



LNG markets



Mitigating short term needs and long term development

The European perspectives in a global market

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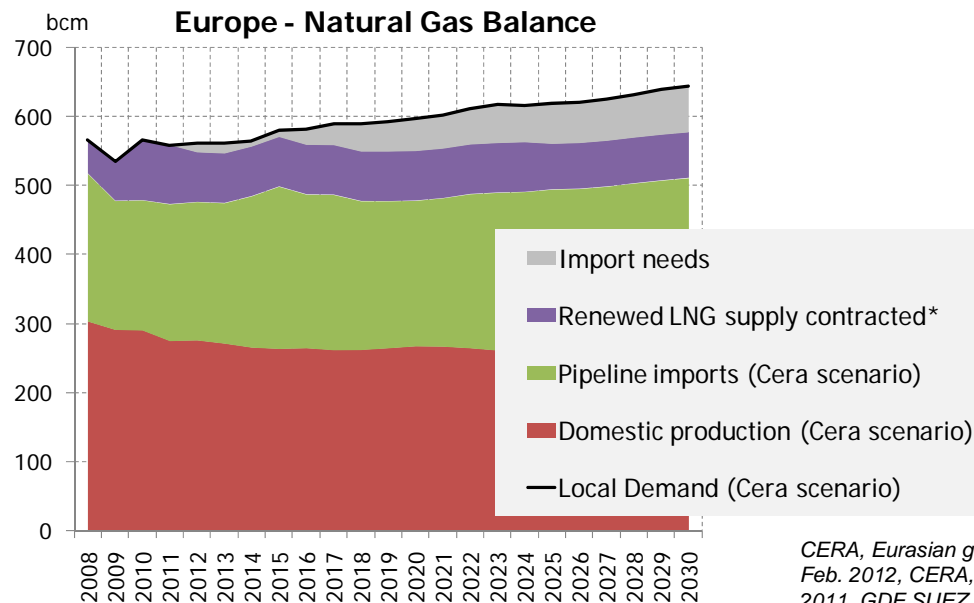
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European perspectives for LNG: structural evolutions of the role of natural gas markets

- Uncertain global economic context
- European and national energy policies
- Growth drivers for natural gas demand (power production?)
- Coexistence of long term contracts and market places
- Perspectives on unconventional gas to be assessed

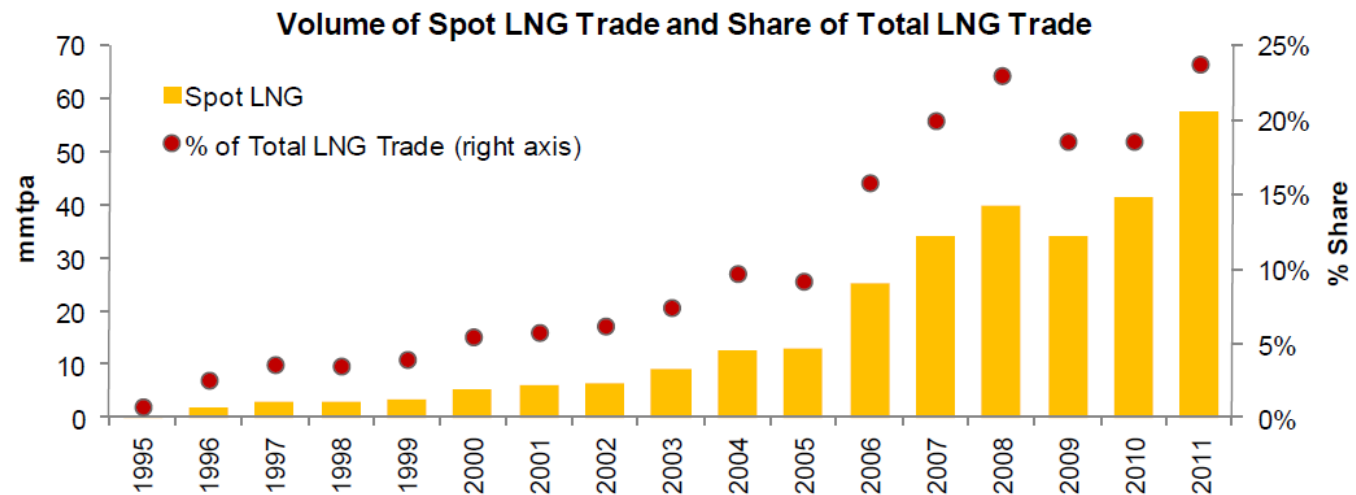


CERA, Eurasian gas export outlook, Feb. 2012, CERA, Global Redesign, 2011, GDF SUEZ simulations
*Historical data include spot LNG

➔ **Increased optionality and flexibility value of LNG**

Rising demand for flexibility and short term trade in LNG

► The growth of spot LNG is a reality on a global scale



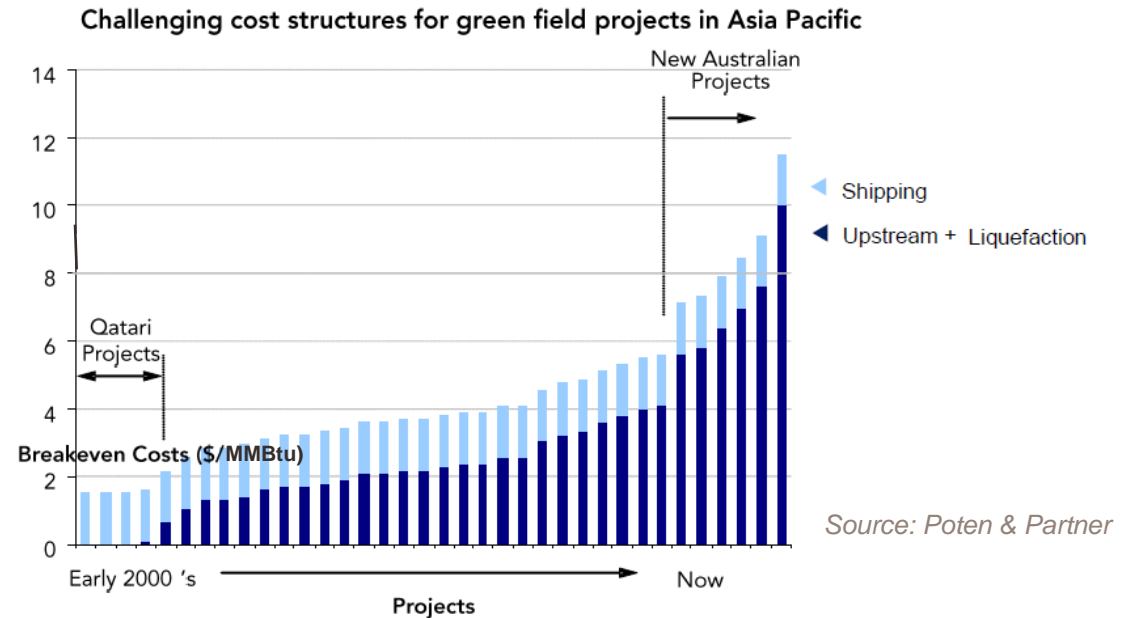
Source: PFC Energy

► To the benefit of both buyers and sellers:

- Arbitrage options for sellers
- Managing seasonal imbalance or unexpected "swing" supply for buyers

While long term commitments are essential to sustain LNG market development

- ▶ The development of natural gas resources via LNG will always require a high degree of long term contractual commitment.
 - LNG projects are highly capitalistic and with increasing costs:



- Security of supply is a key issue for buyers (Japan, South Korea, Taiwan, etc.)

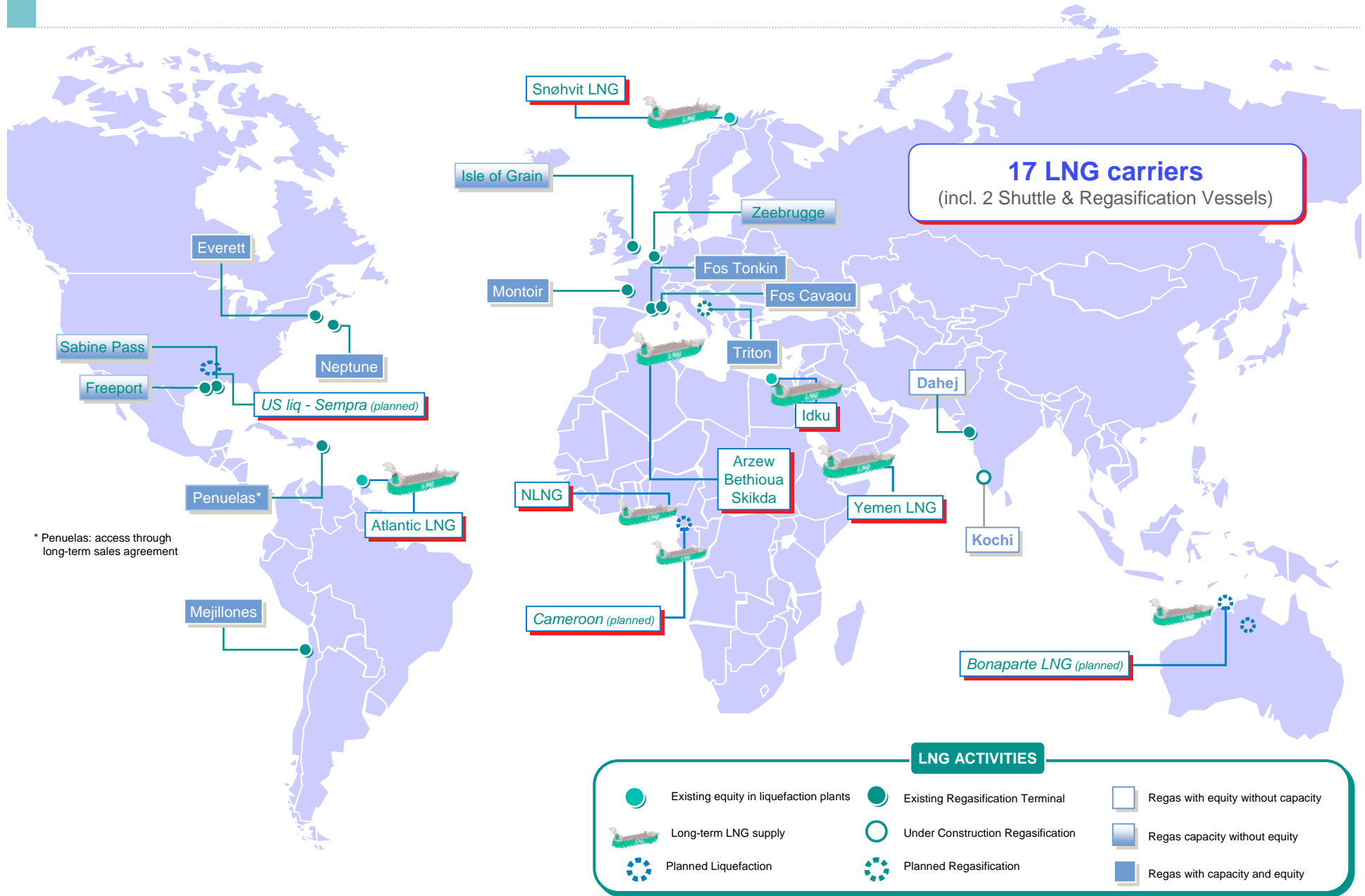
Portfolio approach to mitigate short term needs with long term commitments



- ▶ A portfolio approach is becoming a critical element of the LNG market for risk mitigation.

- ▶ A portfolio approach can provide bridging volumes between immediate needs and longer-term supplies.
 - Long term commitments to ensure development of the LNG market
 - Financial strength with risk management
 - Large portfolio with global dimension
 - Know-how to propose flexible services

GDF SUEZ LNG global presence



GDF SUEZ in Asia-Pacific

