

Gazprom in Global LNG Industry

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Achievements for 20 years

- One of the **leading energy companies**

- ➔ **11 tcm** of gas produced
- ➔ **447mm tons** of oil and gas condensate produced
- ➔ **7.2 tcm** of new gas reserves discovered
- ➔ **856 mm tons** of oil and gas condensate reserves discovered

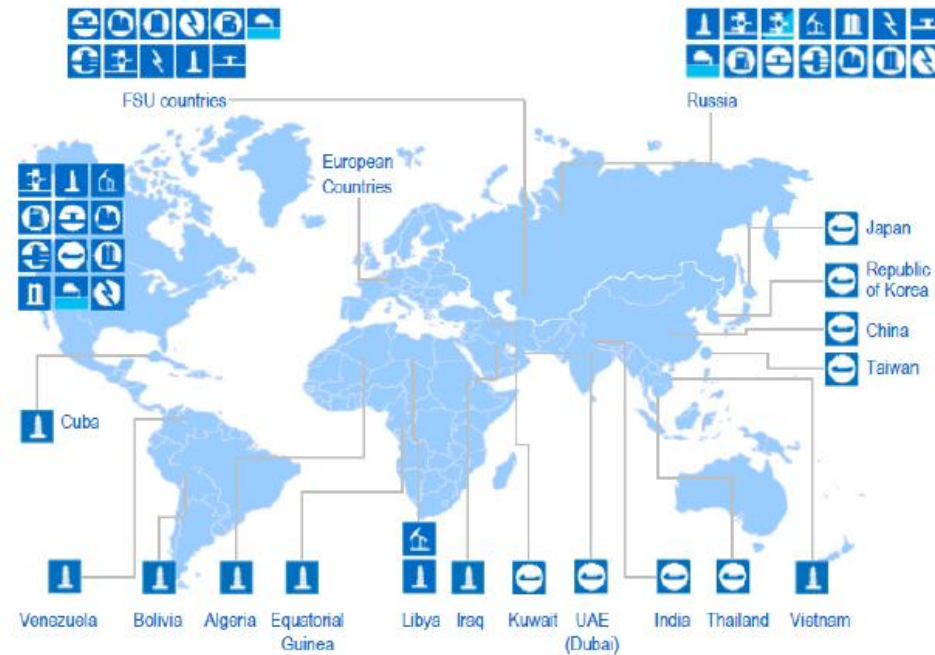
- Owner of the **largest gas transportation system**

- ➔ **31 thousand km** of new pipelines built

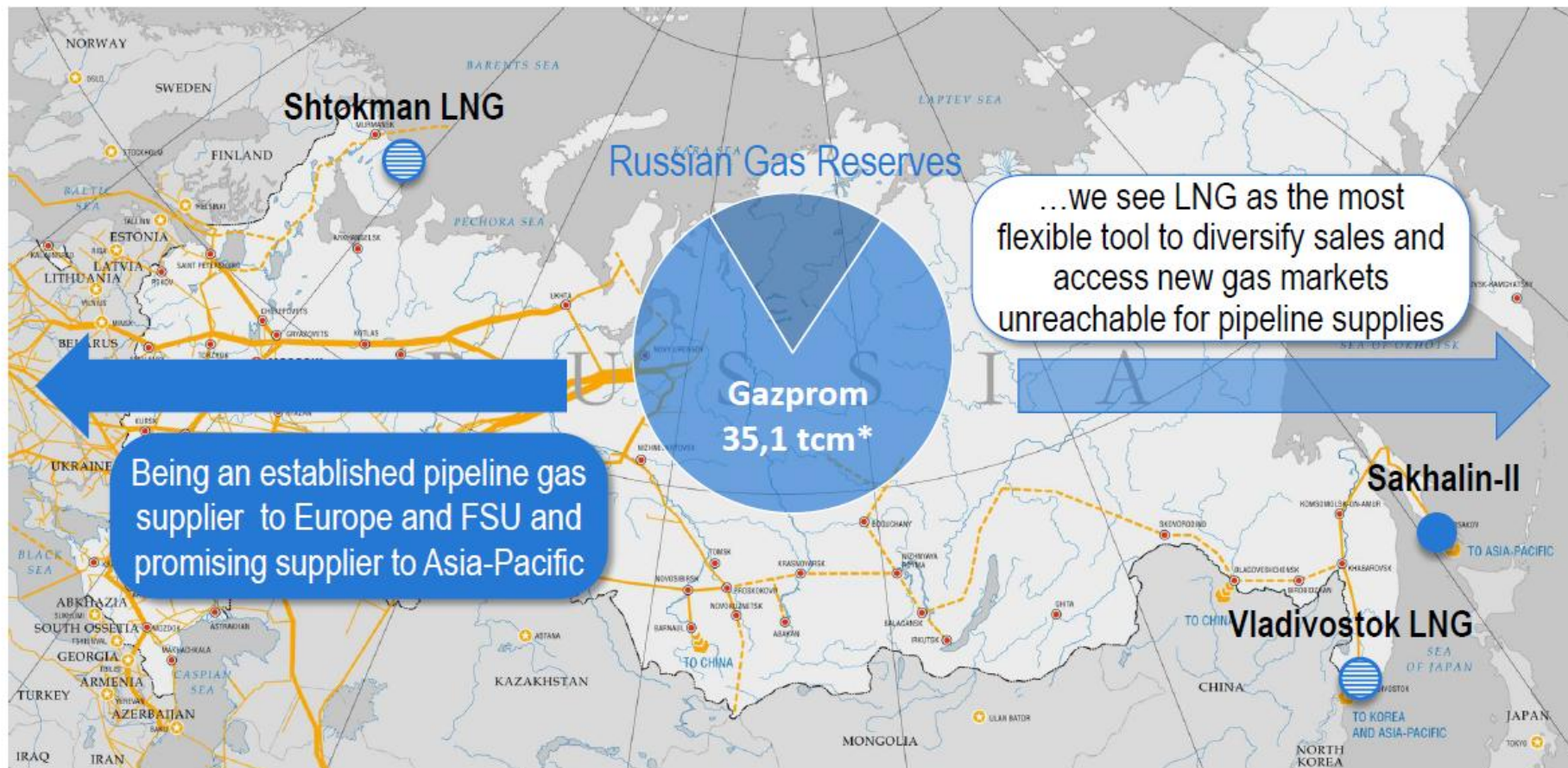
- The **major natural gas supplier** to Russian, FSU and European markets

- ➔ **6 tcm** of gas sold on domestic market
- ➔ **4 tcm** of gas exported

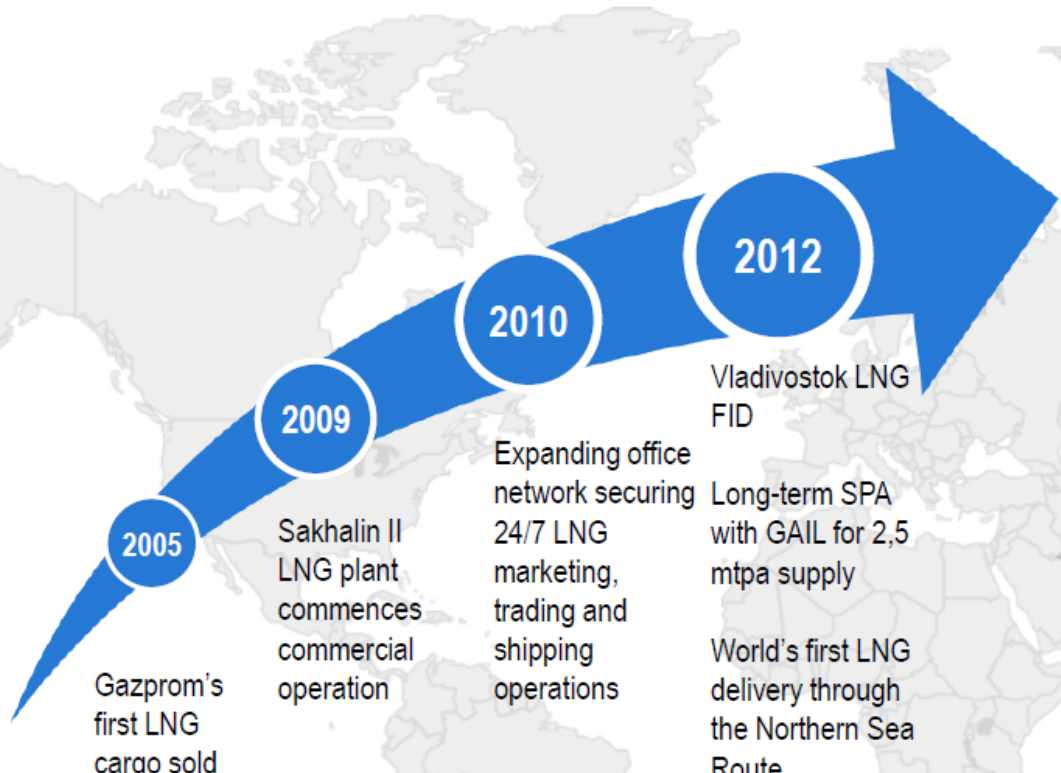
Gazprom Activity in Russia and Abroad



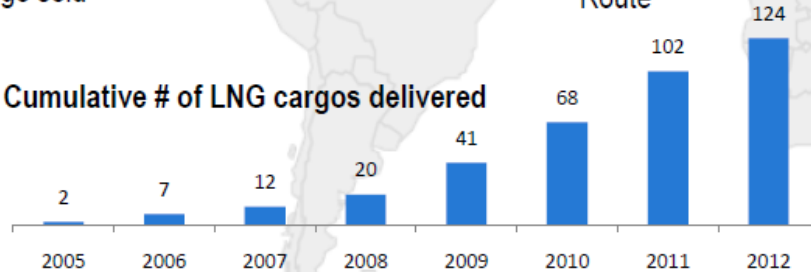
	Hydrocarbons search and geological exploration		Gas transportation		Gas sales to end-consumers
	Gas and gas condensate production		Gas underground storage		Oil and gas condensate sales
	Oil production		Electric power and heat generation		Refined products sales
	Projects of methane production from coal beds		Spot sales of LNG		Electricity sales
	Raw hydrocarbons processing		Sales of gas, supplied by gas trunk pipelines		Oil products distribution through gasoline stations network



*- amount of ABC1 reserves - explored reserves according to the Russian standards of classification. Explored gas reserves (categories ABC1) are considered fully recoverable.



Cumulative # of LNG cargos delivered



Gazprom Marketing & Trading

Global LNG marketing, shipping and trading company operating from London, Singapore, Zug and Houston



Gazprom Export

Single export channel for Russian gas and LNG*



Gazprom

World's largest gas producer

*except Sakhalin-1 and Sakhalin-2 projects operated under Product Sharing Agreements

Marketing

Recent Sales

- Long term 2.5 mtpa SPA executed with **GAIL**
- Mid term 0.5 mtpa sale to **KOGAS** (for 2013-2014)

Recent Purchases

- HOA with Levant LNG Marketing Co. for off-take of up to 3 mtpa from **Tamar Floating LNG Project** (Israel) for 20 year period
- Ongoing negotiations on off-take from various LNG projects globally

LNG Shipping



The world's first LNG vessel passage through the Northern Sea Route carried out by 'Ob River' in November 2012

LNG shipping position – key to security of supply and portfolio optimization

Shipping & Logistics established in 2008, based in London with support from Singapore

Top HSSE performance and full functional capability experience in fleet procurement and operations in international LNG projects

Current Fleet



Stena Blue Sky

Owner: Stena LNG
Yard: DSME
Capacity: 146 000 cbm
Ice Class: 1C (DNV)
Charter period (end): 2013



Ob River

Owner: Dynagas
Yard: HHI
Capacity: 149 000 cbm
Ice Class: 1A (LR)
Charter period (end): 2018*
*subchartered to SEIC



LNG Pioneer

Owner: MOL
Yard: DSME
Capacity: 138 000 cbm
Ice Class: no
Charter period (end): 2014

Future Expansion



Yenisei River & Lena River

Owner: Dynagas
Yard: HHI
Capacity: 155 000 cbm
Ice Class: 1A (BV)
Constr. year: 2013
Charter period (end): 2018+



Velikiy Novgorod

Owner: SCF Group
Yard: STX
Capacity: 170 000 cbm
Ice Class: Arc2 (RS)
Constr. year: 2013
Charter period (end): 2028+



Pskov

Owner: SCF Group
Yard: STX
Capacity: 170 000 cbm
Ice Class: Arc2 (RS)
Constr. year: 2014
Charter period (end): 2029+

Key Project Features

Successful partnership of Gazprom, Shell, Mitsui and Mitsubishi

Integrated Oil & Gas project

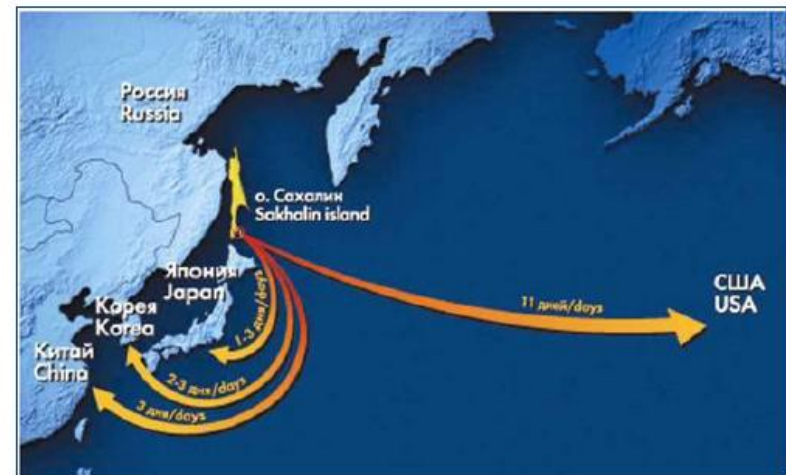
Year-round oil production from 2008

LNG plant startup — February 18 2009

LNG ramp-up ahead of schedule, exceeded project design capacity (9,6 mtpa) in 2010

Sales in 2012: 10.8 mt LNG, 5.5 mt oil

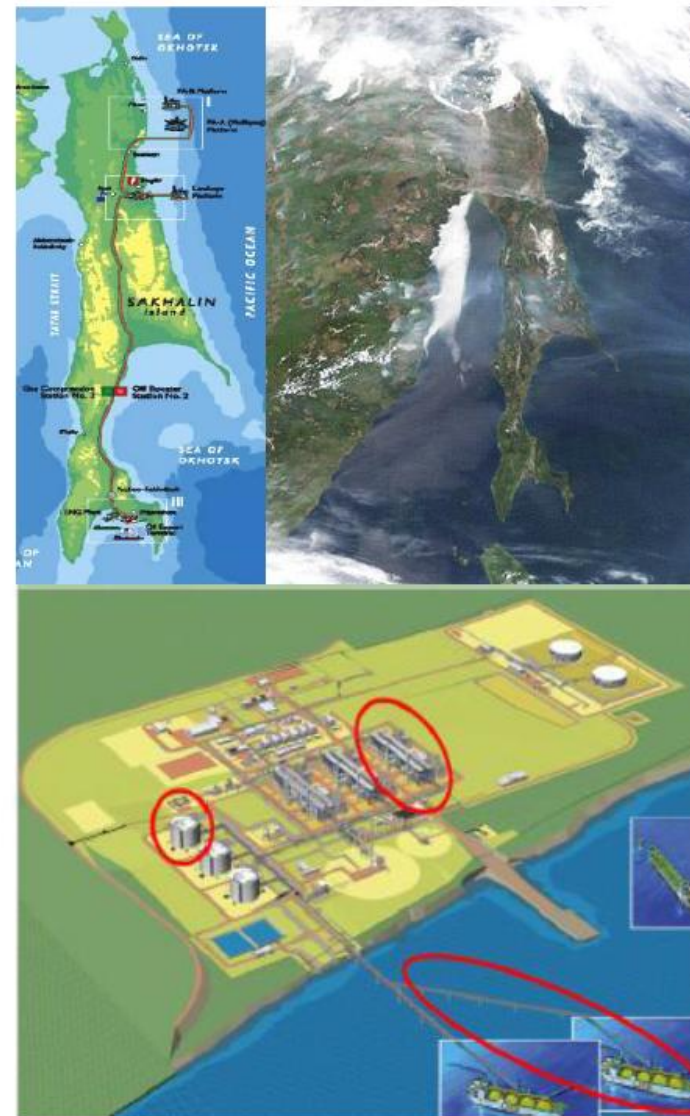
Key markets – Japan, Korea, China and other Asia-Pacific growing importers



Opportunity to leverage the existing LNG plant infrastructure

Sakhalin Energy is undertaking a pre-FEED analysis of a third LNG train of a similar size to the existing trains ~5mtpa. Completion of pre-FEED is expected in July 2013

Decision to allocate feedstock for the expansion of Sakhalin II LNG project could be made by Gazprom in Q3 2013, after analyzing results of the Pre-FEED



LNG Plant – 2 trains x 5 mtpa with further expansion possible (+1 train)

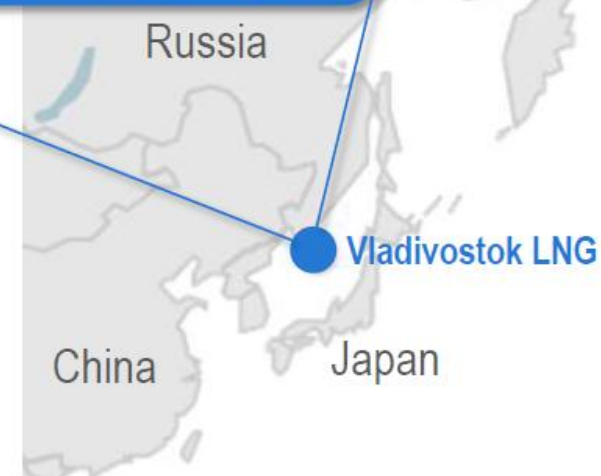
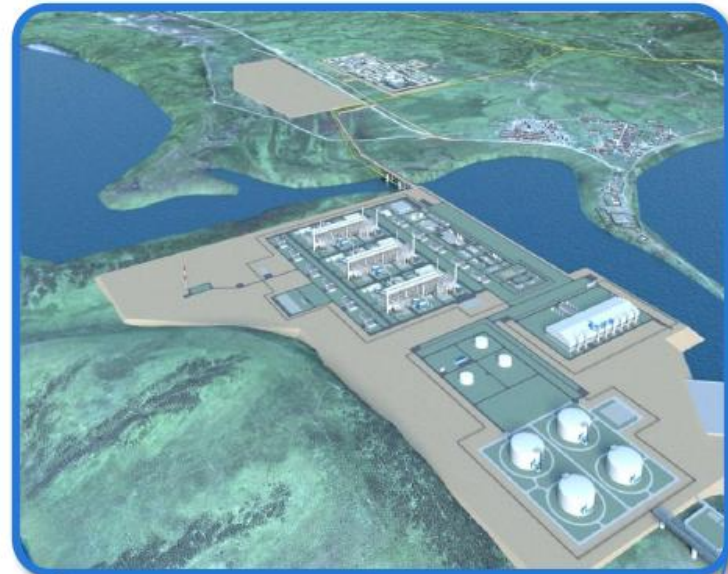
LNG Storage – 4 x 160 000 m³

Start Up: T1 – late 2018, T2 – mid 2020

Status: Dec 2012 pre-FEED completed

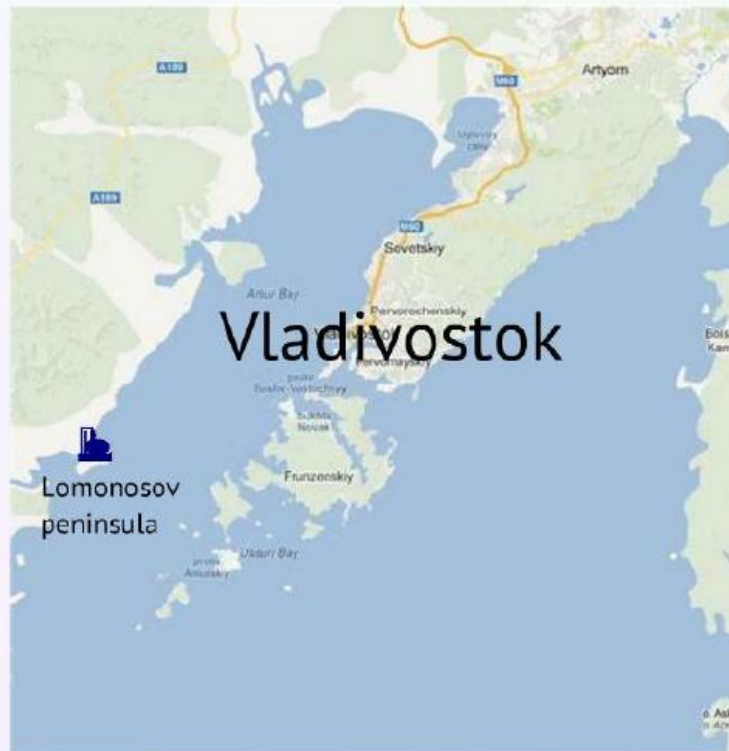
Feb 2013 investment decision taken

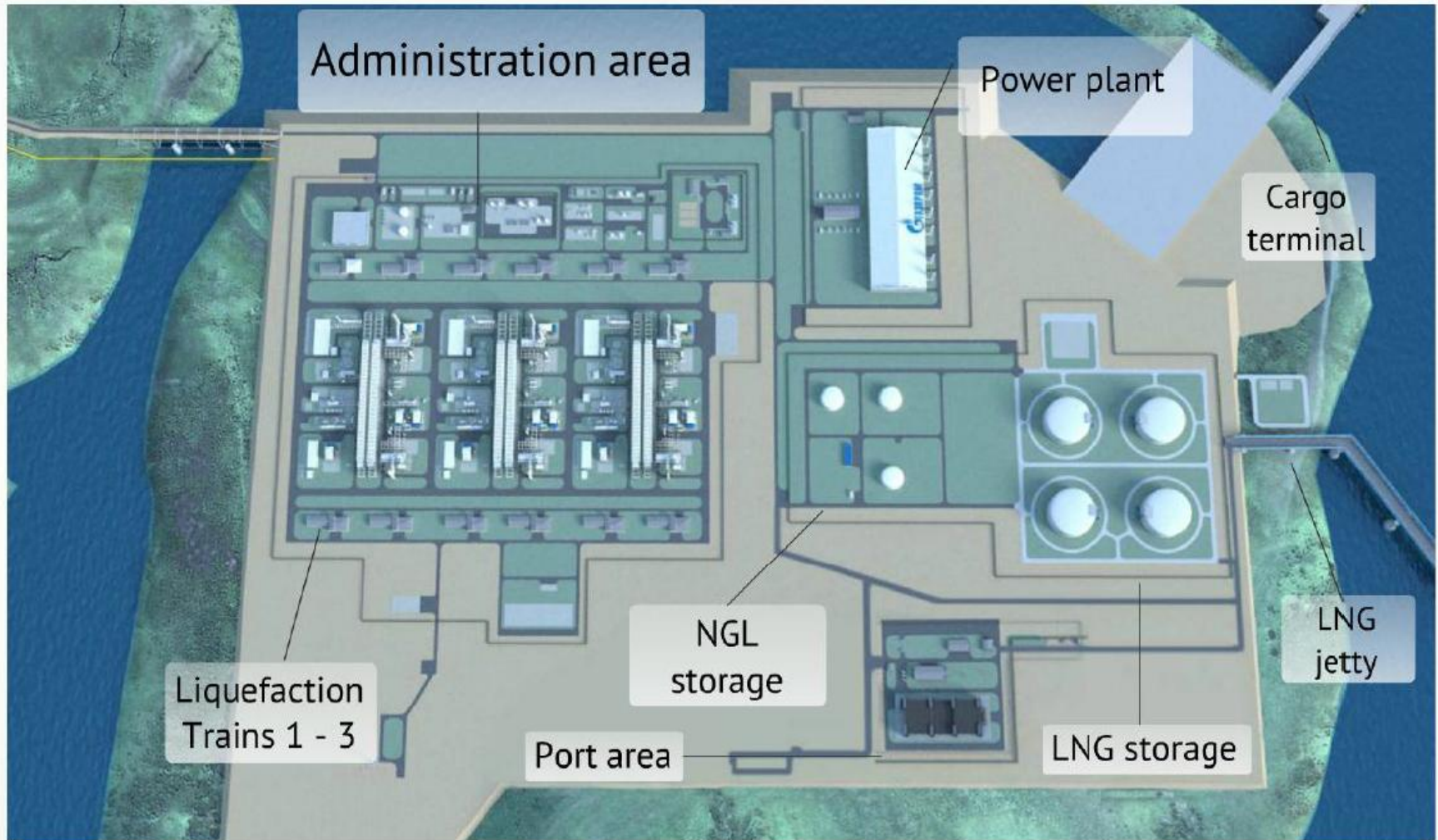
Apr 2013 marketing process kick-off



LNG plant location recommended by the Pre-FEED – Lomonosov peninsula, south from Vladivostok on the west coast of Amur bay.

- Distance to Vladivostok 150 km
- Developed infrastructure – direct railway, road access
- Relatively mild climate
- Sea depth – up to 20m (no dredging needed)
- 365 day/year access to the established navigation channel
- Favorable ice and wind conditions – no ice in jetty area
- Location supported by local authorities
- Proximity to the NEA markets



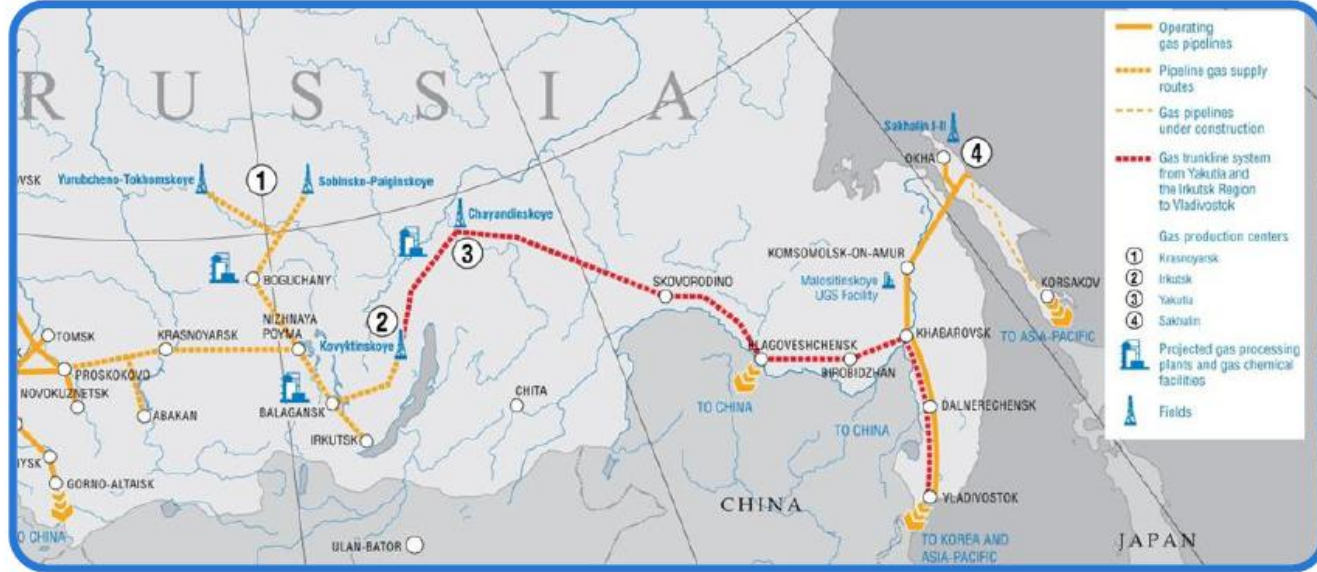




Sakhalin III
estimated gas resources –
– 1.4 tcm (49 tcf)

Sakhalin III reserves:

Proven (C1) – 323 bcm
Possible (C2) – 417 bcm

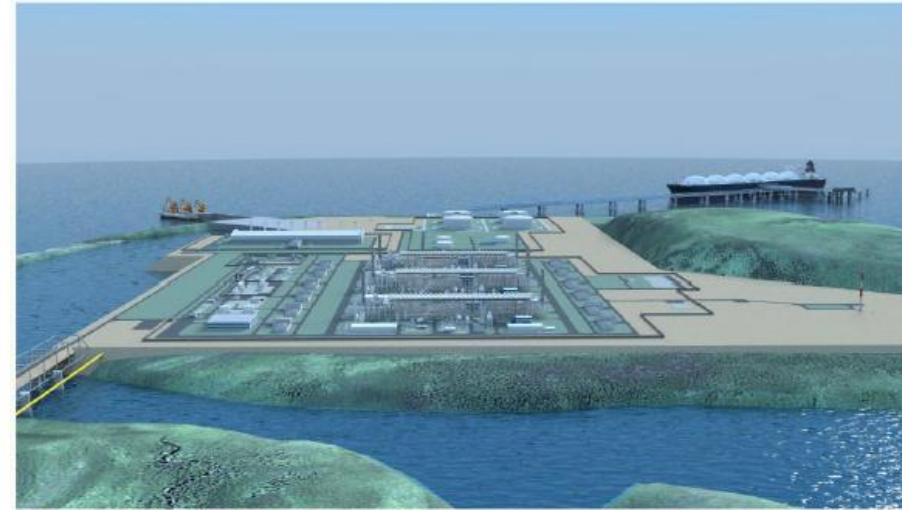


East Siberia gas fields (Yakutia and Irkutsk regions)
estimated gas resources –
– 5 tcm (177 tcf)

Gazprom's fields offshore Sakhalin are considered as the main resource base for the Vladivostok LNG Project

East Siberia gas will be used to diversify Sakhalin supplies and as a feedstock for possible project extension

- Multi-source gas supply from Sakhalin and East Siberia (the project is backed up by 5 TCM of Siberian gas)
- Proximity to NEA markets (1,000nm to Tokyo, 500nm to Niigata, 950 nm to Incheon, 1,350 nm to Taichung)
- Proven technological and logistics solutions
- Full Russian Government support
- Commitment from Gazprom management (FID)
- Experienced LNG trading and shipping team
- Perfect track record of Sakhalin-2 project



Thank you for your attention