

Gazprom Profits Bounce on Strong Europe Sales

The Russian energy giant saw a jump in earnings in the first quarter, following last year's pandemic slump.

By [AFP](#)

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Gazprom earns the bulk of its profits from gas sales to Europe. **Vitaly Timkiv / TASS**

Russian energy giant Gazprom said Friday its earnings had recovered in the first quarter after last year's fall in demand and prices caused by the coronavirus pandemic.

The group reported a net profit of 447.26 billion rubles (\$6.1 billion) in the first three months of the year, compared to 135 billion rubles (\$1.8 billion) for all of 2020.

Its sales between January and March were up more than 30% year-on-year at 2.29 trillion rubles (\$31 billion).

The global energy sector was hit hard by the onset of the coronavirus pandemic last year, with

demand hammered as many countries shut down swathes of their economies in a bid to slow the spread of Covid-19.

Gas exports to Europe, from which Gazprom derives the bulk of its profits, were up [more](#) than 25% in the first quarter, with average prices in rubles also increasing by more than a third year-on-year.

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In 2021 Gazprom expects to increase the volume of its gas imports to Europe by 5%.

The state-controlled company faces controversy surrounding the Nord Stream 2 pipeline between Russia and Germany that will run under the Baltic sea.

As the project nears completion, Washington and several European countries oppose the pipeline, arguing it will increase German and EU dependence on Russia for critical gas supplies.

Ahead of planned summit with President Vladimir Putin next month, U.S. President Joe Biden's administration last week [waived](#) sanctions against Nord Stream 2, though Washington said it remains committed to opposing the project.

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