

PRESS RELEASE

VNG / Gazprom / Purchase Agreement / Natural Gas

Purchase agreement with Gazprom finalised: VNG Handel & Vertrieb GmbH adds further quantities of natural gas to its purchasing portfolio

Leipzig, 7 June 2019. VNG Handel & Vertrieb GmbH (VNG H&V), a wholly owned subsidiary of Leipzig-based VNG AG, has today signed a purchase agreement with Gazprom Export (GPE). On the sidelines of the International Economic Forum in St. Petersburg (Russia), Ulf Heitmüller, CEO of VNG AG, and Alexey Miller, CEO of Gazprom, signed a purchase agreement that will come into force on 1 January 2021. The contract provides for the supply of 3.5 billion cubic metres per year.

“Our direct contractual relationship with Gazprom increases the security of supply for our customers. By importing additional quantities of natural gas, we will make the market more robust and compensate for the decline in production in Europe,” explains Heitmüller. “Gazprom and VNG have been working together as partners for many years now, and the purchase agreement further consolidates our relations. To meet the demand for natural gas in Germany, additional pipeline gas from Russia makes the most sense in economical and ecological terms,” adds Heitmüller. Natural gas, as the fossil fuel with the lowest CO₂ emissions, is today already contributing to fast and affordable climate protection in all sectors. With its VNG 2030+ strategy, VNG will gradually be making its natural gas portfolio more environmentally friendly.

Gas makes it possible to comply with the short-term climate-protection targets and also with the further milestones along the road to decarbonisation. Through its agreement with Gazprom, VNG H&V is consistently developing its wholesale division and improving its market position in terms of procurement and sales. Konstantin von Oldenburg, Managing Director of VNG H&V, points out: “2018 marked the 45th anniversary of the natural gas partnership between Germany and Russia. The successful conclusion of the purchase agreement clearly emphasises the willingness of both sides to build further on their cooperation in the European gas sector. The new agreement contributes to expanding the physical purchasing portfolio, and consequently to stabilising VNG’s entire European trading portfolio.” Besides long-term supply agreements with Norway and Russia, VNG H&V also purchases its natural gas volumes through short-term trading via spot and futures markets.

As a subsidiary of VNG AG, Leipzig-based **VNG Handel & Vertrieb GmbH** is responsible for VNG’s wholesale business. It reliably and flexibly supplies domestic and foreign trading companies, redistributors, municipal utilities and major customers with natural gas. With innovative products for an environmentally friendly energy mix, the company offers its customers comprehensive support in implementing the energy transition. As a natural gas wholesaler and energy service provider, VNG Handel & Vertrieb GmbH has regional ties and is internationally well placed. Together with its employees, it draws on experience spanning more than 60 years as part of VNG. More at www.vng-handel.de.

VNG is a group of more than 20 companies active in the European energy industry with a broad, future-proof portfolio of products and services in gas and infrastructure, as well as more than 60 years of experience in the energy market. Headquartered in Leipzig, the Group has a workforce of some 1,100 and generated sales of € 11.2 billion in the 2018 financial year. VNG concentrates on three links in the gas value chain: Trading & Sales, Transport and Storage. Building on these core competences in the gas business, the Group’s VNG 2030+ strategy places a growing focus on new business fields. These include green gases, digital infrastructure, and district solutions. More at www.vng.de.

VNG AG

Corporate Communications | Bernhard Kaltefleiter | Braunschweig 7 | 04347 Leipzig | Germany
Postfach [PO Box] 24 12 63 | 04332 Leipzig | Germany | Phone +49 (0)341 443-2058 | Fax +49 (0)341 443-2006 | presse@vng.de | www.vng.de