored squares are scattered across the map, primarily concentrated in Europe, Asia, and Africa. The colors of the squares correspond to the legend: green for Branch Offices, yellow for Representative Offices, orange for Projects in Oil Industry, blue for Projects in Gas Industry, and red for Projects in Electric Power Industry. The squares are distributed across various continents, including North America, South America, Europe, Africa, Asia, and Australia.
- Branch Offices
 - Representative Offices
 - Projects in Oil Industry
 - Projects in Gas Industry
 - Projects in Electric Power Industry



Production Activity

Projects in Russia

In 2009, the contract operations performed in Russia accounted for 47% of the total amount of the company's contract work. Within the Russian Federation, the projects were implemented through production departments and administration offices, including the Pipeline Construction Department, Industrial Construction Department and Energy Construction Department.

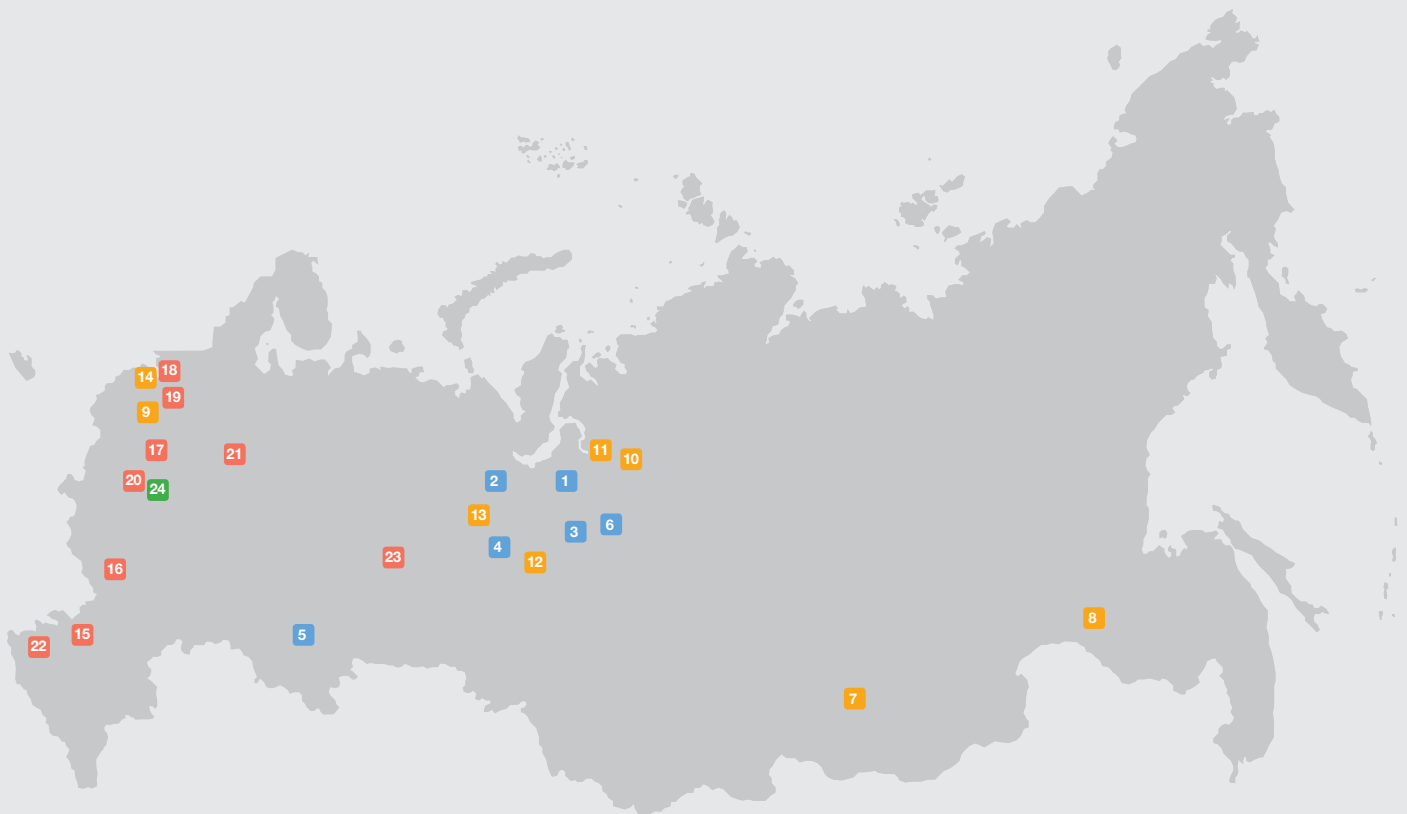
In 2009, Stroytransgaz provided construction of facilities for oil and gas, electric power and road industries, including development of infrastructure for gas and oil fields, construction of all main types of pipelines, along-the-route facilities, nuclear and thermal power plants. The year 2009 was also marked by the projects in industrial development.

The customers were the largest companies operating in the aforesaid industries, including enterprises of Gazprom and Transneft groups as well as Rosneftebunker, Vankorneft, the Federal Atomic Energy Agency, Rosenergoatom Concern, UES FGC, and TGK-1.

The geographical scope of company operations encompassed the Republic of Bashkortostan, Yamal-Nenets Autonomous Okrug, Khanty-Mansiysk Autonomous Okrug, Krasnoyarsk and Krasnodar Krai, Novgorod, Amur, Irkutsk, Moscow, Tver, Voronezh and Rostov Oblasts, Middle Urals, Moscow and St. Petersburg.



Chart 1. Projects in Russia. Industry Breakdown



Projects in Gas Industry

1. Zapolyarnoe gas-oil-condensate field
2. Yamal–Europe gas pipeline
3. Gas processing capacity expansion in Noyabrsk region
4. Gas pipeline from the Yuzhno-Priobsky gas processing plant, extending to the tie-in to the Khanty-Mansiysk gas supply pipeline
5. Kanchurin-Musin underground gas storage facility
6. Novy Urengoy gas-chemical complex

Projects in Oil Industry

7. Eastern Siberia–Pacific Ocean oil pipeline (ESPO), Phase I
8. Eastern Siberia–Pacific Ocean oil pipeline (ESPO), Phase II
9. Baltic Pipeline System-2, oil pipeline, Phase II
10. Vankor-Purpe oil pipeline
11. Vankor oil field
12. Priobskoye oil field
13. Other oil fields
14. Container terminal facilities in the Ust-Luga commercial seaport

Projects in Electric Power Industry

15. Rostov nuclear power plant
16. Novovoronezh nuclear power plant-2
17. Kalinin nuclear power plant
18. Yugo-Zapadnaya cogeneration plant
19. Yuzhnaya cogeneration plant
20. Molzhaninovka gas-turbine power plant (GTPP)
21. Belozerskaya substation
22. Psou substation
23. HV-220 kV SREPP–Kalininskaya substation

Road Construction

24. Highway 53 km Moscow ring road–Skolkovo

Projects in Russia: Gas Industry

Zapolyarnoe Field

Yamalo-Nenets Autonomous Okrug

Customer:

OOO Gazprom Dobycha Yamburg

Stroytransgaz has been building field infrastructure for the Zapolyarnoe oil and gas condensate field since 1997. Over that period, the gas processing plants that were in phases commissioned for operation included GPP-1c, GPP-2c, and GPP-3c. In 2004, the Zapolyarnoe oil and gas condensate field reached its design volume of gas production – 100 billion cubic meters a year.

In 2009, the company continued its construction and assembly operations performed within a number of projects:

- > Construction of the fuel filling station with the daily throughput capacity making it possible to service 250 vehicles at the oil and methanol delivery terminal. The station was commissioned for operation
- > Construction of the integrated control unit, indoor switchgear-110 kV, on-site external water and supply and wastewater removal systems, heating systems, electrical network and site improvement for the gas-turbine power plant
- > Construction of the smoke chamber with an area control station for the project of fire station expansion

The completion is scheduled for 2011.

Yamal–Europe Gas Pipeline

Republic of Komi, Yamalo-Nenets Autonomous Okrug, Arkhangelsk, Vologda, and Moscow Oblasts

Customer: ZAO Yamalgazinvest

The need to increase the volume of Russian gas exported to Western Europe set parameters for developing the shortest route for delivery from the fields of Tyumen Oblast to Euro-pean consumers. The project became famous as the Yamal–Europe gas pipeline. Within this project, starting from 2004, Stroytransgaz has been acting as the General Contractor being responsible for construction of a 977-kilometers long linear part of the pipeline and seven compressor stations. It also built several sections of the SRTO-Torzhok pipeline, which are integrated into the Yamal-Europe system and extend for more than 630 kilometers; the pipeline diameter is 1,420 mm. The scope of work included construction and assembly operations, provision of pipeline cathode protection, telemetry and other systems.

In 2009 the company performed operations within the following projects:

- > Industrial hub of OOO Severgazprom in Ukhta. The hub facilities include the GSM depot within the production and technical supply and procurement support department. The scope of operations included on-site systems and networks, foam generator and domestic potable piping systems, oils storage, a booster pump station, video surveillance system and site improvement
- > Construction of the second start-up facility for the Novoyubileynaya compressor station (75 MW) was completed

In 2010 the work will continue.

Gas processing capacity expansion in Noyabrsk region

Yamalo-Nenets Autonomous Okrug

Customer: OAO SiburTyumenGaz

The project for capacity expansion of gas processing facilities in Noyabrsk region includes construction of the product pipeline from the Gubkin gas processing plant to a tank car loading rack, renovation of the Vyangaykh compressor station and upgrading of the existing infrastructure: the liquefied petroleum gas loading rack with the tank farm in the vicinity of Noyabrsk and the product pipeline from the Vyangapur gas processing plant to the liquefied petroleum gas loading rack in the Noyabrsk neighborhood. Under the contract, Stroytransgaz is responsible for preparatory work within the project for construction of the Vyangapur gas processing plant, loading rack, product pipelines and renovation of the Vyangaykh compressor station.

The completion of operations is scheduled for April 2010. The further plans include participation in the main part of the project.

Gas Pipeline from the Yuzhno-Priobsky
Gas Processing Plant, Extending to the
Take-in Point the Khanty-Mansiysk
Gas Supply Pipeline

Khanty-Mansiysk Autonomous Okrug

Customer: OOO Gazpromneft-Khantos

In March, 2009 Stroytransgaz signed the contract for construction of the gas pipeline that would deliver dry stripping gas produced at the Yuzhno-Priobsky gas processing plant to the gas transportation system of the Khanty-Mansiysk Okrug.

The construction of the pipeline is a part of the project for processing of associated petroleum gas produced at the Yuzhno-Priobsky field. At the moment, within the program of work scheduled for the project, OAO Gazpromneft-Khantos and SiburTyumenGaz are performing construction work for the Yuzhno-Priobsky gas processing plant.

The scope of work performed by Stroytransgaz included construction of the linear part of the pipeline up to 6.2-kilometer long and 426 mm in diameter, 4 linear block valve stations, HV 6 kV lines (in dimensions 35 kV), instrumentation and control systems, telemetry, fire prevention and communication systems. The project was completed in September 2009.

Kanchurin-Musin Underground
Gas Storage Facility

Republic of Bashkortostan

Customer: OOO Gazprom Transgaz Ufa

To stabilize delivery of heating fuel to the Privolzhsky region, starting from 2004, Stroytransgaz, under the general contract, has been performing operations for reconstruction and expansion of the Kanchurin-Musin underground gas storage facility.

The first start-up facility of the storage was built in 2006 and included a compressor section, gas treatment unit, two gas-compressor units, gas-distribution station as well as processing, electric power and operational facilities, along with reconstruction of gas pipelines and pipeline branch offices. In 2008 Stroytransgaz completed the construction of the second start-up facility, which included condensate splitter and flash section, drainage tank, oil pump unit, processing facility for gas treatment, assembly of gas pipelines and pipeline branch offices, diesel power plant, four gas pumping units Ural, pressurized air compressor unit as well as processing, electric power and operational facilities.

In 2009, Stroytransgaz began constructing facilities for the third start-up complex: collectors SP-2, SP-3, and SP-4 totaling more than 1 kilometer gas preheaters and other facilities. In 2010 the work will continue.

Novy Urengoy Gas-Chemical Complex

Yamalo-Nenets Autonomous Okrug

Customer: OOO Novy Urengoy Gas
and Chemical Complex

Starting from 2008, Stroytransgaz has been working under the contract for construction of production facilities for high-pressure ethylene and polyethylene in Novy Urengoy, YNAD. The Novy Urengoy gas-chemical complex with the design capacity up to 400,000 tons of polyethylene a year will be one of the largest in Russia.

The scope of work performed by Stroytransgaz includes construction, assembly and start-up operations for ethylene and polyethylene processing facilities, participation in inspection and rehabilitation of the existing equipment as well as construction of the in-house facilities scheduled for the first stage. The close location of the facility to the Arctic Circle requires application of specific construction methods.

In 2009, the company performed operations for grading of the site and initial construction work. The completion of construction is scheduled for 2011.

Projects in Russia: Oil Industry

Eastern Siberia-Pacific Ocean
Oil Pipeline, First phase

Irkutsk and Amur Oblasts

Customer: OAO TSUP ESPO
(OAO AK Transneft)

The project is aimed to create a transportation corridor with the exit to the Russian Pacific coast in order to deliver Russian oil to the markets of Southeastern Asia, primarily China and Japan, and later to the USA and other countries. ESPO is the largest infrastructure project in Russia over the recent years.

The total length of the ESPO pipeline scheduled for the first phase is 2,700 kilometers; the working pressure is 10 MPa. Starting from 2006, Stroytransgaz has been performing operations within the project, having built seven particularly complicated sections of the pipeline, totaling 482 kilometers, with the 1,067 mm and 1,200 mm diameters. The work also included the construction of the Skovorodino oil pumping station with the capacity reaching 30 million tons a year.

Within the pumping station construction, the responsibilities of Stroytransgaz as the General Contractor included construction of 80 different buildings and structures that are related to the oil pumping facility, including:

- > Pumping station
- > 6 Reservoirs of 50 000 cubic meters
- > 3 Reservoirs of 5 000 cubic meters
- > 5 Auxiliary reservoirs
- > More than 3,000 tons of cable racks
- > Fire extinguishing systems, water supply and sewerage systems, and culverts with the total length of more than 32 kilometers
- > Two 110 kv electric power lines each running 23 kilometers
- > Process pipelines with the total length more than 4.5 kilometers
- > Administrative and accommodation facilities

The ESPO construction poses a number of difficulties: severe climatic conditions, highly broken land relief, numerous permafrost soil inclusions and rocks, seismic activity within 6-9 Richter magnitude range, manifestations of cryogenic processes, lack of industrial and transportation infrastructure. These factors made it necessary to use K 60 and K 70 steel grade pipes that have guaranteed visco-plastic properties at the temperature going down to -60°C.

At the same time, the ESPO pipeline is the first oil pipeline in Russia that is tailored for the working pressure of 10 MPa, thus, requiring increased operational reliability as well as application of advanced technology and state-of-the-art equipment during its construction. For example, the pipe welding was performed only in the automated mode.

The facility was put for commissioning in December 2009. The year 2010 was scheduled for site improvement at the Skovorodino oil pumping facility.

Eastern Siberia-Pacific Ocean
Oil Pipeline, Second phase

Amur Oblast

The project contemplates the construction of the second part of the transportation corridor extending from the Skovorodino oil pumping station to the Kozmino specialized oil-loading seaport. This step is aimed at transportation of the Russian oil to the markets of Southeastern Asia and America.

Customer: OAO AK Transneft

The total length of the second section of the ESPO pipeline is 2,046 kilometers; the working pressure is 10 MPa. Under the general contract signed in March of 2010, Stroytransgaz is responsible for the construction of a 197-kilometer long pipeline with 1,067 mm in diameter within the 2,694 – 2,891-kilometers section. The scope of work also includes construction of 8 line valve stations as well as cleaning and diagnostic chamber, cathode protection systems, along-the-route 6 (10) kV HV line, 10 kV HV booster from the Magdagachy substation (220 / 35 / 10) to the along-the-route 10 kV HV line, 2 helicopter decks, telemetry system for the pipeline linear part and installation of technical security equipment.

The on-site operations are complicated by the necessity to cross the federal highway Chita-Khabarovsk and the railway Moscow-Vladivostok. The project contemplates 6 highway and railroad crossings.

The completion of work is scheduled for 2012.

Baltic Pipeline System,
Second phase

Novgorod Oblast

Customer: OAO AK Transneft

The extension of the Baltic Pipeline System will improve substantially export opportunities in delivery of Russian oil produced in the Timano-Pechersky region, Western Siberia and Ural-Volga region, together with crude oil from the CIS countries, to the European market without transit risks. Furthermore, the project will be able to create new jobs, improve the infrastructure and increase financial inflows in the regions along the pipeline route.

Under the general contract signed in May of 2009, Stroytransgaz is responsible for the following scope of work:

- > Construction of the pipeline linear part that is 197-kilometer long and 1,067 mm in diameter
- > Construction of five inline and eight riverside valves
- > Construction of an along-the-route 10 Kv HV line
- > Construction of scraper launching and receiving units
- > Construction of 74 crossings over rivers, highways, railways and communication lines
- > Construction of a 10 Kv HV line

Besides, the scope of work will include construction of pumping station № 7 with capacity of 30 million tons a year, together with the following related facilities:

- > Trunk pumping station
- > Switchgear control room, packaged transformer substation
- > Fire extinguishing system, water supply and sewage systems, including a fire pump station
- > Administration and accommodation facilities
- > Rotators' camp and mess-room
- > Pressure control unit
- > Process pipelines, 667 meters long and 820–1020 mm in diameter
- > Utility facilities totaling 9,455 meters in length
- > Enclosed parking lot and helicopter pad

The construction is performed in water-flooded and boggy area that makes operational conditions very difficult.

Projects in Russia: Oil Industry

In 2009, the company performed grading and preliminary operations for the construction sites, welded more than 25 % of pipelines, performed groundwork and foundation work within the oil pumping station № 7 project, provided drainage facilities, laid drainage systems, provided grillage and foundations for buildings and structures, assembled and erected steel structures for frameworks and building envelopes.

In 2010 the company plans to continue construction of the pipeline linear part, complete zero-level and underground work for buildings and structures, complete construction of the process pipelines, install the equipment for the trunk pumping station, for switchgear control room and packaged transformer substation, build the fire pump station, complete the construction of the access road and helicopter pad, build a river pumping plant, and build a perimeter fence.

The facility is scheduled for commission in July 2012.

Vankor-Purpe Oil Pipeline

Krasnoyarsk Krai

Customer: ZAO Vankorneft

Since 2006, when the general contract was signed, Stroytransgaz has been taking part in the project for construction of the Vankor-Purpe oil pipeline.

The total length of the pipeline is 543 kilometers; it is 820 mm in diameter; and it is designed to transport oil from the Vankor field (Krasnoyarsk region) to the Transneft main oil pipeline system. The pipeline design capacity is 25 million tons a year.

The scope of work performed by Stroytransgaz includes construction of 184 kilometers of the pipeline linear part and the related infrastructure. As the oil pipeline route traverses the territory of continuous permafrost, the construction is performed by aboveground construction methods requiring application of rotary bored piles, driving piles and sinking piles.

In 2009, the construction of the pipeline linear part was completed and the company was doing work on installation of the related infrastructure. The project is scheduled for completion in 2010.

Vankor Field

Krasnoyarsk Krai, Yamalo-Nenets
Autonomous Okrug

Customer: ZAO Vankorneft

Starting from 2007, Stroytransgaz has been developing the infrastructure for the Vankor oilfield with the design capacity reaching 25 million tons of oil a year. The company is one of the general contractors in construction of on-site and field facilities.

The project is scheduled in three phases. Within the program of work for the first phase, Stroytransgaz is responsible for construction of temporary facilities for oil treatment and pumping through the pipeline. The construction operations include building part of the UPSV-Yug preliminary water removal unit, oil pre-heaters at the OPS-1 site, oil and gas flow-lines totaling 120 kilometers, and a construction camp. The work scheduled for the second phase will include construction of facilities for the central gathering point: the main pumping station, a high-pressure gas compressor station for gas injection, a gas dehydration unit, and chemicals storage facilities. The company will construct clusters of water supply wells; complete the construction of the UPSV-Yug and the turnkey construction of OPS-1 oil pumping station that will be located at the 175-kilometer point of the pipeline.

As the Vankor field is located in the arctic area, within continuous glaciations and permafrost, construction of aboveground facilities is performed by using special construction technology, such as using soil heat stabilizers for piling and engineering protection of the site against thawing.

In 2009, within the scope of work scheduled for the first phase of field infrastructure development, Sroytransgaz built the following facilities:

- > Part of the UPSV-Yug facilities
- > Oil pre-heater at the OPS-1 site
- > More than 100 kilometers of oil and gas flow-lines
- > Construction camp for 1,800 people

At the same time the company commenced the construction of facilities for the second phase of infrastructure development. Within the scope of work scheduled for the second phase, the company performed construction operations at the central oil gathering point facilities and main transfer pumping station. The company built and put into operation the facilities of the chemical and analytical laboratory, built the zero-level start-up facilities, began construction of the first start-up facilities of OPS-1 pumping station, and commenced construction of foundations for facilities of high-pressure gas compressor station integrated in the central oil gathering complex.

The construction is scheduled for completion in 2011.

Priobskoye Oil Field

The contract operations of Sroytransgaz in the development of the Priobskoye field infrastructure started in 2008.

Khanty-Mansiysk Autonomous Okrug

Customer: OOO RN-Yuganskneftegaz

The Priobskoye field is the largest in Western Siberia. Due to severe climatic and geological conditions as well as special environmental requirements, the field development was qualified as Territory of Special Subsurface Resources Management.

Under the project, Sroytransgaz is responsible for construction of oil and gas gathering systems, high-pressure water-to-water systems, gas pipelines, HV electric lines as well as for installation of instrumentation and control systems and start-up operations.

The work is scheduled for completion in June 2010.

Other Oil Fields

Yamalo-Nenets Autonomous Okrug,
Khanty-Mansiysk Autonomous Okrug

Customers: OAO Gazpromneft-
Noyabrskneftegaz,
OOO RN-Yuganskneftegaz

Sroytransgaz performs operations under a number of projects designed for infrastructure development at the following fields: Kholmistoye, Severo-Yangtinskoye, Sredne-Iturskoye, Muravlenskoye, Usmeiskoye, Sugmutskoye, Vyngayakhinskoye, Sutorminskoye, Ety-Purovskoye, Sporysheskoye, Yairainerskoye, Vyngapurovskoye, Chatylkinskoye, Romanovskoye, Meretoyakhinskoye, Salymskoye, Pravdinskoye, and Ombinskoye fields.

The scope of work includes construction of high-pressure and low-pressure conduits, oil gathering systems, gas pipelines, general on-site facilities, including cluster pump stations, booster pump stations, overflow units as well as low-voltage 6 kV lines, installation of instrumentation and control systems, and start-up operations.

The work is scheduled for completion in 2010.

Projects in Russia: Electric Power Industry

Container terminal facilities
in the Ust-Luga Commercial Seaport

Leningrad Oblast

Customer: OAO Rosneftbunker

The project designed to increase export of petroleum products through expanded capacity of the Ust-Luga commercial seaport will foster a more stable and confident position of Russia on the world market.

In 2009, Stroytransgaz started construction operations on reinforced concrete structures and industrial sewage system K-3 for the light oil rail loading facility № 3 at the Ust-Luga commercial seaport. In 2009, the company completed concrete construction for flow passages KM-1 and KM-2.

The work is scheduled for completion in 2010.

Rostov nuclear power plant

Rostov Oblast

Customer: OAO Rosenergoatom Concern

The Rostov nuclear power plant is included into the North Caucasus United Power Grid that provides electric power supply for 11 entities of the Russian Federation with the total area of 431.2 thousand kilometers and the population totaling 17.7 million people. The importance of the construction that the Rostov nuclear power plant has for the region's power industry is substantiated by the Program for Electric Power Development in the Rostov Oblast for the Period up to 2015. The total electric output of the energy blocks is 3,000 MW.

Within the project for expansion of the Rostov (Volgodonsk) nuclear power plant, Stroytransgaz performs construction of energy blocks № 2, № 3 and № 4, which it started in 2008. The scope of work performed by the company includes:

- > Building-assembly work at the reactor compartments for energy block № 2
- > Provision of the construction base and renovation-reconstruction work on the foundation at energy block № 3
- > Installation of the system to reduce water in the foundation area at energy blocks № 3 and № 4
- > Construction of a pile-supported floor for the reactor's foundation at energy block № 4
- > Building-assembly and renovation-reconstruction work at the reactor compartments for energy blocks № 3 and № 4

In 2009, Stroytransgaz performed the following operations at the facilities of energy block № 2:

- > Spooling of the internal turbine units of nitrogen pipelines and pipeline connections, assembly of process pipelines and turbine room structural steel
- > Construction of the crossover bridge between blocks № 1 and № 2
- > Finishing work in the reactor compartment
- > Assembly of racks, process pipelines and installation of equipment
- > Construction of the fire-engine house

In March, 2010 energy block № 2 was put into operation.

In 2009, the following operations were performed at the facilities of energy blocks № 3 and № 4:

- > Pit excavation and construction of the foundation for block № 3
- > Construction of the reactor compartment of block № 4
- > Construction of the pre-assembly shop as well as administrative and accommodation facilities

The main operations at energy blocks № 3 and 4 are planned to start in 2010. The contract term of completion is 2015.

Novovoronezh nuclear power plant-2

Voronezh Oblast

Customer: OAO Rosenergoatom Concern

The new nuclear power plant in the Voronezh Oblast is planned for construction in line with the Program of the Activities of the State Corporation in Nuclear Power Rosatom for the Long-term Period (2009–2015). The gross installed generating capacity of the energy blocks at the Novovoronezh nuclear power plant-2 (NVNPP-2) will reach 2,300 MW. The new plant will significantly reduce the region's electric energy deficit, which resulted when the energy blocks at the active Novovoronezh NPP-1 were decommissioned. The construction site for the new energy blocks is in the immediate proximity to the Novovoronezh NPP-1.

In February 2009, Sroytransgaz commenced construction and assembly operations at the start-up facilities of energy blocks № 1 and № 2 at the Novovoronezh nuclear power plant-2.

In 2009, the company started construction of the fresh-fuel storage facilities for the new energy blocks and the evaporative cooling tower (10 URA) for block № 1, including feeder channels of evaporative cooling tower NVNPP-2.

In 2010 the construction and assembly work will continue.

Kalinin nuclear power plant

Tver Oblast

Customer: Federal Atomic Energy Agency

The project for expansion of the Kalinin nuclear power plant goes in line with the federal target program Development of the Nuclear Energy Industry of Russia for 2007–2010 and the Future to the 2015. The capacity of energy block № 4 at the Kalinin nuclear power plant will be 1,000 MW.

Starting from July 2007, Sroytransgaz as primary subcontractor takes part in construction and assembly, repair and rehabilitation as well as general construction operations at the key project facilities of energy block № 4 at the Kalinin nuclear power plant. Work includes:

- > Construction and assembly, repair and rehabilitation operations at the facilities of the reactor compartment of the energy block, including the containment, enclosure and pressurized part
- > Construction and assembly operations at start-up facilities of the energy block, including the cooling system with towers, pumping station for water delivery to the tower-coolers, enclosed offtake, pipelines for turbine water supply for non-critical consumers, and production related facilities outside the construction site

In 2009, Sroytransgaz performed construction, assembly, repair, rehabilitation and general construction operations in the key construction areas, including:

- > Enclosed offtake
- > Reactor compartment
- > Cooling system with tower-coolers
- > Pipelines of turbine water supply
- > Tower cooler № 4
- > Engine house and deaerator bay
- > Overfill protection
- > Temporary fencing of the energy block

The work is scheduled for completion in 2010.

Projects in Russia: Electric Power Industry

Yugo-Zapadnaya cogeneration plant

St. Petersburg

Customer: OAO Yugo-Zapadnaya TEC

The Yugo-Zapadnaya cogeneration plant is an important project implemented within the framework of upgrading the energy generation sector of St. Petersburg. The plant will fully compensate for the shortfall in heating and electric energy in the southwest area that offers excellent opportunities for residential construction and will enhance the reliability of the city's energy system as a whole.

Stroytransgaz entered into a general contract for the construction of the Yugo-Zapadnaya cogeneration plant with company Yugo-Zapadnaya TEC in 2007. The project is being implemented on EPC terms. The design capacity of the cogeneration plant will be 570 MW of electricity and 660 Gcal/hour of heat per year. The first phase includes construction of the start-up facilities with electrical capacity totaling 205 MW and heat capacity equal to 350 Gcal/hour.

The construction work was suspended in December of 2008 due to lack of financing and was resumed in July 2009, after the ownership rights for the cogeneration plant under construction were transferred from OOO Sintez to the Committee for Administration of State Property of St. Petersburg.

In 2009, the company constructed the framework, roof and wall cladding of the main building, and started construction of the reinforced concrete framework for the electrical and technical compartment, assembly of structural steel for the administrative and maintenance building, construction of process racks, internal systems, tank and pumping station facilities. It continued work on installation of HVAC systems, pumping station and tower-cooler № 1. The construction of the supply warehouse was completed. The equipment for the hot water boilers was installed and the delivery of waste-heat boilers, hoisting and electrical equipment started. The assembly operations on the equipment for the cogeneration plant started: hot water boilers and waste-heat boilers.

The first start-up complex of the cogeneration plant that includes installation of hot water boilers with the capacity equal to 120 Gcal/hour will be completed in 2010; the second start-up complex that will bring the capacity to 205 MW and 230 Gcal/hour is scheduled for completion in 2011.

Yuzhnaya cogeneration plant

St. Petersburg

Customer: OAO TGK-1

The Yuzhnaya cogeneration plant TEC-22 is one of the largest plants in St. Petersburg's heating supply system, providing thermal energy to industrial enterprises, residential and public buildings located in Frunzensky and Nevsky districts of the city.

The expansion project for TEC-22 contemplates building of a new gas-vapor energy block № 4 with nominal electric generating capacity of 450 MW and heating capacity of 300 Gcal/hour. Under the project, Stroytransgaz is to complete turnkey operations in construction of a tower-cooler № 3 at the Yuzhnaya cogeneration plant (TEC-22) with the serviceable area covering 3,200 square meters and the 82 meter high stack.

Based on the results of 2009, the company entered into the final stage of the construction. The project is scheduled for completion in 2010.

Molzhaninovka gas turbine
power plant (GTPP)

Moscow

Customer: OOO Resad

The Molzhaninovka gas turbine power plant (GTPP) will provide electrical and thermal energy to the housing and public sector of Moscow Administrative Okrug Severniy and the Planernaya industrial area.

Working within the turnkey project, Stroytransgaz provides design, material and equipment procurement, construction, assembly and installation, start-up and adjustment as well as putting into operation of the primary and auxiliary equipment.

In 2009, Stroytransgaz started construction of the first phase of the electric power plant with electric capacity within a 220-260 MW range and thermal capacity amounting to 380 Gcal/hour.

At the moment, the first construction stage has been completed, including reconstruction of overhead transmission lines and fiber-optic communication lines, their removal and relocation from the GTPP construction site with their further commissioning. The company built 1.55 kilometers HV-220 kV lines; 1.39 kilometers HV-110 kV lines and 4.76 kilometers fiber-optic communication lines. The design documentation work is in progress.

The difficulties that have been encountered during the work on the project include the change order from the customer in terms of the specification as well as stringent requirements in terms of the operations performed by the company.

In 2010, the company will start construction of the main GTPP building. The first phase of construction is scheduled for completion in 2012.

Belozerskaya substation

Vologda Oblast

Customer: OAO UES FGC

The project for expansion of the Belozerskaya substation that is integrated in the Unified Energy System of Russia is aimed to increase the transmission capacity of electric power lines of OAO UES FGC due to the forthcoming commissioning of energy block № 4 at the Kalinin nuclear power plant. Stroytransgaz is performing construction of the block.

The contract for completion of the project was signed in February 2010. Stroytransgaz is responsible for design, construction and installation work within the first phase for expansion of the Belozerskaya substation – 750 / 500 / 220 kV to increase its capacity by 501 MVA through additional 500 / 220 kV autotransformer with capacity of 3*167 MVA.

At the moment, the company is performing mobilization works at the construction site. This challenging project is of special importance for Stroytransgaz; it has reference significance as the company is entering into construction of UES ultrahigh voltage facilities.

The work is scheduled for completion in 2011.

Psou substation

Krasnodar Krai

Customer: OOO Stroyremservis

The project for reconstruction of the Psou substation is aimed to enhance reliability of electric power supply of the Sochi Olympic facilities.

Stroytransgaz won the tender for reconstruction and renovation of the Psou substation – 220 / 110 / 10kV. The contract was signed in February 2010.

To implement the project, the company will perform construction and assembly as well as start-up and adjustment operations; in addition, the company will retain close touch with the systems

through follow-up warranty service. At the moment, the company is performing mobilization works at the construction site.

The work is scheduled for completion in May 2010.

HV-220 kV SUSREPP–
Kalininskaya substation

Middle Urals

Customer: OAO UES FGC

The project for reconstruction of the HV-220 kV Sredneuralskaya State Regional Electric Power Plant – Kalininskaya substation is aimed to increase the transmission capability of the power distribution arrangement at the Sredneuralskaya State Regional Electric Power Plant (SUSREPP).

In March of 2010, Stroytransgaz signed the contract for restoration of connection of the HV-220 kV SUSREPP–Kalininskaya substation, together with the disconnection from the HV-220 Votkinskaya water power plant–SUSREPP. The scope of work includes construction and assembly as well as start-up and adjustment operations. The company will also build a 50-kilometer long overhead transmission line. At the moment, the company is performing mobilization works at the construction site.

The scheduled term for completion is September 2010.



Projects in Russia: Road Construction

Moscow Ring Road–Skolkovo

Moscow Oblast

Customer: Moscow Oblast Road
Department Mosavtodor

The decision to extend the Moscow regional road infrastructure in the vicinity of Skolkovo settlement was made to ensure the adequate traffic capacity of the road that provides access to the new international school of management Skolkovo.

In July 2009, Stroytransgaz signed the contract for construction of the Moscow Ring Road – Skolkovo road, together with access roads in the Odintsovsky raion. The scope of work included design and construction of a tunnel-type viaduct, together with a subway.

The work is scheduled for completion in 2010.



Production Activity

Projects in Foreign Countries

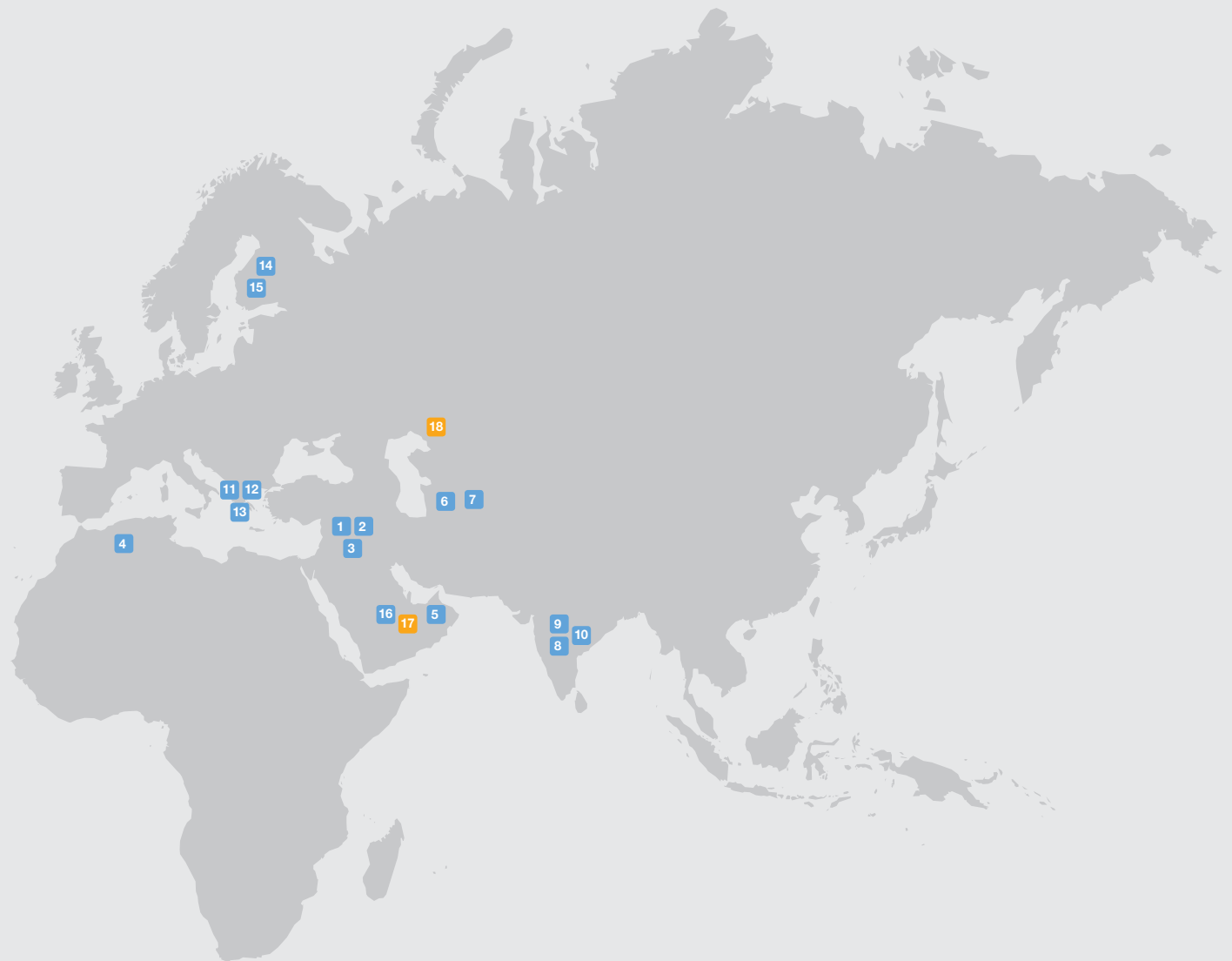
In 2009, more than half (53%) of the company's contractual operations were performed outside Russia; among them, work within projects for international gas infrastructure development accounted for 89%. The projects were implemented through the Department for Foreign and Special Construction and branch offices of the company.

The fiscal year was rich in projects aimed at development of oil and gas industries of European and African countries, countries of the Near East, Middle East, and Asian-Pacific region. The company took part in development of infrastructure for gas and oil fields, construction of all main types of pipelines, and development of industrial property.

Stroytransgaz welcomed as its customers the largest oil and gas companies, including DESFA S.A., Dolphin Energy, GAIL, Reliance, Saudi Aramco, SONATRACH, and Syrian Gas Company.



Chart 2. Stroytransgaz projects in foreign countries by industry



Projects in Gas Industry

1. Arab Gas Pipeline
2. South Middle Area Gas Project
3. North and South Middle Area Gas Exploitation Project Phase I
4. Ouled Djellal–Skikda gas pipeline
5. Taweelah–Fujairah gas pipeline
6. Malai–Bagtyyaryk gas pipeline
7. Kiyarly–CAC-III gas pipeline
8. East–West gas pipeline

9. Bharuch–Jamnagar gas pipeline
10. Vijapur–Dadri gas pipeline
11. Komotini–Alexandroupolis gas pipeline (Anfia)
12. Medium-pressure gas distribution network in Greater Khalkis region
13. Compressor station Nea Messambria
14. Pajari–Valkeala gas pipeline
15. Selki–Pölans gas pipeline
16. Hawiyah, Uthmaniyah, Shedgum fields

Projects in Oil Industry

17. Sheiba–Abqaiq oil pipeline
18. Oil pipeline of the Caspian Pipeline Consortium

Projects in Foreign Countries: Gas Industry

Arab Gas Pipeline

Syria

Customer: Syrian Gas Company

The project for construction of the Arab Gas Pipeline is aimed to establish a transportation route for gas deliveries from Egypt through Jordan and Syria to Turkey, Lebanon and Cyprus. The pipeline traverses Syria, extending from the Jordanian-Syrian border to the Al Rayan gas gathering station located in the vicinity of Homs city and providing gas to Deir-Ali and Tishreen power plants as well as to other consumers through the gas distribution network of the country. To ensure reliability in gas deliveries, the AGP is designed as a bi-directional pipeline network, thus, offering an opportunity to sell gas from Turkey.

Stroytransgaz has been participating in the Arab Gas Pipeline project since 2005 when the company entered into an EPC contract. The scope of work included construction of the 319-kilometer long pipeline linear part, 36 inches in diameter, with 10 line valve stations, 8 launcher and receiver traps, and a gas metering station. In addition, the company installed SCADA, gas leak detection and fire safety, ECP, automatic control and instrumentation systems as well as telecommunication equipment.

In 2009, the company completed work on the site improvement and signed contracts for spare part delivery for after-sales service.

The work on the project is scheduled for completion in 2010.

South Middle Area Gas Project

Syria

Customer: Syrian Gas Company

The project for construction of a gas processing plant and field infrastructure development in the central part of the Syrian Arab Republic (South Middle Area Gas Project) was of high national significance. It was integrated into the national plan that set guidelines for building and developing gas processing facilities in the country. The annual production capacity of the plant amounted to 2.2 billion cubic meters of purified gas; 23,000 tons of liquefied propane-butane and 234,000 cubic meters of condensate.

Stroytransgaz started working under the turnkey contract in 2005. The construction site was located 70 kilometers westwards from Palmyra (Tadmor), in the area where the largest hydrocarbon fields are concentrated. The scope of work included construction of field facilities for 17 wells with the daily production ranging from 6 to 7.2 million cubic meters, along with construction and installation of separators for preliminary gas treatment at three fields: Abo Rabah, North Al Faid and Qomqom, construction of gathering pipelines from the wells to the preliminary separators and to the gas processing plant, provision of tie-ins from the plant into the existing gas and oil pipelines, as well as racks for loading of the liquefied petroleum gas to tank trucks. In addition, the project requirements stipulated assembly and installation of the basic process equipment of the plant, including separation and dehydration systems, hydrogen sulfide scrubbers, process systems for liquefied propane-butane and condensate as well as tie-ins from the plant into the existing gas and oil pipelines and tank-truck loading racks for liquefied gas and condensate.

The main difficulty the company encountered in its participation in the project was increased scope of work after the design work was completed.

The gas processing plant was commissioned for operation in 2009. Today, the plant enjoys the warranty maintenance period, including set-up and adjustment of the control instrumentation and automatic process control systems.

North and South Middle Area Gas Exploitation Project Phase I

Syria

Customer: Syrian Gas Company

The gas processing facilities (the North and South Middle Area Gas Exploitation Project Phase I) will be located 75 kilometers to the south-west of Al-Rakka and 205 kilometers to the east of Homs, in the area where Syria's largest hydrocarbon fields are concentrated. The plant will have annual production capacity of 1.3 billion cubic meters of purified gas, 41,600 tons of liquefied propane-butane, and 136,200 cubic meters of condensate.

Stroytransgaz started construction of the gas processing plant in 2007. The contract was signed on EPC terms. The scope of work included infrastructure development for West Twinan, Twinan, Al Gour, East Al Akram and Al Harith gas fields.

The bottleneck in implementation of the project was produced by the special technical specifications set by the customer.

In 2009, the company completed grading work at the construction site and started construction of buildings and facilities. In 2010, the company plans to complete construction of buildings and linear pipelines as well as to assemble the basic equipment and racks. The work is scheduled for completion in 2011.

GK-1

Algeria

Customer: Sonatrach

The project is implemented within the program for development of the national gas transportation network. The reconstruction of pipeline GK-1 at the Ouled Djellal-Skikda section will result in a sizeable increase in capacity and reliability of the existing pipeline that supplies gas to northern regional consumers, including the liquefied petroleum gas plant, electric power stations and other facilities. Furthermore, the completed pipeline will be provided with additional branch lines so that later branch offices to other gas consumers could be constructed.

In 2006, Stroytransgaz commenced its work within the EPC contract.

The scope of work included rehabilitation of several sections of the pipeline, at the total length of 145 kilometers and with pipes 40 inches in diameter, and construction of a new 5-kilometer long section (in the industrial area of Skikda), including above-the-ground structures and auxiliary systems (SCADA, telecommunications, cathode protection and control instrumentation).

Under the contract, Stroytransgaz is responsible for the complete package of design and survey work, construction and assembly, start-up and set-up operations, delivery of materials and equipment (exclusive of the linear pipe).

In 2009 the construction of the linear part was completed; the operations on the gas metering station, filtration unit and gas disposition terminal are coming to a close. In 2010 the facility will be commissioned for warranty maintenance.

Taweelah–Fujairah gas pipeline

United Arab Emirates

Customer: Dolphin Energy Ltd.

The Taweelah–Fujairah gas pipeline is 240 kilometers in total length and 48 inches in diameter; it connects the south and north coast of the United Arab Emirates (UAE): the receiving terminal in Taweelah, the Emirate of Abu Dhabi, on the Persian Gulf coast and the receiving station of the treatment facility in Fujairah, the Emirate of Fujairah, on the Gulf of Oman coast. The project is designed to provide gas deliveries that will meet the current and future needs of the Department for Water Resources and Energy in the Emirate of Abu Dhabi, including the future electric power plant and desalination plant at Qidfa.

Projects in Foreign Countries: Gas Industry

The contract Stroytransgaz has been working under since 2008 includes basic and detailed design and engineering, procurement of equipment and materials, construction and assembly work, starting-up and commissioning. The scope of the project covers construction of the linear part, two scraper launcher and receiver units, nine line valve stations and a gas metering station as well as installation of SCADA, gas leakage detection, fire safety, ECP, automatic control and instrumentation, and telecommunication systems.

The operations are being performed in adverse natural and climatic conditions of the desert; difficulties are posed from local soils and topography; the pipeline route traverses a lot of roads and watered areas.

In 2009, the design work was completed; 85 % of the Taweelah gas receiving station was built; 164 kilometers of the pipeline linear part was constructed. The work is scheduled for completion in 2010.

Malai-Bagtyarylyk gas pipeline

Turkmenistan

Customer: Turkmengaz State Concern

The Malai-Bagtyarylyk gas pipeline is a part of the Central Asia-China pipeline, extending for 7,000 kilometers and transporting 30 billion cubic meters of natural gas from Turkmenistan to China, traversing Kazakhstan and Uzbekistan.

Stroytransgaz has been a participant of the project since 2008. The EPC contract includes design and engineering, procurement of equipment and materials, construction of gas dehydration units, a gas metering station the linear part of the Malai-Bagtyarylyk pipeline (length is 184.54 kilometers, diameter is 1,420 mm), including:

- > 2 launcher and receiver stations for treatment facilities
- > 7 line valve stations
- > 2 helicopter pads
- > 201 kilometers of power transmission lines
- > Fiber-optical communication lines totaling 201.9 kilometers
- > Radio-relay transmission lines
- > Electrochemical protection systems
- > Telemetry systems (scada)
- > Line operational base

The laying of the considerable part of the gas pipeline was performed in the unpopulated area, lacking well-developed infrastructure, in adverse natural climatic conditions of the Kara Kum desert. The preliminary work included grading and leveling of the site, together with lopping of sand-waves reaching 5-6 m in height at separate sections of the route.

The most challenging section was the Amu-Darya crossing, which was the first in the world underwater crossing 1,400 mm in diameter and 1,750 m in length; it was built using horizontal directional drilling (HDD). The application of the HDD method meant preservation of the natural hydrological behavior, ichthyologic fauna of the Amu-Darya River and its natural landscape.

At the moment, the set-up operations for control instrumentation, telemetry, ECP and power supply are in their final stage. The project will be completed in 2010.

Kiyanly–CAC-III gas pipeline

Turkmenistan

Customer: Petronas Carigali Turkmenistan

In 2009, Stroytransgaz signed the contract for construction of the Kiyanly–CAC-III gas pipeline. The scope of work includes design and engineering, procurement of equipment and materials, construction and assembly work, starting-up and commissioning.

The program of work includes construction of the pipeline linear part, 53 kilometers in length and 1,020 mm in diameter, extending from the Kiyanly onshore terminal to the CAC-III pipeline, two scraper stations located at the onshore gas terminal in Kiyanly (the launcher station) and CAC-III tie-in (the receiving station), cathode protection system for all the facilities.

In 2009, more than 80% of construction and assembly work was completed. The work is scheduled for completion in 2010.

East–West gas pipeline

India

Customer: Reliance Gas Transportation Infrastructure Ltd.

India's largest gas transmission system East–West with the total length amounting to 1,386 kilometers linked together two global giants, Krishna–Godavari gas field located in the Bay of Bengal, and the oil refinery in Jamnagar, relieving pressure of the growing demand for natural gas demonstrated by central, western and northern states of India.

In 2006, Stroytransgaz signed a contract for construction the gas pipeline extended from Kakinada, state Andhra Pradesh, to Bharuch, state Gujarat.

Under the contract, within the period from 2006 through 2008, Stroytransgaz constructed two pipeline sections, 249 kilometers in length and 48 inches in diameter, including 7 line valve stations and a launcher-receiver station for treatment facilities. In 2009, the company provided warranty maintenance that will be in effect till September 2011.

The operations were performed in the densely populated area, thus, the company often had to solve problems trying to secure approvals for allocation of land; the construction required application of special methods and technology due to harsh climatic conditions, including high temperature and humidity, aggravated by submerged soils. At the water-bearing areas, the unloading, laying, welding, inspecting, and insulating operations as well as landing of pipes into trenches required application of ultra-strong plastic mats.

Bharuch–Jamnagar gas pipeline

India

Customer: Reliance Gas Transportation Infrastructure Ltd.

In 2008, the consortium consisting of Stroytransgaz and Essar Construction Ltd. (India) commenced operations under the EPC contract for construction of the Bharuch–Jamnagar gas pipeline. The scope of work included construction of the Gana–Hadala pipeline section, 81.4 kilometers in length and 30 inches in diameter, 6 valve stations, 2 launcher and receiver chambers for treatment facilities. The company had to build 110 crossings so that the pipeline could run through highways, water streams and other obstacles; the water reservoir 700-meter long crossing was built by using the horizontal directional drilling technology.

In 2009, the company completed 93% of the construction and assembly operations. The construction is scheduled for completion in 2010.

Projects in Foreign Countries: Gas Industry

Vijaipur–Dadri gas pipeline

India

Customer: GAIL Ltd. (India)

The project for construction of the Vijaipur–Dadri gas pipeline is being implemented by the consortium that unites Stroytransgaz and Essar Construction Ltd. (India). Under the contract, the scope of work includes construction of two gas pipeline sections, 169-kilometer and 163-kilometer long and 48 inches in diameter, as well as valve stations, launcher and receiver chambers for treatment facilities, and installation of the optic-fiber cable.

In 2009, more than 80% of construction and assembly work was completed. The construction is scheduled for completion in 2010.

Komotini–Alexandroupolis gas pipeline (Anfia)

Greece

Customer: DEPA S. A.

The construction of the Komotini–Alexandroupolis gas pipeline linked the Greek and Turkish gas transportation systems, thanks to which Greece obtained a new channel for delivery of hydrocarbons.

In 2005, Stroytransgaz heading the consortium with the Russian-Greek joint venture Prometheus Gas S. A. started construction of the Komotini–Alexandroupolis gas pipeline.

Under the contract, Stroytransgaz performed construction-assembly, procurement of process equipment as well as testing, drying and starting-up operations. In addition to the linear part of the pipeline, 54 kilometers in length, 36 inches in diameter and 80-bar design pressure, the company built site facilities, three line valve stations, and a pig receiver.

The route of the gas pipeline traverses irrigated lands and difficult-to-access mountainous and ledge areas with numerous natural and man-made obstacles: river beds, forest areas, synclines, hills, and rocks, highways and railroads.

The construction is completed. The facility is under warranty maintenance that will finish in June 2010.

Medium-pressure gas distribution network in Greater Khalkis Region

Greece

Customer: DEPA S. A.

In 2009, Stroytransgaz heading the consortium with the Russian-Greek joint venture Prometheus Gas S. A. started construction of the medium-pressure 19-bar gas distribution network for industrial consumers in the Greater Khalkis. The scope of work under the contract included procurement of equipment and construction of the 20-kilometer long gas distribution network. The gas pipeline consists of pipes that are 14 inches (11.7 kilometers long section), 8 inches (7.7-kilometer long section) and 4 inches (0.4-kilometer long section) in diameter. The medium-pressure network is an extension of the existing networks that are located in the Inophyta–Schimatari region.

At the moment, the company is completing preliminary work. The project is scheduled for completion in 2011.

Compressor station Nea Messambria

Greece

Customer: DEPA S. A.

In 2009, the consortium comprising Stroytransgaz (the consortium leader) and the Russian-Greek joint enterprise Prometheus Gas S.A. started construction of the Nea Messambria compressor station along the Kulata–Athens gas pipeline in the area of Thessaloniki, Greece. The contract was signed on EPC terms.

Under the contract, Stroytransgaz is responsible for design of the compressor station for two

7,688 MW turbo-compressor units Solar with auxiliary facilities and systems, procurement of materials and equipment, installation of equipment, piping, installation of control instrumentation, cathode protection and control systems as well as for electric installation and start-up.

At the moment, the company is finishing detailed design and placement of orders for procurement of process equipment. The company offices started working at the site; the company started mobilization of the construction personnel. The other construction events include grading and excavation at the site, certification of the welding technology, commencement of construction and assembly operations. The anticipated difficulties include volatility of prices for process equipment and materials due to the world financial crisis.

The project is scheduled for completion in 2011.

Pajari–Valkeala gas pipeline

Finland

Customer: Gasum Oy

The project for overhaul repair of the Pajari-Valkeala gas pipeline was implemented within the program of the renovation of the Finnish gas network. The completed work included the replacement of the part of the old gas pipeline that was built from the Russian-Finnish border to the Valkeala compressor station 35 years ago.

The contract for disassembly of the old gas pipeline and assembly of the new pipeline was signed in July 2008. The scope of work performed by Stroytransgaz included disassembly of the old gas pipeline and assembly of the new pipeline, 27 kilometers in length and 28 inches in diameter, assembly of two valve stations, four junction points, a receiver-launching station for treatment facilities, hydraulic tests, drying, intelligent pig and hook-up.

The construction was completed in August 2009. In March 2010, the first warranty maintenance period expired.

Selki–Pölans gas pipeline

Finland

Customer: Destia

The Project MRSR, Mäntsälä–Siuntio, Part 2 Selki–Pölans is designed to increase gas delivery from the Mäntsälä compressor station to the south-western part of Finland.

In 2008, Stroytransgaz started operations under the project. The scope of work includes construction of the Selki–Pölans gas pipeline, 45.3 kilometers in length and 20 inches in diameter, assembly of a branch pipe, 6 kilometers in length and 8 inches in diameter, assembly of four valve stations, hydraulic tests, drying, intelligent pig and hook-up. At the moment, the company is mobilizing its own equipment resources.

Hawiyah, Uthmaniyah, Shedgum Fields

The Kingdom of Saudi Arabia

Customer: Saudi Aramco

In 2009, Stroytransgaz completed the project for infrastructure development on the Hawiyah, Uthmaniyah and Shedgum gas fields).

The scope of work under the project included construction of facilities for wellheads of 60 gas wells with adjacent 8 inch flow lines, construction of facilities for five gathering stations, construction of five headers with a 16 inch diameter.

In 2009 the work was completed.

Projects in Foreign Countries: Oil Industry

Sheiba–Abqaiq oil pipeline

The Kingdom of Saudi Arabia

Customer: Saudi Aramco

The project for construction of the second section of the Sheiba–Abqaiq oil pipeline was designed to increase oil delivery from the Sheiba field to the oil refinery in Abqaiq.

In 2007, Stroytransgaz commenced operations under the EPC contract. The company was responsible for construction of an oil pipeline, 217 kilometers in length and 30 inches in diameter. The scope of work included construction of two launcher and receiver chambers for treatment facilities, 5 valve stations, together with surge relief skids, as well as hot taps on 21 process units on the existing oil pipeline SHBAB-1 and installation of surge relief skids and two hot taps at the Abqaiq refinery. In addition, the contract required installation of Biocide and Drag Reducing Agent systems to inhibit bacteria and reduce oil friction in the pipeline as well as installation of leak detection, cathode protection, electrics and control instrumentation systems.

The operations were performed in the outlying location, far away from residential areas; the new oil pipeline was constructed in the immediate vicinity of the operating pipeline; the personnel had to work in harsh natural and climatic conditions of the desert; the pipeline was to traverse the territory with sand waves reaching 200 meters in height, quick sands and saline lenses.

At the moment, the oil pipeline is under the warranty maintenance. The company is setting up control instrumentation and automatic control systems. The work is scheduled for completion in 2010.

Caspian Pipeline Consortium
oil Pipeline

Kazakhstan

Customer: Caspian Pipeline Consortium-K

The Caspian Pipeline Consortium's pipeline system runs 1,510 kilometers and connects the Tengiz oil field in Kazakhstan with a marine terminal near Novorossiysk, supplying world markets with oil from Caspian fields.

In 2008, Stroytransgaz, acting as the General Contractor, started operations for replacement of the 0–116 kilometers section on the pipeline of Caspian Pipeline Consortium KTK in the Atyrau region (Republic of Kazakhstan).

Under the contract, Stroytransgaz is responsible for procurement of material and equipment as well as for construction of the pipeline section, 130.3 kilometers in length and 40 inches in diameter, together with all the related facilities, including ECP, electric supply, telemetry, and SCADA systems. The company is also required to perform set-up and start-up of the facility. In addition, the scope of work includes disassembly and disposal of the decommissioned pipeline section.

The new pipeline will traverse the Emba River, the railroad, more than 40 different communication routes and more than 30 highways and roads. Stroytransgaz will construct permanent crossroads and crossings over the oil pipeline and other obstacles, build along-the-route roads, lay the fiber-optic cable and erect high-voltage electrical transmission lines.

The route traverses the Atyrau region along the Caspian Plain, part of which is below the ocean level. Along the route there are saline areas that are forbidding during snow-thaw and rain, thus, resulting in the increased scope of earthwork.

The project is scheduled for completion in 2010.



Equipment, Technology, Quality

Equipment Status

In 2009, to secure machinery and equipment support available to its operating branch offices and subsidiaries and to eliminate risks of technological shortage, the company pulled together and transferred its hardware resources from its completed and commissioned projects in India, Saudi Arabia, Algeria and Russia to construction sites for the Taweelah–Fujairah pipeline in the UAE, Malai-Bagtyarlyk gas pipeline in Turkmenistan, Baltic Pipeline System-2 in Russia. The extended global footprint and operational differentiation required a new approach to equipment selection, meeting new challenges posed by recent projects. The company acquired unique excavation equipment for gas pipeline construction performed in the harsh terrain and soil conditions. In early 2009, the construction site received powerful chain trenchers manufactured by Tesmec (Italy), a pipe bending machine Superior and padding machine Laurini for pipeline filling and padding.

As of 2009, the company fleet of equipment and machinery consisted of more than 2,000 items. New projects are provided with equipment primarily through redistribution of the available resources and lease agreements.

Quality

Stroytransgaz sets as its commitment to establish impeccable reputation, ensuring high levels of customer satisfaction with the completed work and quality of performance. To achieve these aims, the company relies heavily on its quality management system that conforms to international and national QMS standards. The system embraces design, engineering, management, construction and repair provided for projects in oil and gas, electric power sectors as well as in industrial and civil construction, including highways and related infrastructures.

In 2009, based on the results of the supervisory audit, the international certification agency TÜV CERT (Germany) confirmed that the services furnished by the company comply with the requirements set by international standard DIN EN ISO 9001:2008. In December 2009, within the TRANSSERT voluntary certification system, the company passed a re-certification audit for compliance of its quality management system with the requirements of GOST R ISO 9001-2008 and special requirements set by OAO AK Transneft for contracting companies performing construction operations. In August 2009, Stroytransgaz passed successfully QMS inspection checkup for the compliance with STO Gazprom 9001–2006 standard.

Core Machinery & Equipment Fleet

Construction equipment	
Motor graders	18
Automobile cranes	52
Bulldozers	120
Drilling machines	14
Pipe benders	8
Side booms	180
Excavators	119
Front loaders	25
Chain trenchers	7
Padding machines	4
Motor transport	
High-sided trucks	49
Tractor trailers	60
Buses	81
Dump trucks	170
Special purpose vehicles	175
Pipe carriers	114
Equipment	
Welding equipment	164
Electric power stations	26



Due to effective performance of the quality management system and incorporation of accumulated experience, the operational efficiency of the corporate QMS is steadily increasing, thus, opening new opportunities and prospects in cooperation with key players on the Russian oil, gas and electric energy markets.

Following the results of the QMS assessment as well as with consideration for the adopted 2009–2010 strategy and heightened customer requirements, the company reviewed and refined its QMS policy and objectives. The company launched the system of customer satisfaction assessment through surveys and follow-up feedback analysis.

The special emphasis was placed on adequate engineering supervision and laboratory control to assure quality of construction and assembly work. The company has state-of-the-art test and measurement equipment, which, together with automatic and semi-automatic ultrasonic inspection of on-site welded joints, allows it to meet the most stringent requirements of customers and to achieve excellent operational efficiency of quality control.

Furthermore, to ensure the adequate level of Stroytransgaz personnel qualification, within its program for environmental, labor safety and industrial security training, the company provided qualification training for 61 employees.

Based on the results for 2009, the production efficiency, compliance with international management quality standards and high competitiveness of Stroytransgaz services were confirmed by the International Investment Consulting Center. Stroytransgaz became the winner in the All-Russian contest Reliable Supplier of 2009 (the certificate of conformity to requirements set by the federal standard for procurement № 9/1630), and entered the Federal Register of Reliable Suppliers (dated 07.12.2009, № 1630).



Corporate Management

Stroytransgaz Group of Companies

Stroytransgaz

Subsidiaries, Affiliates and Other Companies

Construction

Arktikneftegazstroy
Belstroytransgaz
Krasnodarstroytransgaz
Neftegazspetsstroy
RosSEM
Severgazstroy
Stroitelno-montazhny trest
Stroytransgaz-M
SU-7 RiTM
Urengoytruboprovodstroy
Yuzhtruboprovodstroy
Gazstroydetal

Engineering and Procurement

STG Engineering
GazNIIproekt
Neftegazstroykontrol
Stroytransgaz-servis
Zavod Tyumengazstroy mash
STG-International GmbH
STG Oil & Gaz Ltd.

Oil and Gas

Uralneftegazprom

Service Enterprises

Stroytransgaz TPP
Stroytransgaz-Schit ChOP
Universal-servis STG

Management Services

Stroytransgaz (OOO)
Jumar & Co Ltd.
Setoro Investments Ltd.

Branch Offices and Representative Offices

Branch Offices in Russia

Vidnoe, Moscow Oblast
Volgodonsk, Rostov Oblast
Vologda, Vologda Oblast
Irkutsk, Irkutsk Oblast
Krasnoyarsk, Krasnoyarsk Krai
Novy Urengoy, YNAO
St. Petersburg
Tynda, Amur Oblast
Tyumen, Tyumen Oblast
Udomlya, Tver Oblast
Ufa, Republic of Bashkortostan
Khimki, Moscow Oblast

Branch Offices Abroad

Almaty, Kazakhstan
Abu-Dhabi, UAE
Al-Khobar, Saudi Arabia
Ashkhabad, Turkmenistan
Damascus, Syria
Kouvola, Finland
New Delhi, India
Tiaret, Algeria
Tripoli, Libya

Representative Offices

Algiers, Algeria
Amman, Jordan
Athens, Greece
Ashkhabad, Turkmenistan
Baghdad, Iraq
Beirut, Lebanon
Tehran, Iran

Dividends, Remuneration and Transactions with Related Parties

Dividends

Holders of preferred shares are entitled to dividends at the rate of common shares. By the decision of the General Meeting of Shareholders, dividends for 2008 were not paid due to the absence of profit. As of December 31, 2009 there were no outstanding obligations for payment of dividends.

Remuneration to Management

In 2009, the company paid members of the Board of Directors remuneration in the amount of 11,975,541 rubles, within the limits approved by the General Meeting of Shareholders.

In 2009, the amount of income earned by the members of the Management Board, in accordance with labor contracts and company regulations, totaled 57,952,640 rubles.

Transactions with Related Parties

Within 2009 Stroytransgaz did not enter any transaction that would be recognized as a major transaction under the legislation of the Russian Federation.

During the accounting period, the company entered into 146 transactions for the total amount of 57,465,684,462.13 rubles that are deemed as transactions with related parties in accordance with the applicable Russian laws and that were approved by the General Meeting of Shareholders and Board of Directors.

List of transactions with related parties approved by the General Meeting of Shareholders (2009):

1. Transactions with GPB (OAO) in attracting of credit and trade banking products, bills of exchange; entering into pledge and surety agreements and depositing funds in quantity 144 pieces and for the total amount of 51,005,024,412.44 rubles;
Related parties – members of the Stroytransgaz Board of Directors, Kantserov F.M., Matveev A.A., who are members of the GPB Management Board.
Approved by resolutions of the General Meeting of Shareholders, № 46 on January 14, 2009 and № 47 on June 19, 2009.
2. Transaction with NK Rosneft for the share purchase agreement for the amount of 6,227,440,000.00 rubles. Interested party: member of the Stroytransgaz Board of Directors, Khudainatov E.Yu., who is a member of the NK Rosneft Management Board.
Approved by resolution of the General Meeting of Shareholders, № 48 on August 24, 2009.

List of transactions with related parties approved by the Board of Directors (2009):

1. Agreement for cession of rights (claim) between Stroytransgaz-invest (Assignee) and Stroytransgaz (Assignor). Subject of transaction: The Assignor agrees to assign to the Assignee the rights (claims) for monetary obligation fulfillment in the amount of 233,220,049.69 rubles in relation to the Limited Liability Company Stroytransgazagro. Transaction price: 233,220,049.69 rubles;
Payment term: not later than within 6 (six) years upon signing the Agreement for cession of rights (claim) that the Assignor and the Assignee entered into.
Related parties: member of the Stroytransgaz Board of Directors, Borisov E.I., member of the Stroytransgaz Management Board, Gurov V.S., who are members of the Stroytransgaz-invest Board of Directors.
Approved by the solution of the Board of Directors, № 2 on July 06, 2009.

Board of Directors and Management Board

Governing Bodies to December 31, 2009

Board of Directors

Mikhelson Leonid Viktorovich – Chairman of the Board of Directors, born in 1955

Arustamov Mikhail Mikhailovich, born in 1960

Belenky Dan Mikhailovich, born in 1972

Borisov Evgeny Ivanovich, born in 1950

Kantserov Farid Maskhutovich, born in 1949

Kormilitsin Andrey Yurievich, born in 1977

Matveev Aleksey Anatolievich, born in 1963

Rubtsov Alexey Ivanovich, born in 1966

Ryazanov Alexander Nikolayevich, born in 1953

Suntay Kurt, born in 1968

Khudainatov Eduard Yurievich, born in 1960

Collegial Executive Body – Management Board

Ryazanov Alexander Nikolayevich – Chairman of the Management Board, born in 1953

Bokhanovsky Leonid Vitalievich, born in 1958

Gurov Vladimir Semyonovich, born in 1945

Kapnik Alexander Naumovich, born in 1951

Karamanov Vladimir Alekseevich, born in 1959

Koshkin Sergei Valerievich, born in 1974

Novopashin Alexander Ivanovich, born in 1953

Savin Igor Vladimirovich, born in 1964

Faassen Jorrit Jost, born in 1980

Fedotova Natalia Stanislavovna, born in 1962

Shvartskopf Elena Alexandrovna, born in 1965

Person Acting as a Sole Executive Body

Chairman of the Stroytransgaz Management Board Ryazanov Alexander Nikolayevich, born in 1953

Board of Directors (June 10, 2008 – June 19, 2009)

Arustamov Mikhail Mikhailovich

Year of birth: 1960

Education: Moscow Energy Institute

Employment, last 5 years: 2001–2007: acting General Director, Zarubezhneft
2007–present: First Vice-President, AK Transneft

Share in the authorized capital: None

Common stock: None

Dmitriev Vladimir Aleksandrovich

Year of birth: 1953

Education: Moscow Finance Institute

Employment, last 5 years: 2004–2007: Chairman, Bank for Foreign Economic Affairs of the USSR (Vnesheconombank)
2007–present: Chairman, State Corporation Bank for Development and Foreign Economic Affairs (Vnesheconombank)

Share in the authorized capital: None

Common stock: None

Zablotskiy Pavel Alekseevich

Year of birth: 1962

Education: Dagestan State University named after V.I. Lenin

Employment, last 5 years: 1993–2007: Deputy General Director, General Director, Pikon LTD
2007–present: Vice-President, NK Rosneft

Share in the authorized capital: None

Common stock: None

Board of Directors and Management Board

Kantserov Farid Maskhutovich

Year of birth:	1949
Education:	Tashkent Higher Combined-Arms Command School named after V.I. Lenin and Higher School of KGB named after F.E. Dzerzhinsky
Employment, last 5 years:	2005–present: advisor to Chairman of the Management Board, member of Management Board, Deputy Chairman of the Management Board, Gazprombank (Open Joint-Stock Company)
Share in the authorized capital:	None
Common stock:	None

Krasnenkov Alexander Viktorovich

Year of birth:	1961
Education:	Leningrad State University named after A.A. Zhdanov; Leningrad Institute of Finance and Economics; Cornwall University; Harvard Business School
Employment, last 5 years:	2003–2006: Deputy General Director, Sovkomflot 2005–2006: General Director (by-work), Baltiysky Szhizhenny Gaz 2006–present: General Director, Baltiysky Szhizhenny Gaz 2006–present: President, Basketbolny Klub Spartak 2007–present: President, Non-profit organization, Charitable Fund for Support and Development of the Spartak Club
Share in the authorized capital:	None
Common stock:	None

Lorents Viktor Yakovlevich

Year of birth:	1946
Education:	Tomsk Polytechnic Institute named after S.M. Kirov and Academy of National Economics of the Council of Ministers of the USSR
Employment, last 5 years:	2002–2009: President, Stroytransgaz
Share in the authorized capital:	None
Common stock:	None

Matveev Aleksey Anatolievich

Year of birth:	1963
Education:	Moscow Finance Institute
Employment, last 5 years:	2003–present: Deputy Chairman of the Management Board, Gazprombank (Open Joint-Stock Company)
Share in the authorized capital:	None
Common stock:	None

Mikhelson Leonid Viktorovich

Year of birth:	1955
Education:	Kuibyshev Engineering and Construction Institute
Employment, last 5 years:	2002–present: Chairman of the Management Board, member of the Board of Directors, NOVATEK
Share in the authorized capital:	None
Common stock:	None

Sereda Mikhail Leonidovich

Year of birth:	1970
Education:	St. Petersburg State University of Economics and Finance
Employment, last 5 years:	2001–present: Deputy Chairman of the Management Board, Head of Administration, Gazprom
Share in the authorized capital:	None
Common stock:	None

Khudainatov Eduard Yurievich

Year of birth:	1960
Education:	Tyumen State University, International Academy of Enterprise
Employment, last 5 years:	2003–2008: General Director, Severneftegazprom 2008–present: Vice-President, First Vice-President, member of the Management Board, NK Rosneft
Share in the authorized capital:	None

Board of Directors and Management Board

Common stock: None

Schmidt Alexander Ottovich

Year of birth: 1969

Education: Moscow State University named after M.V. Lomonosov

Employment, last 5 years: 2004–present: First Vice-President, Gazprombank (Open Joint-Stock Company)
2007–present: member of the Management Board, Gazprombank (Open Joint-Stock Company)

Share in the authorized capital: None

Common stock: None

Board of Directors (June 20, 2009 – December 31, 2009)

Arustamov Mikhail Mikhailovich (see page 43)

Belenky Dan Mikhailovich

Year of birth: 1972

Education: Moscow State University named after M.V. Lomonosov

Employment, last 5 years: 2003–2005: Commercial Director, Torgovyi Dom Promyshlennaya Keramika
2005–present: Head of Procurement Department, Vice-President, First Vice-President, Executive Director, President, Atomstroyexport

Share in the authorized capital: None

Common stock: None

Borisov Evgeny Ivanovich

Year of birth: 1950

Education: Ivanovo Energy Institute; postgraduate course at the Ivanovo State University; doctorate at the State University of Management

Employment, last 5 years: 1993–2005: Vice-President, RAO UES of Russia
2005–2007: Deputy General Director for Finance, Mosenergo
2007–present: advisor to the Chairman of the Management Board, Gazprombank (Open Joint-Stock Company)
2007–present: General Director, Upravlyayushchaya Kompania–Strategicheskiye Aktivy

Share in the authorized capital: None

Common stock: None

Kantserov Farid Maskhutovich (see page 44)

Kormilitsin Andrey Yurievich

Year of birth: 1977

Education: Finance Academy under the Government of the Russian Federation and Institute of International Economic Relations

Employment, last 5 years: 2004–present: Project Manager, Deputy Department Director, Director of Corporate Financing Department, Head of Engineering Division of the Direct Investment Department, Gazprombank (Open Joint-Stock Company)

Share in the authorized capital: None

Common stock: None

Matveev Aleksey Anatolievich (see page 45)

Mikhelson Leonid Viktorovich (see page 45)

Rubtsov Alexey Ivanovich

Year of birth: 1966

Education: Moscow State Social Institute

Employment, last 5 years: 2000–2008: Commercial Director-Deputy Director, Lada-Stil
 2008–2009: First Deputy General Director, OMZ Neftegazovye Proekty (Izhorskiye Zavody)
 2009–2009: General Director, OMZ Neftegazovye Proekty (Izhorskiye Zavody)
 2008–2009: First Deputy General Director, Gruppya Khimmash
 2009–present: General Director, Kriogenmash

Share in the authorized capital: None

Common stock: None

Board of Directors and Management Board

Ryazanov Alexander Nikolayevich

Year of birth:	1953
Education:	Moscow Institute of Oil and Gas named after I.M. Gubkin and All-Union Correspondence Institute of Finance and Economics
Employment, last 5 years:	2001–2006: Deputy Chairman of the Management Board, member of the Management Board, Gazprom 2007–2009: Chairman of the Board of Directors, Russkaya Kholdingovaya Kompaniya 2009: Chairman of the Management Board, Stroytransgaz
Share in the authorized capital:	None
Common stock:	None

Suntay Kurt

Year of birth:	1968
Education:	Columbia University, London Business School
Employment, last 5 years:	2001–2006: First Vice-President, Rothschild Bank (Geneva, Switzerland) 2006–2009: Executive Director, Ural Invest SA (Geneva, Switzerland)
Share in the authorized capital:	None
Common stock:	None

Khudainatov Eduard Yurievich (see page 45)

Management Board (October 31, 2008 – February 24, 2009)

Bokhanovsky Leonid Vitalievich

Year of birth:	1958
Education:	Moscow State Institute of International Relations, Ministry of Foreign Affairs of Russia, Higher School of Economics, Ministry of Economy and Ministry of Education of Russia
Employment, last 5 years:	2004–2010: First Vice-President – Head of Foreign Construction Department, First Vice-President – Head of Development Department, Director of Development Department, Stroytransgaz
Share in the authorized capital:	None
Common stock:	None

Bukharov Nikolai Georgievich

Year of birth:	1967
Education:	Moscow Geological Survey Institute named after S. Ordzhonikidze
Employment, last 5 years:	2005–2006: Director, VonDaimoks Rus 2006–2007: Director of Capital Investment Department, Uralmash-VNIIVT 2007–2008: Head of New Projects at Development and New projects Department 2008–2009: Vice President – Head of the Department for Planning and Project Risk Management, Stroytransgaz
Share in the authorized capital:	None
Common stock:	None

Grishkin Vladimir Ivanovich

Year of birth:	1970
Education:	Moscow State Institute of International Relations, Ministry of Foreign Affairs of Russia
Employment, last 5 years:	2005: Finance Director of the Finance Department, Moscow Representative Office of Istok 2005–2006: General Director, Istok Trading 2006–2008: Director for Strategic Development, Internet-Trade 2008: advisor to the Management Board, Gazprombank (Open Joint-Stock Company) 2008–2009: Vice President – Head of Internal Audit and Control Department, Stroytransgaz
Share in the authorized capital:	None
Common stock:	None

Gurov Vladimir Semyonovich

Year of birth:	1945
Education:	Serpukhov Higher Military Command and Engineering School and Higher School of KGB named after F.E. Dzerzhinsky
Employment, last 5 years:	2005–2007: advisor to the General Director, Head of Economic Security Department for the Ural Region, Obiedinennye Mashinostroitelnye Zavody (Ekaterinburg branch) 2005–2007: advisor to the General Director, Head of Economic Security Department for the Ural Region, Obiedinennye Mashinostroitelnye Zavody (Uralmash-Izhora) (by-work) 2007–2007: Deputy General Director – Director for Security; Director for Security; advisor to the General Director, Uralmashzavod 2008–present: Vice-President – Head of Security Department; Director of Security Department

Board of Directors and Management Board

Share in the authorized capital: None

Common stock: None

Demidov Andrey Aleksandrovich

Year of birth: 1974

Education: Plekhanov Russian Academy of Economics

Employment, last 5 years: 2005–2006: Chief Managing Director, Rossiiskie Kommunalnye Sistemy
2006–2008: Financial Controller of Financial Control Service; Chief Accountant, Atomstroyexport
2008–2009: Chief Accountant, Stroytransgaz

Share in the authorized capital: None

Common stock: None

Zagorodny Evgeny Nikolayevich

Year of birth: 1960

Education: Gorky Polytechnic Institute named after A.A. Zhdanov and Diplomatic Academy of the Ministry for Foreign Affairs

Employment, last 5 years: 2004–2007: Director of the Firm, Director on European countries, Energovolt Firm, VO Tekhnopromexport
2007–2008: Deputy General Director; Chief Investment Officer, the First Generation Company of the Wholesale Electricity Market (OGK-1)
2008–2009: Vice-President – Head of Foreign and Special Construction Department, Stroytransgaz

Share in the authorized capital: None

Common stock: None

Zubkov Yuri Anatolievich

Year of birth: 1962

Education: Kuibyshev Polytechnic Institute named after V.V. Kuibyshev and Academy of National Economy under the Government of the Russian Federation

Employment, last 5 years: 2004–2005: Head of Procurement Department, Executive Vice-President of the Head Production Department, YUKOS Exploration and Production
2005–2006: Deputy Director – Head of Marketing, Alnas, Moscow Branch Office
2006–2008: Director of the Oil Service Procurement Department; Director of the Department

for Oil Service Procurement and Transport, Integra Management
 2008–2009: Vice-President – Head of Procurement Department, Sroytransgaz

Share in the authorized capital: None

Common stock: None

Inkov Sergei Viktorovich

Year of birth: 1959

Education: Moscow Engineering Physics Institute

Employment, last 5 years: 2002–present: General Director, Yuzhny ITsE
 2005–2008: Chairman of the Management Board, UES Engineering Center
 2008–2009: member of the Management Board, Sroytransgaz

Share in the authorized capital: None

Common stock: None

Kapnik Alexander Naumovich

Year of birth: 1951

Education: Brest Engineering and Construction Institute

Employment, last 5 years: 2004–present: General Director, Sroytransgaz-M
 2008–present: member of the Management Board, Sroytransgaz

Share in the authorized capital: None

Common stock: None

Lorents Viktor Yakovlevich (see page 44)

Makhonin Vyacheslav Mikhailovich

Year of birth: 1959

Education: Moscow Engineering Physics Institute

Employment, last 5 years: 2004–2007: Head of Directorate for Bushehr Nuclear Power Plant, Atomstroyexport
 2007–2008: Deputy Director, Nizhny Novgorod Institute Atomenergoproekt
 2008–2009: Chairman of the Management Board, Sroytransgaz

Board of Directors and Management Board

Share in the authorized capital: None

Common stock: None

Neimerovets Yevgeniya Borisovna

Year of birth: 1959

Education: Moscow State University named after M.V. Lomonosov

Employment, last 5 years: 2005: Head of the Corporate Project Department, Rossiiskie Kommunalnye Sistemy (Russian Public Utility Systems)
2005–2008: advisor to the Executive Management; Vice-President, Atomstroyexport
2008–2009: First Vice-President – Head of Finance and Economy Department, Stroytransgaz

Share in the authorized capital: None

Common stock: None

Novopashin Alexander Ivanovich

Year of birth: 1953

Education: Tyumen Industrial Institute

Employment, last 5 years: 2004–2010: First Vice-President – Head of the Oil and Gas Construction Department, Director of the Pipeline Construction Department, Stroytransgaz

Share in the authorized capital: None

Common stock: None

Piksin Nikolai Nikolayevich

Year of birth: 1968

Education: Moscow State University named after M.V. Lomonosov

Employment, last 5 years: 2004–2008: managing partner, Piksin and Partners Attorneys at Law
2008–2009: Head of the Legal Administration; Vice-President – Head of the Legal Department, Stroytransgaz

Share in the authorized capital: None

Common stock: None

Savin Igor Vladimirovich

Year of birth:	1964
Education:	Moscow State Institute of International Relations and Ministry of Foreign Affairs of USSR
Employment, last 5 years:	2004–2008: Managing Director, WestsideAdvisors 2008–First Vice-President – Head of the Corporate Management Department Director of the Corporate Management Department, Stroytransgaz
Share in the authorized capital:	None
Common stock::	None

Faassen Jorrit Jost

Year of birth:	1980
Education:	The Hague University
Employment, last 5 years:	2007–2008: key specialist of the Residential Property Department for countryside real estate management, Gazprombank-Invest 2008–present: Vice-President, Stroytransgaz
Share in the authorized capital:	None
Common stock:	None

Chekasin Vladimir Ivanovich

Year of birth:	1951
Education:	Sverdlovsk Mining Institute named after V.V. Vakhrushev and Ufa State Petroleum Technological University
Employment, last 5 years:	2005: Head of the Construction Management Headquarters for the Primorsk oil terminal, Center of Project Management Stroyneft 2005–2007: Director for oil pump station construction, Project Management Center Eastern Siberia – Pacific Ocean 2007–2008: Chief Engineer of the Infrastructure Development Directorate, State Corporation on Construction of Olympic Venues and Development of Sochi as Mountain Climatic Resort (SC Olimpstroy) 2008–2009: First Vice-President – Head of the Industrial and Civil Construction Department, Stroytransgaz
Share in the authorized capital:	None
Common stock:	None

Board of Directors and Management Board

Management Board (February 25 – May 18, 2009)

Bukharov Nikolai Georgievich (see page 49)

Gurov Vladimir Semyonovich (see page 49)

Zagorodny Evgeny Nikolayevich (see page 50)

Inkov Sergei Viktorovich (see page 51)

Kapnik Alexander Naumovich (see page 51)

Makhonin Vyacheslav Mikhailovich (see page 52)

Neimerovets Yevgeniya Borisovna (see page 52)

Novopashin Alexander Ivanovich (see page 52)

Faassen Jorrit Jost (see page 53)

Firkalo Dmitry Grigorievich

Year of birth: 1965

Education: Moscow Institute of National Economy named after G.V. Plekhanov

Employment, last 5 years: 2005–2009: General Director, Interservis
2009: Deputy Chairman of the Management Board, Stroytransgaz

Share in the authorized capital: None

Common stock: None

Chekasin Vladimir Ivanovich (see page 53)

Management Board (May 19 – July 6, 2009)

Gurov Vladimir Semyonovich (see page 49)

Inkov Sergei Viktorovich (see page 51)

Kapnik Alexander Naumovich (see page 51)

Koshkin Sergei Valerievich

Year of birth: 1974

Education: Moscow Power Engineering Institute (Technical University)

Employment, last 5 years: 2004–2006: General Director, Opti-Telecom
 2006–2007: advisor to the General Director, Trans-engineering
 2007: General Director, Summa Telecom
 2007–2008: Vice-President for Development, Summa Capital
 2008: advisor to the General Director, RussCom
 2008–2009: advisor to the General Director, StroyRemServis
 2009–present: Deputy Chairman of the Management Board, Stroytransgaz

Share in the authorized capital: None

Common stock: None

Novopashin Alexander Ivanovich (see page 52)

Ryazanov Alexander Nikolayevich (see page 48)

Faassen Jorrit Jost (see page 53)

Fedotova Natalia Stanislavovna

Year of birth: 1962

Education: Chuvash State University named after I. N. Ulyanov

Employment, last 5 years: 2003–2007: Deputy General Director for Economy and Finance, Mezhhregiongaz
 2009–present: Deputy Chairman of the Management Board

Share in the authorized capital: None

Common stock: None

Chekasin Vladimir Ivanovich (see page 53)

Board of Directors and Management Board

Management Board (July 7 – December 31, 2009)

Bokhanovsky Leonid Vitalievich (see page 48)

Gurov Vladimir Semyonovich (see page 49)

Kapnik Alexander Naumovich (see page 51)

Karamanov Vladimir Alekseevich

Year of birth: 1959

Education: Chelyabinsk Polytechnic Institute named after Lenin Komsomol

Employment, last 5 years: 2004–2009: First Vice-President, AK Transnefteproduct
2009–2010: Deputy Chairman of the Management Board, Stroytransgaz

Share in the authorized capital: None

Common stock: None

Novopashin Alexander Ivanovich (see page 52)

Ryazanov Alexander Nikolayevich (see page 48)

Savin Igor Vladimirovich (see page 53)

Faassen Jorrit Jost (see page 53)

Fedotova Natalia Stanislavovna (see page 55)

Shvartskopf Elena Alexandrovna

Year of birth: 1965

Education: Leningrad Institute of Engineering and Economics named after P. Togliatti

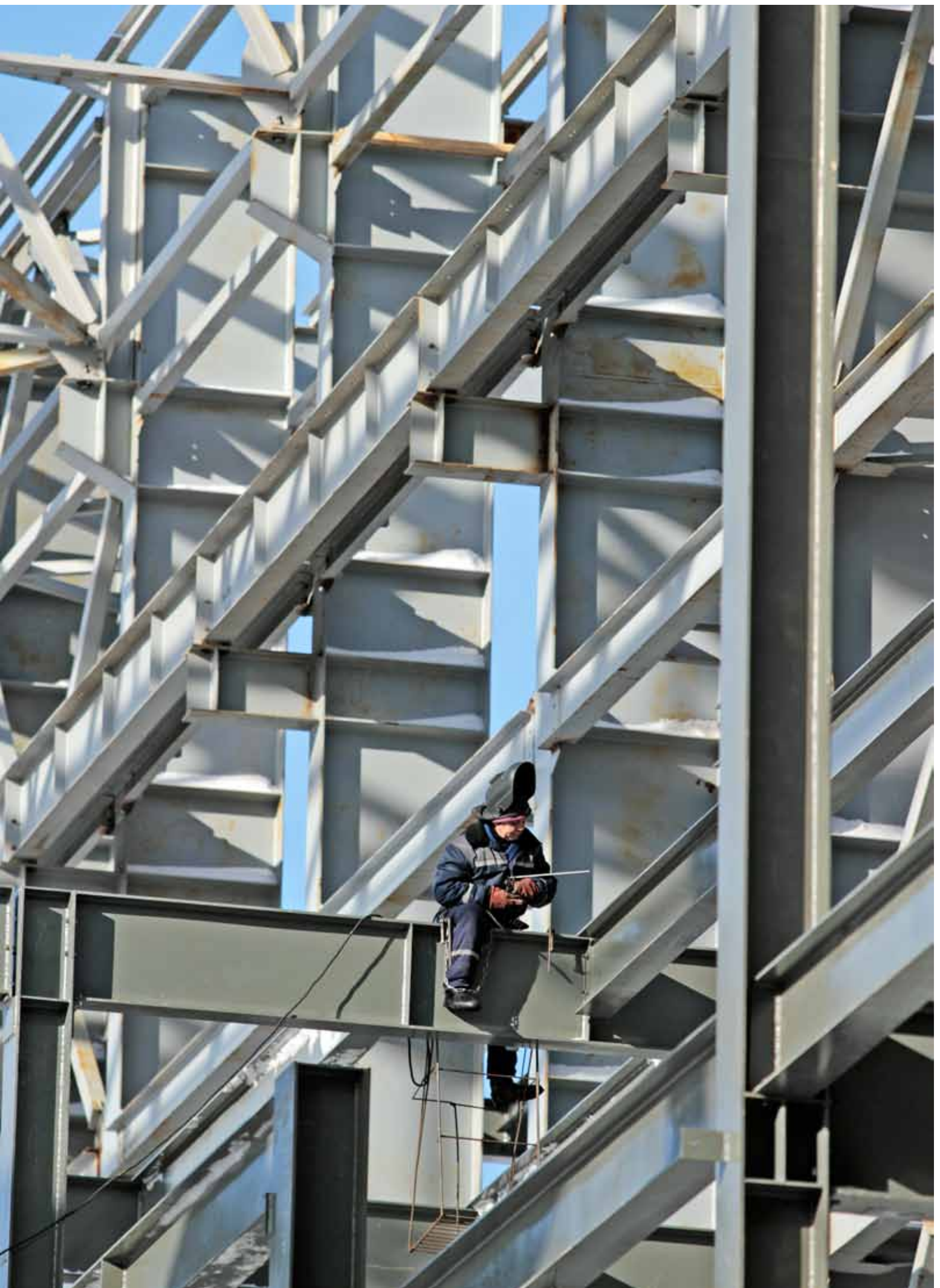
Employment, last 5 years: 2001–present: accountant; Head of Directorate, Department Director – Chief Accountant

Share in the authorized capital: None

Common stock: None

Sole Executive Body – Chairman of the Management Board

Ryazanov Alexander Nikolayevich (see page 48)



Corporate Governance, Primary Risks of Operations

Governance

During the accounting period, the management and supervisory bodies of Stroytransgaz performed their duties in compliance with provisions set out in the Code of Corporate Governance (Conduct) that was based on the generic code recommended by the Government of the Russian Federation and was approved by the General Meeting of Shareholders on May 26, 2006.

In 2009, the Board of Directors had the following strategic issues on the agenda:

- > Production plan and company budget for 2009
- > Finance and business performance of stroytransgaz
- > Preparation and conducting of the annual and extraordinary general meetings of shareholders
- > Participation of the company in other business entities
- > Setting up and closing down of branch and representative offices of the company
- > Consideration and approval of transactions with related parties
- > Approval of in-house documents of the company
- > Involvement in charity and sponsorship
- > Acquisition of documentary interest-bearing nonconvertible bearer bonds of the company, bond series 03

In their management of ongoing operations, the executive bodies – the Chairman and the Management Board – ensured meeting the tandem of strategic goals and objectives through developing of operating plans, budgets and programs as well as establishing sound control over their fulfillment, reinforced with the supervision over adherence to decisions of the Board of Directors and the General Meeting of Shareholders.

To protect rights and legitimate interests of the shareholders, the Board of Directors, Audit Commission, Internal Audit & Supervision Department, and the company's auditors monitored financial and operational activities performed by the company.

In mid-2009, the Stroytransgaz organization structure was modified to increase the company's operational efficiency; the in-house refinements included streamlining of the logistical, engineering and technical personnel support of the operations performed by the company, together with cost optimization in terms of staff expenses as well as production premises, operational equipment and communication facilities costs.

To attend the adopted policy aimed at streamlining procurement provided for the projects undertaken by the company, Stroytransgaz established the Procurement & Logistics Department that was authorized to optimize

logistics operations, ensure efficient management of cash outflows and to create a unified regulatory methodical procedure and system for management accounting.

In the context of the stated goals and objectives, the Procurement & Logistics Department commenced arrangements both for a bid campaign and for a consolidated list of materials and equipment required for smooth implementation of corporate projects. As a result, the company obtained the customized data base providing information about suppliers of materials and equipment, fuel and lubricants, specialized vehicles and machinery as well as transportation, logistics and customs services. The Department developed and coordinated inventory management programs, starting with dispatch from the manufacturing factory through arrival at the port, storage, transportation to the construction site, warehousing and delivery for construction and installation.

The unified system was developed to monitor the concurrence between projects and supply schedules. The internal control system is built on the corporate quality management system that complies with ISO international standards.

To increase cost-effectiveness of operations performed within projects implemented both in Russia and in foreign countries as well as to ensure centrally-controlled decisions on organization, preparation and conduction of bids, Stroytransgaz set up the Bidding Division and Bidding Commission acting as a collective entity. The Bidding Commission was represented by experts from key subdivisions of the company.

In the second half of 2009, the company was able to embark on its bidding program, coming up with 317 lots at the estimated value of 9.2 billion rubles. The resulting economic benefit exceeded 1.2 billion rubles or 13 % of the estimated value. Besides, during the accounting period the company started work on development of a unified regulatory framework, which will underpin the selection procedure when choosing contracting companies to perform work/ services and to supply materials and equipment. New regulatory documents were developed and brought into effect, serving as a tool that will govern and guide bidding activities of the company's subdivisions. A number of subject-related conferences were organized to enhance the level of expertise at the subdivisions that initiate bids.

Primary Risks of Operations

In its business and financial activities, Stroytransgaz encounters risks that may have a substantial impact on the company's performance.

Industry Risks. Operating in the construction industry, Sroytransgaz cannot be sheltered from all the problems inherent in present-day market economy that goes through the world financial crisis and has to bear risks that emerged or are emerging due to overall deterioration in solvency of counterparties and partners, or as a result of unfair competition, bankruptcy of some business partners, systematic violation of procedure and terms established for settlement payments.

Giving consideration for the aforesaid factors and risks in terms of its financial and business operations, the company uses its best efforts to minimize them through improving the project and risk management system, through streamlining and refining the organization structure, and through diversifying its business portfolio. Special attention is given to enhancement of competitiveness of products, operations and services that the company offers to its customers.

Country Risks. During the accounting period, Sroytransgaz followed its policy targeted at extending its footprint in the countries that announce their willingness to invest sizeable funds in development of the oil and gas sector. A number of foreign countries and areas where field-specific projects are implemented are still not free from risks driven by the volatile political situation. To minimize the above risks, the company initiated development of settlement patterns that will be applied in dynamic and unstable environment. For example, the contractual work that is being performed within the project of construction of the second gas processing plant in the Syrian Arab Republic will be paid through irrevocable letters of credit and in the European currency, thus, allowing the company to mitigate risks of adverse impact that may be caused by US sanctions and the resulting impediment in US dollar cash flows moving through Syrian banks.

The Algeria project of gas pipeline reconstruction is approaching the completion stage. The customer for the project is represented by a national company that is linked with Sroytransgaz by long-term business relationship, which substantially reduces risks of adverse impact of the unstable political situation. However, the construction area is still exposed to a threat of terrorist attacks and requires additional organizational and financial efforts to ensure safe environment for the personnel, operations and facilities.

During the accounting period, the company continued its active involvement in construction of facilities in the United Arab Emirates, Turkmenistan, Kazakhstan, Finland and Greece. The performance of Sroytransgaz did not suffer from any national specifics of policy and/or economy in the above regions.

The country-related regional risks associated with work on major construction projects in Russian regions with severe climatic conditions (Yamalo-Nenets Autonomous Okrug, Krasnoyarsk Krai, and Amur Oblast) result generally from long winter time, low temperatures and geographic characteristics of the areas (water courses, abundant precipitation, etc.). The aforesaid risks are mitigated through availability of adequate specialized construction machinery and equipment, accumulated professional experience of the personnel and improvement of the construction project management system that incorporates best practices existing in today's world.

Foreign Currency Risks. National currencies in a number of countries where Sroytransgaz performs its operations have restricted convertibility. The associated currency risks are manifested in potential problems that may arise when the company's revenue received in currency with restricted convertibility is converted into Russian rubles and freely convertible currency as well as in restraints that can be set by foreign governments on transfer of funds to the company's accounts in Russia. Furthermore, the world financial crisis aggravated the risk of substantial devaluation of some currencies with restricted convertibility. To reduce the above risks, the company uses the method, under which the contract price is divided into two components, one of which is shown in freely convertible currency and the other – in local currency. The part of the local currency contract price is based on the principle of complete disposition of local currency to pay for local supplies as well as for construction and assembly work performed by local subcontractors.

Foreign Exchange Rate Risks. The financial performance of Sroytransgaz can have a positive or a negative impact due to fluctuations in the ruble exchange rate in relation to other currencies as well as due to fluctuations in exchange rates of other foreign currencies in relation to each other if there is imbalance between assets and liabilities denominated in foreign currency. Therefore, when entering into contracts with suppliers and subcontractors, Sroytransgaz uses its best efforts to maintain the balance between revenues and expenses denominated in one currency.

Part of the loans raised by Sroytransgaz is denominated in US dollars. Any weakening of the ruble against the US dollar results in a higher ruble equivalent of the loan portfolio.

Primary Risks of Operations

Interest Rate Risks. As of December 31, 2009, the Stroytransgaz loan portfolio had some of the loans with the interest rate based on LIBOR rates. This makes the company sensitive to fluctuations in the international trading marketplace for loan funds. Nevertheless, at the moment, the cost of the bank loans raised at the aforesaid rates is considerably lower, in absolute terms, than the cost of the loans raised in US dollars and Russian rubles at fixed rates, all other things being equal.

Corporate Bond Risks on the Russian Market. Under the terms and conditions of the Series 02 bond issue placed by Stroytransgaz in July 2007, the bonds have a fixed coupon rate. In contrast to floating interest rates that are generally pegged to specific economic indices, fixed interest rates are able to neutralize both interest-rate risks and the effect that changes in economic indices can have on the value of coupon rates; the latter is especially important with consideration for the trend demonstrated by debt capital markets during the accounting period. Furthermore, fixed interest rates can hedge the estimated amount of the forthcoming obligations to service bond loans, if political, economic or any other conditions show adverse turn. The terms and conditions, under which the Series 02 bond issue was floated, are highly attractive, taking into consideration the situation on today's market of debt capital.

Under the terms and conditions of the Series 03 bond issue placed by Stroytransgaz in April 2008, the bonds have a fixed coupon rate. However, during the placement, only the rates for the 1st and the 2nd coupon periods were set. The company set the rates for the 3rd and 4th coupon periods in April 2009. The rates for the 5th through 10th coupon periods remain open as of the end of the fiscal period. As a result, at the beginning of the 5th coupon period, the situation on the stock market can affect adversely the coupon rate, which the company must define. However, taking into account that as of April 20, 2010, the bondholders' requests for Series 03 bonds were fulfilled in full, and 4,966,261 bonds were bought out at their face value, the influence of the above risk is immaterial.

Inflation Risks. Changes in the consumer price index can affect the company's profitability and, as a result, its financial standing and ability to fulfill its obligations; however, this influence does not constitute a direct relationship.

Inflation processes that take place in the Russian economy can have a material effect on the company's net profit due to the fact that the company is restrained by competitors' prices in its ability to increase prices for construction work performed on the domestic market, and the costs denominated mostly in rubles tend to change in line with inflation rates. It is not possible to predict the rate of inflation that is

critical for the company, as, in addition to index of consumer prices, it is necessary to factor in changes in the real purchasing power of the ruble, situation on export markets and future policy of the government in the economy management.

Financial Risks and Financial Statements Relationship. Pursuant to the order issued by the Ministry of Finance of the Russian Federation, under № 67n dated July 22, 2003, the data pertaining to available funds and cash flows must be translated into amounts at the RF Central Bank rate on the date of accounting statements. The change in the rate of exchange, which is comparable to the changes that took place in 1998, will have a sizeable impact on the cash flow items that include cash flows arising from transactions in a foreign currency.

The Profit & Loss Account, the items of other revenues and expenses show foreign exchange gains and foreign exchange losses restated in accordance with the order issued by the RF Ministry of Finance, under № 67n dated July 22, 2003. Therefore, the exchange gains-to-losses imbalance can have a material impact on the net profit of the company.

As part of the company's receivables and part of its payables that relate to foreign contracts and transactions are measured in foreign currencies, any change in exchange rates of these currencies will result in a change in the respective balance sheet items. Revaluation of the amount of the orders received from foreign customers, first of all, affects the amount of the sales revenue and can have a material impact on the net profit of the company.

Changes in exchange rates of the US dollar, euro, and Japanese yen against the ruble will result in a change in the balance item that shows loan liabilities due to the fact that the company has loans stated in the aforesaid currencies. The balance sheet total can be affected by inflation processes that cause appreciation of the materials used in production.

Risk of Decline in the Amount of Work. Stroytransgaz is subject to risks of reduced amount of work, as most of the contracts are received on the tender basis and the contract period ranges from one to three years.

To mitigate the influence of this factor, Stroytransgaz is expanding its operations in Russia and builds up its presence in the countries that develop the oil and gas sector.

Risk of Longer Project Life. Financial difficulties of contractors as well as scarcity of working capital and resources can result in operational slowdown and schedule slippage that turn into delays of more than

6 months, thus, creating risk of exposure to delay damages. This fact, along with increased fixed overheads in the cost structure, can lead to deterioration in financial and economic performance of projects and to downturn in operating earnings as a whole

Legal Risks Associated with Changes in Currency Regulation.

Stroytransgaz is a participant of foreign economic relations; it has assets and liabilities in foreign currency as well as foreign currency accounts opened with foreign banks and their branch offices that are located within the territory of foreign countries. Therefore, the company's operations bear risks associated with changes in currency controls.

Legal Risks Associated with Changes in Customs Regulations and Duties.

Risks associated with changes in customs laws and in customs duties pertain mostly to the company's operations in import of machinery, materials and equipment; these risks can have an adverse impact on the company's expenses. However, the company does not participate in major import transactions on a regular basis, thus, the company's dependence on changing customs regulations and duties is low.

Legal Risks Associated with Changes in Tax Legislation.

Stroytransgaz is a large taxpayer that pays federal, regional, and local taxes, including taxes in the countries where the company performs work under its contracts. Thus, Stroytransgaz bears risks associated with increased expenses on payment taxes and duties, if any changes or amendments are made in the tax legislation of the Russian Federation and countries where it performs its contractual obligations.

One of the specifics of the Russian legislation on taxes and duties is its volatility. Every year, the government creates laws that change both assessing and payment procedures for specific taxes, thus, making it difficult to prepare medium-term and long-term forecasts relating to business operations of taxpayers. Certain risks can emerge due to shortcomings in the judicial system of the Russian Federation and absence of the unified stance shared by different judicial authorities towards controversial legislation issues. Stroytransgaz does its best to adhere to the requirements of the tax legislation; however, when assessing risks that the company can incur during its business, risks associated with tax claims cannot be neglected.

Legal Risks Associated with Changes in Licensing.

Risks associated with changes in the legislation or with decisions of federal or local authorities in licensing regulations are beyond the company's control. Stroytransgaz timely and properly fulfils license requirements, uses its best efforts to obtain licenses, to maintain their validity, and to minimize

risk of their suspension, amendment or termination. At the moment, no implications of legal, economic or political nature that relate to complication of the procedure of receipt or renewal of the licenses received by Stroytransgaz have been detected.

Legal Risks Associated with Business.

Within the last years, no changes in judicial practice pertaining to issues relating to the company's business (including licensing), which can affect adversely the company's performance as well as the results of legal proceedings with participation of Stroytransgaz took place.

During the accounting period, Stroytransgaz was not involved in any legal proceedings, which could result in material risks that would have an adverse impact on financial and business performance of the company.

There are also no risks associated with impossibility to renew the company's licenses for specific type of activity or for using the items that have limited transferability (including natural resources).

Social Responsibility

Environment, Industrial Safety and Personnel

Environment and Occupational Safety

Stroytransgaz places special emphasis on adherence to all the environmental regulations and requirements set forth in the Russian Federation and countries of contractual obligations.

When performing construction operations, the company does its best to minimize any possible related effect on natural features, with due consideration for environmental requirements of the customer and other related parties.

During the accounting period, the company was free from such sanctions as penalties, recovery of environmental damage, suspension of work because of violations of requirements set by environmental laws and its customers. If customers or state supervision agencies had any reason for criticism, the company applied the adequate corrective actions.

The company confirmed its certificates for compliance with the requirements set in ISO 14001:2004, GOST R ISO 14001-2007, and OHSAS 18001:2007 standards within certification Complete Range of Operations in Design and Engineering Project Management, Construction of Pipelines and Other Facilities of Oil and Gas Industry, Construction of Electric Power Plants, Other Industrial and Civil Facilities as well as Related Infrastructure. The Moody International Certification Group accredited at UKAS acted as a certifying authority.

Realizing that high performance in environmental protection is impossible without the personnel's involvement in conscientious environment-friendly activities, Stroytransgaz pursued consistent policy aimed at achievement the required level of the personnel's competence. The policy was implemented through different forms of training and creating awareness among company employees as well as through compliance inspection of professional and qualification characteristics of potential employees looking for job opportunities in environmental management that are available in the company.

In-depth control in terms of compliance with environmental requirements and regulations was an integral part of cooperation with contractors. It pervaded all the stages of interaction with contracting companies, from negotiating the contract through inspection of completed work.

Stroytransgaz sees prevention of contingency situations as one of its top priorities. Within its policy for accident prevention, the company developed special programs, including emergency response plans and follow-up training based on emergency simulation, which translated into environmentally safe production and absence of environmental accidents at the company's construction sites and facilities.

Stroytransgaz esteems interests of the population and business entities that live and operate within the construction area, attending their concerns and respecting their requirements that must not be violated by building companies. Availability of unobstructed thoroughfares, opportunities for recreational and operational use of natural resources, and minimization of construction periods of unavoidable restrictions are always on the company's operational agenda.

Occupational Health and Safety

In 2009, Stroytransgaz kept on pursuing its corporate policy in occupational health and labor safety. The company aimed its efforts to secure control over compliance with requirements set by labor legislation, industrial safety regulations and customers.

During the accounting period, the company focused its efforts on prevention of industrial injuries and occupational diseases; improvement of working conditions; anti-smoking, anti-alcohol and anti-drug programs. The efforts were reinforced by improved professional labor safety competence of executives and key personnel, tuned up rapport and collaboration in issues related to health and occupational safety of the personnel. Within the accounting period, more than 50 people attended training programs in labor safety and environmental protection.

The company kept on its efforts in minimization of risks associated with production and business operations that present threat of accidents and incidents as well as health and life hazards. The company developed a set of preventive measures aimed to eliminate possibility of accidents and incidents, coupled with in-process monitoring of compliance with the safety requirements both by corporate subdivisions and contracting companies.

In addition to strict in-process control, Stroytransgaz takes responsibility for insuring its employees against accidents, which means that employees will receive secured compensation, if an insured event takes place.

During the accounting period, customers and/or public supervisory agencies did not apply any sanctions to the company in terms of imposed penalties or work suspension. All the violations detected during inspections performed by supervisory authorities were immediately rectified.

Personnel and Social Policy

The functional strategy addressing Personnel responsibility is aimed at:

- > Improvement of human resources management and motivation systems that redound to accomplishment of the corporate strategic goals
- > Attraction, retention and development of gifted and high-skilled employees
- > Building highly effective project management teams (recruitment, selection, evaluation, training and promotion)
- > Creation of a talent pool capitalizing on aptitudes of new employees and expertise of the best managers and key personnel of the company

Within its program for improvement and optimization of the organization structure, Sroytransgaz introduced organizational and staffing reforms in 2009. As a result, the number of head office staff was downsized by more than 300 employees and the wage pool shrank by more than 30 million rubles a month. On balance, the number of the company personnel averaged 7,582 employees; the average number of people employed in

the Sroytransgaz group of companies, including subsidiaries and affiliates, totals more than 12,000 people.

The number of the administrative staff on the payroll is 551 employees, as of December 2009. The average age of employees is 40.

In 2009, the company's personnel departments used their best efforts to improve the system of personnel administration and recruitment. Nearly all the basic processes were computerized, new systems and procedures were developed and introduced, including the system of just-in-time recruitment based on the standardized form of application as well as screening and approval procedures applied to applicants for vacant positions, along with standard employment contracts required for application in branch offices (with consideration for specific characteristics of the regional regulations for wages and working schedules). The above innovations and initiatives facilitated the company's ability to solve the set objectives promptly and efficiently though increased availability of the required information. Furthermore, they reduced substantially risks associated with violation of labor

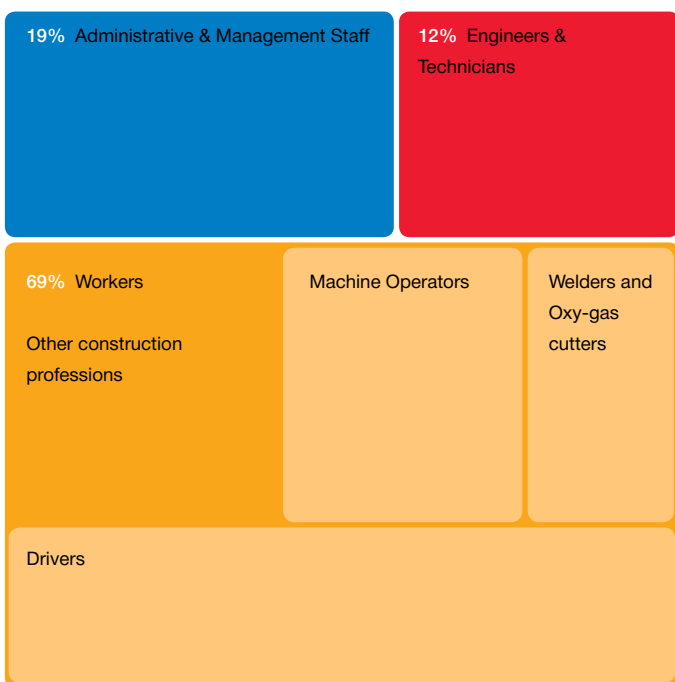


Chart 3 Personnel of Sroytransgaz

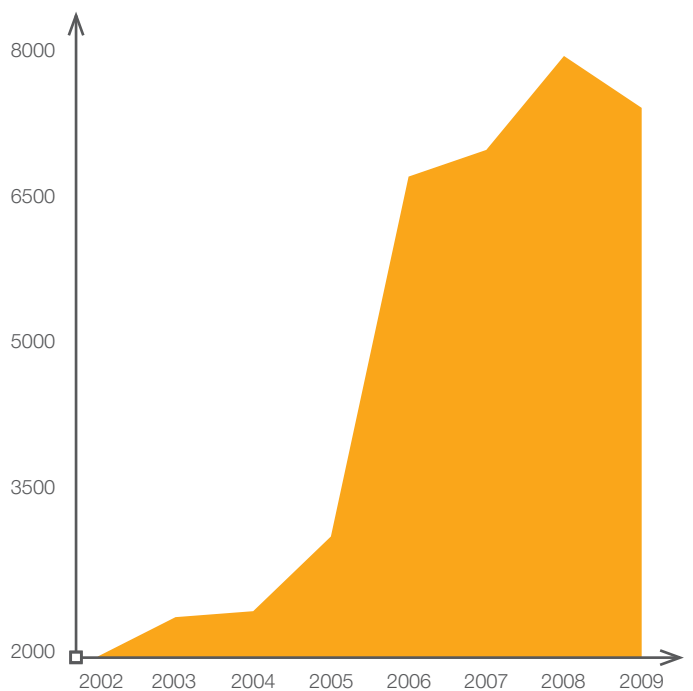


Chart 4 Number of Employees by Years

Personnel and Social Policy

legislation and, consequently, decreased the number of the related labor disputes.

To attract highly-skilled professional, the company used different methods and techniques of search and selection of applicants, including recruitment databases of specialized information retrieval systems as well as its corporate mobile personnel database that stores at the moment more than 4,000 resumes of both potential employees and professionals working at company's project sites.

Professional Development

The company's system of training and development of personnel is based on corporate strategic plans and anticipated requirements in expertise and competencies for key personnel. Based on the analysis of divergence between the job requirements and existing skills, the company prioritizes the identified requirements to fit them into training provided for different groups of the personnel. The priority is given to those training forms and methods that directly improve employees' performance.

The company's programs for personnel development cover different forms of education, including refresher training, qualification upgrading, seminars, training courses, business simulation games, etc. In 2009, more than 680 managers and specialists took part in professional education and training programs in advanced technology and engineering, Quality Management systems, labor and environmental safety, IT-technology, finance, tax accounting and bookkeeping, personnel management, law, and documentation management. More than 310 workers in core professions (oil, gas and electric power construction) took part in certification training and cross-training. The company's expenses on personnel training amounted to more than 10.2 million rubles.

Every year, the company offers adaptation training programs to new employees. These include briefing on activities and operations of a business unit, interview with the executive staff, information about in-house regulatory documents, etc. Key personnel from the branch offices can take part in pre-project training that includes on-job-training in operating units or at project sites as well as training in specific fields (quality, industrial and occupational safety, etc.).

One of the company's highly esteemed traditions is collaboration with Russian first-rate universities and institutes in training of young professionals; among them are: Russian State University of Oil and Gas named after I.M. Gubkin, Ufa State Petroleum Technological

University, Tomsk State Polytechnic University, Moscow State Institute of International Relations, Ministry of Foreign Affairs of Russia, and Ural State Technical University named after First President of Russia B.N. Yeltsin.

In 2009, 48 students of industry-related higher education institutions received training through internship and pre-graduation practice at different business units of the company, including construction sites. The company hired 33 graduates; among them 24 graduates are working today at construction sites of the company's branch offices. So that recent graduates could acquire and fine-tune specialist knowledge and skills required for employment duties, the company offers them on-the-job-training under the supervision of highly-skilled employees of the company.

Personnel Evaluation and Certification

The company developed special attestation and certification procedure for comprehensive audit of the personnel, including assessment of professional competence, business and personal qualities, and performance during the accounting period, including actual fulfillment of employment responsibilities; volume, terms and quality of the performed work; accomplishment of job objectives.

In 2009, the employees of the Internal Audit and Control Department went through evaluation and certification. The certification results served as the basis to revise and refine the specified performance standards and personnel evaluation criteria, to improve work on personnel training and development, and to make reasonable management decisions on personnel issues.

Employee Motivation

In 2009, the company kept on developing initiatives on employee motivation in its different business units. The motivation policy was underpinned with the following regulatory documents:

- > Regulations on Compensation of the Stroytransgaz Employees
- > Temporary Provision on Monthly Bonuses for Employees of Stroytransgaz Branch Offices in the Russian Federation
- > Unified Classifiers for Positions and Salaries of Stroytransgaz Employees
- > Regulations on Rotation Team Method for Stroytransgaz Operations

Due to the new compensation plan, the incentive role of the wages became more explicit, as the variable component of the wages was itemized (as a monthly bonus for meeting the targets).

The administrative and management staff of the Russian branch offices of the company was transferred to the new principles of remuneration; thus, the company was able to decrease the fixed component of the wage pool more than by 22 million rubles a month.

The company efficiently used different methods of staff motivation. Within the incentive system, special emphasis was placed on public recognition of employees' achievements, development of corporate culture, and strengthening of corporate spirit.

In 2009, distinguished employees of the company received awards for their sizeable personal contribution to Stroytransgaz as well as to the national fuel and energy industry:

- > 5 people received industry awards
- > 5 people were awarded the Baibakov prize
- > 150 people received corporate awards

The certifying, supervisory, and internal audits performed by independent auditors confirmed the compliance and efficiency of the company's efforts in personnel management with requirements of quality management systems, environmental and labor safety (QMS, EMS, and OHSMS) based on international ISO standards Series 9000, 14000 and OHSAS 18001.

Charity and Community Activities

For many years, Stroytransgaz has been implementing dedicated social and charity programs that have become a significant component of its corporate strategy.

Programs are of targeted nature and are aimed at regeneration and consolidation of spiritual and ethical values of the Russian community.

High level of education is fundamental for successful development of high technology and economy of any country. Therefore, the company gives its priority attention to support and assistance it provides to the national education. In 2001, Stroytransgaz founded a scholarship fund for students and lecturers of the Russian State University of Oil and Gas named after I.M. Gubkin, Ufa State Petroleum Technological University, Tomsk State Polytechnic University, Moscow State Institute of International Relations, Ministry of Foreign Affairs of Russia, and Ural State Technical University named after First President of Russia B.N. Yeltsin. The scholarship fund serves to preserve and develop the intellectual potential of Russia, to enhance social security and to provide encouragement to high-caliber students and young lecturers of the leading industry-related universities of the Russian Federation. In 2009, thirty one students of the above universities and twelve young lecturers were awarded Stroytransgaz corporate scholarships and grants.

Under the Intergovernmental Agreement made between Russian and Turkmenistan for providing education to future national professionals in higher education institutions of Russia, Stroytransgaz, out of its own funds, provided an opportunity to 18 Turkmenistan students to study in industry-related universities – Russian State University of Oil and Gas named after I.M. Gubkin, Ufa State Petroleum Technological University, and Tomsk State Polytechnic University.

The integral part of the Stroytransgaz charity activity is its involvement in regeneration of spiritual and intellectual culture of Russia. The company provides targeted assistance to children's institutions. The company is an active participant of programs for development of summer Olympic sports.



Additional Information

Full Name of the Company

Public Joint-Stock Company Stroytransgaz

Abbreviated Name of the Company

PJSC Stroytransgaz

Registrar

ZAO Specialized Registrar – Register Keeper for Shareholders of Gas Industry (SR-DRAGa), the license for administration of share register is issued December 26, 2003, FCSM, № 10-000-1-00291

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Important facts and news about the Company are published by authorized information agency Interfax

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Information in the Internet

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Chairman of the
Management Board



A.N. Kapnik

Chief Accountant
Stroytransgaz



E.A. Shvartskopf

The Stroytransgaz archives and employees of the company
have provided the images appearing in the annual report.

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