



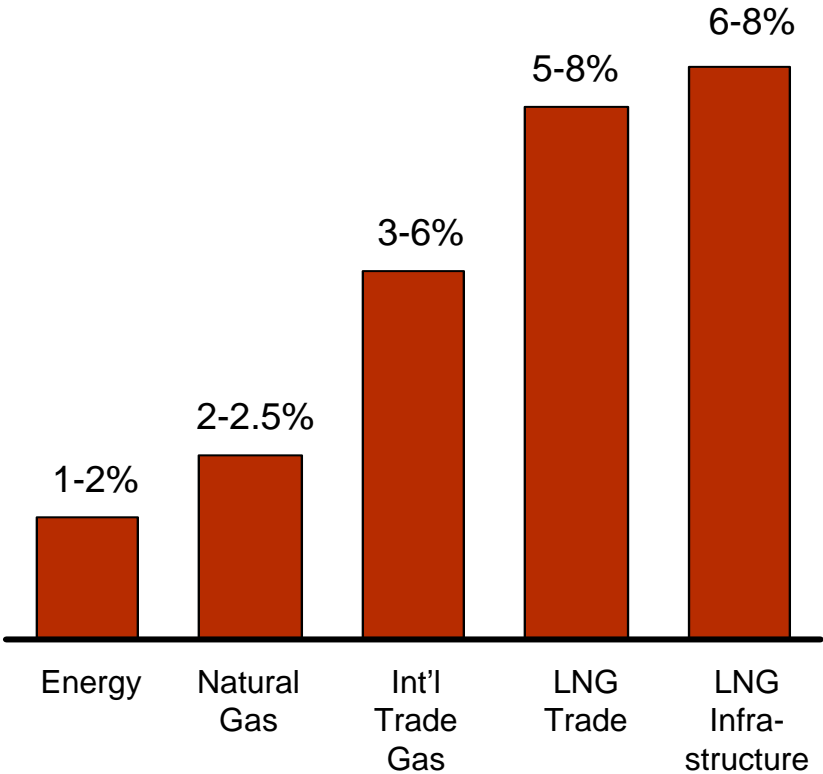
Gas Conference – Association Française du Gaz

Henk Jonkman, General Director, 4Gas France

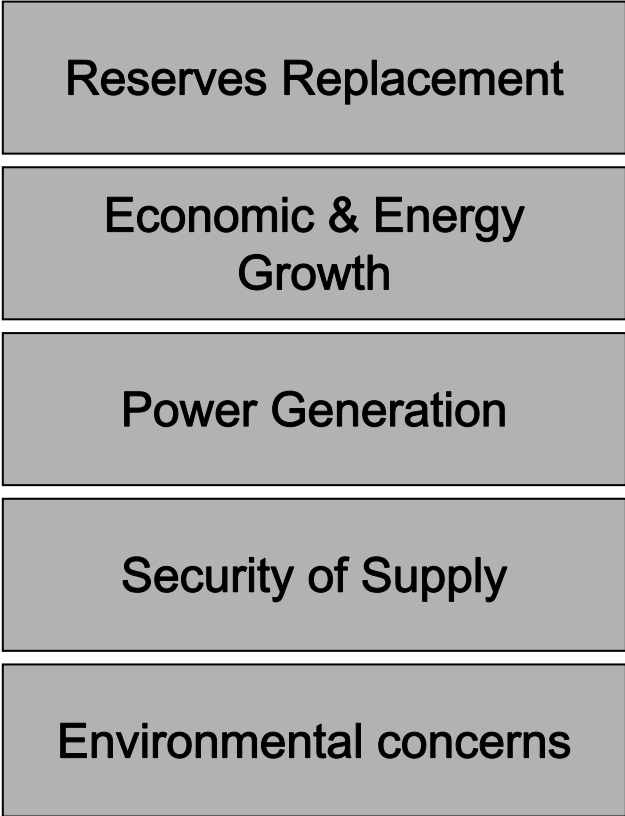
Paris, September 2007

The LNG sector is expected to grow for the next 20 years, fueled by an increasing geographic imbalance between demand and supply

Energy/ Gas/ LNG Expected growth rates over the next 20 years (%)



Key drivers for LNG sector growth

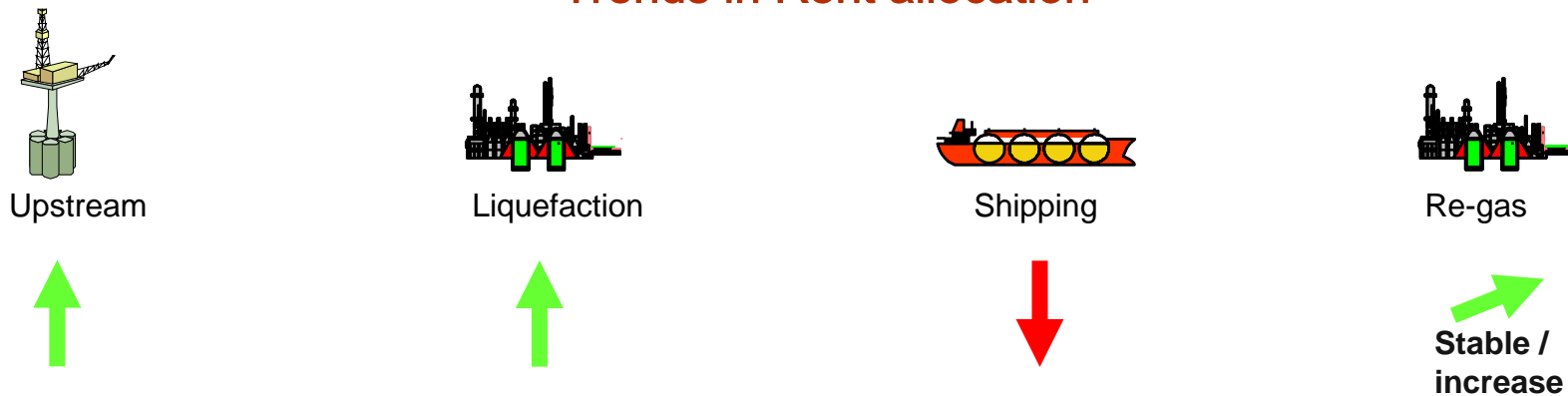


Source: Cera



Regasification is expected to see stable rents with trading upside due to flexibility

LNG Value Chain - Trends in Rent allocation



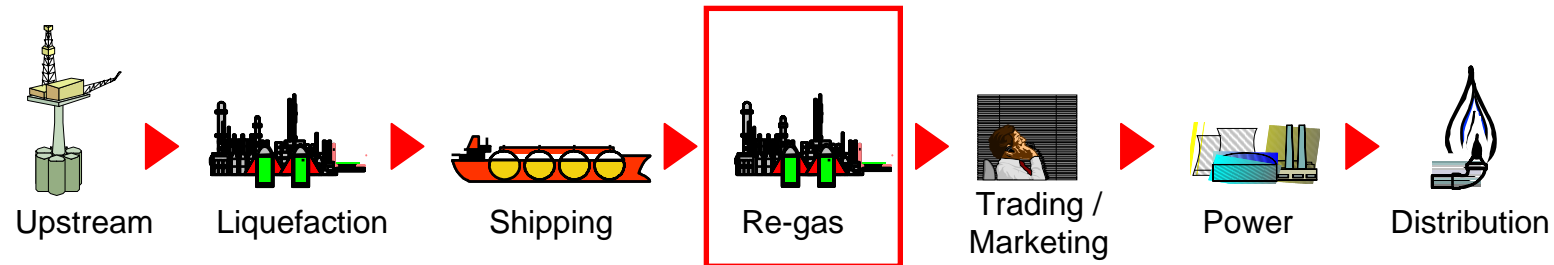
- Tight reserves
- Greater power of Governments
- Increased complexity

- Tight LNG Supply
- Greater power of Governments
- Higher prices

- Available Shipping
- Non project specific construction
- Increased competition

- Capacity constructed with supply/market linkage
- Flexibility gives trading upside
 - Intra market
 - Within market

Increased trading opportunities drive midstream development, especially regasification



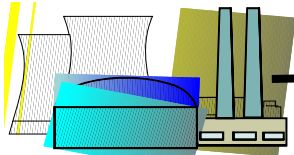
- Lowest cost part of the chain
- Sellers want to be long regas
- Buyers want to be long regas
- Terminals don't operate at full capacity due to cyclical demand



- **Buyers and sellers require regas capacity**
- **Global LNG terminal network enables optimization**

The future of LNG will see the development of independent regasification terminals

Traditional



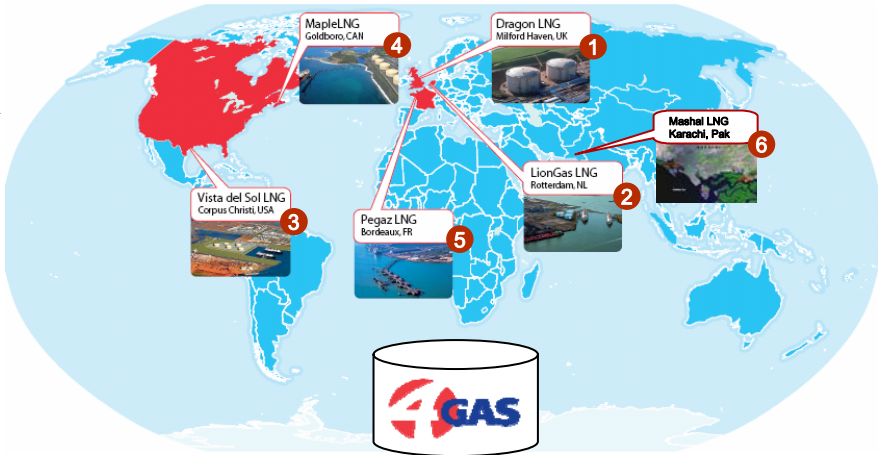
- Utility supply
- Point to Point
- Little on-selling
- “Traditional Model”

Today



- Long-term contracts with some diversion
- Growth of “trading”
- Some regasification capacity held by independents

Future



- Global network of independent terminals
- Producers directly selling and accessing markets (partnerships)
- Increased flexibility

Pegaz LNG, 4Gas' French development perfectly fits with the European and French future of LNG



	2007	2015
Supply	Short	Balanced
Market Access	Available	Available only with investment
Shipping	Available	Available
Prices	Relatively high	Same as today/higher
Volatility	High	High
Finance	Available (until last month)	Tighter margins – available?
Industry flexibility	Low	High – producers moved midstream



Dedicated to LNG



Bureau de 4Gas

France Bordeaux Pegaz LNG
2 place de la Bourse BP 10007
33024 Bordeaux cedex

Phone: +33 (0) 556 528 184

Fax: +33 (0) 556 529 184

Website: www.pegazlng.com

E-mail: info@pegazlng.com