

Producer-Consumer Cooperation in Developing LNG Market in Asia

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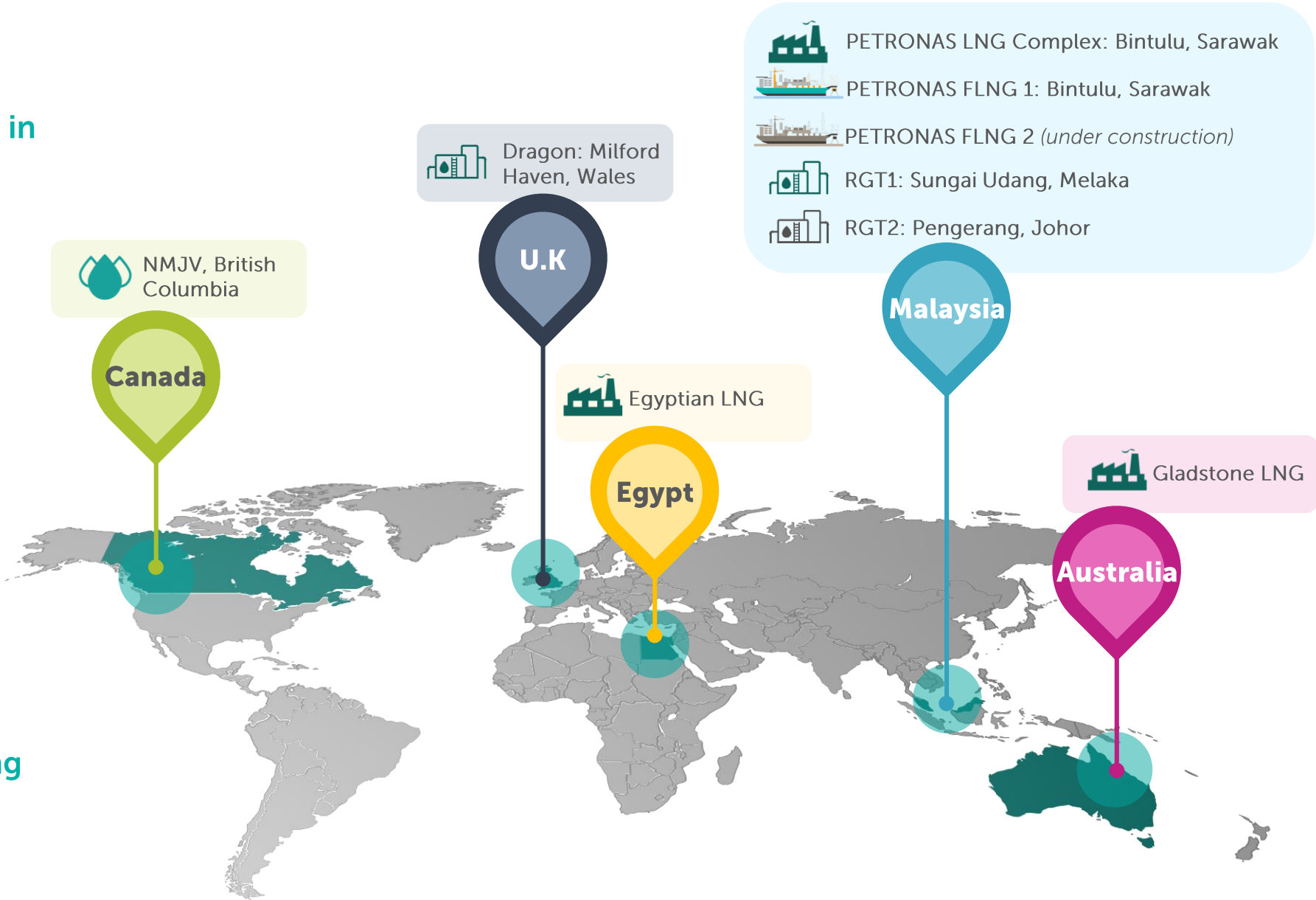
PETRONAS: A Leading, Integrated Global LNG Player

3rd Largest LNG producer in the world

34 MTPA of LNG production capacity

1st Floating LNG owner-operator in the world

130 Tcf of global gas resources, and growing



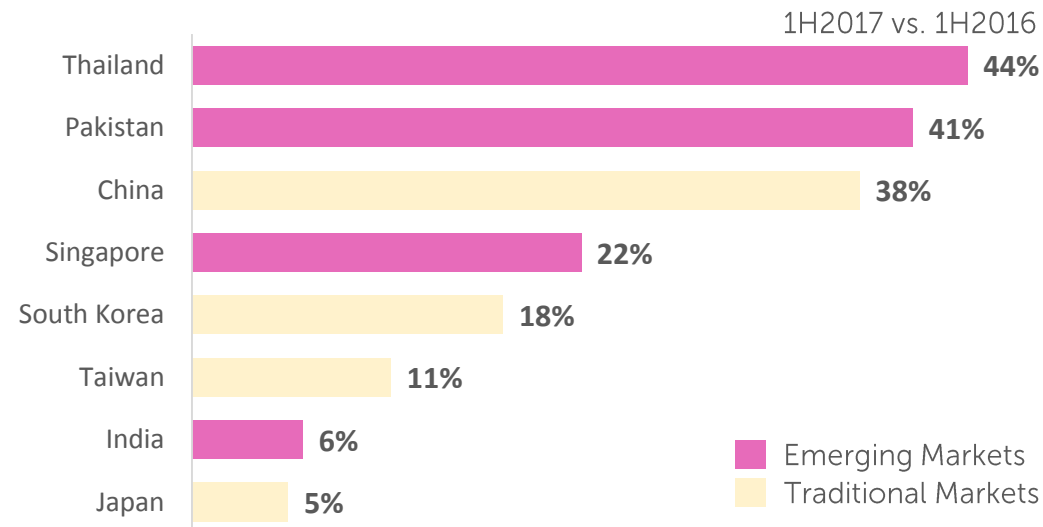
Stronger LNG demand in 1H2017 may bring balance to market earlier than expected

Recent signposts indicate a shift from the conventional outlook of a prolonged supply overhang



Demand from emerging markets has been strong

LNG Demand Growth in Asia (MTPA)

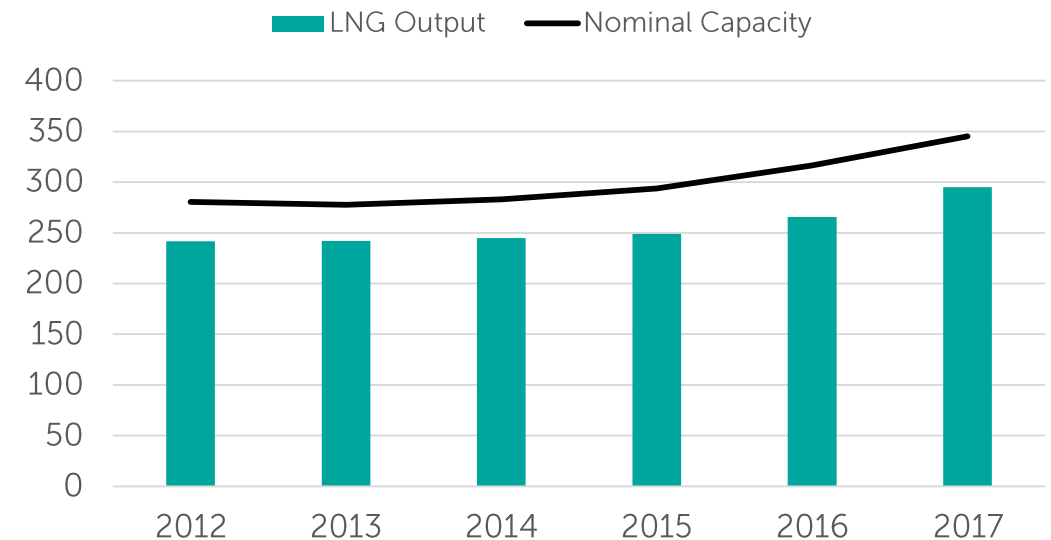


Source: DataFusion



Whereas supply has been below capacity due to issues such as unexpected outages and feedgas shortages

Liquefaction Output vs. Nominal Capacity (MTPA)



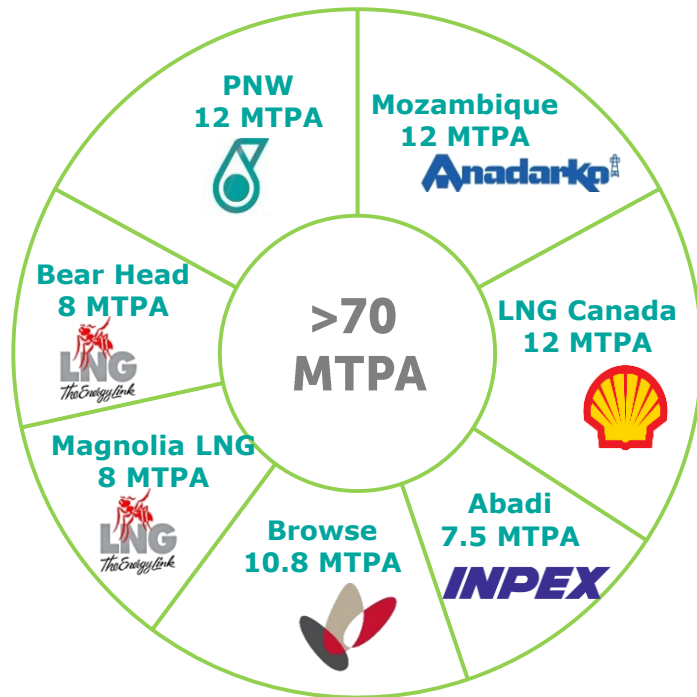
Source: Wood Mackenzie

Security of demand is essential to incentivise future developments

>70 MTPA of announced LNG projects have been cancelled/deferred since 2016...



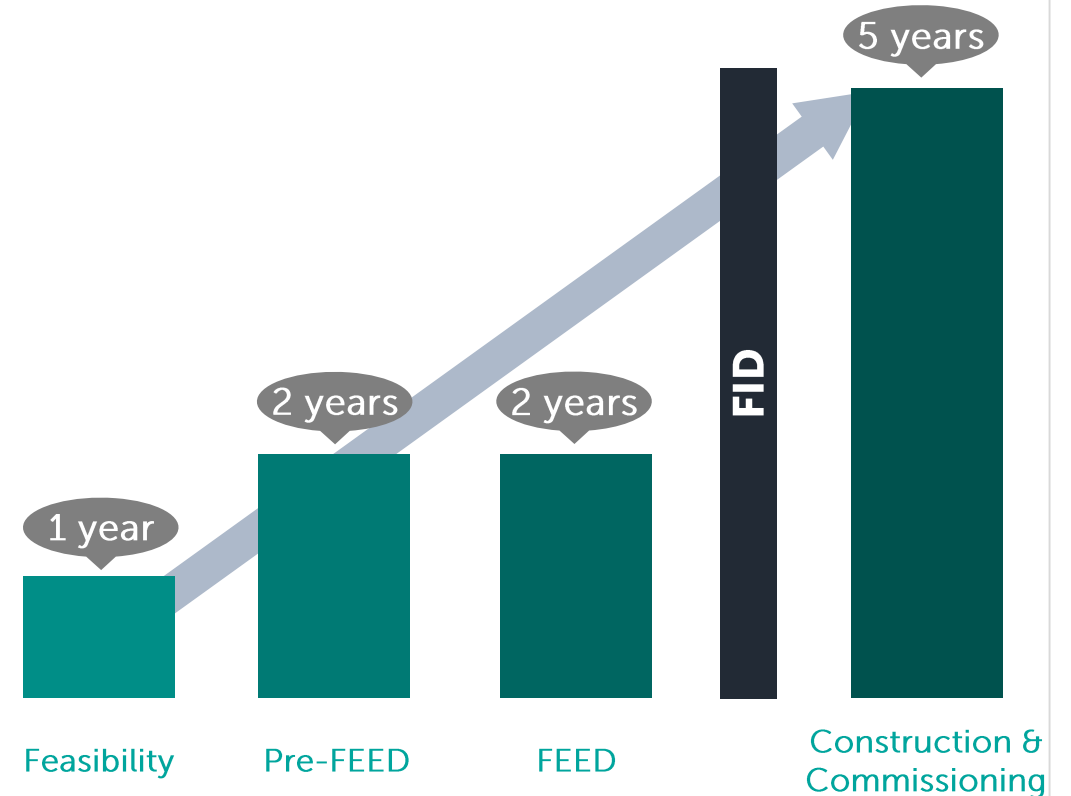
Cancellation/deferment of major projects



Source: Various public sources

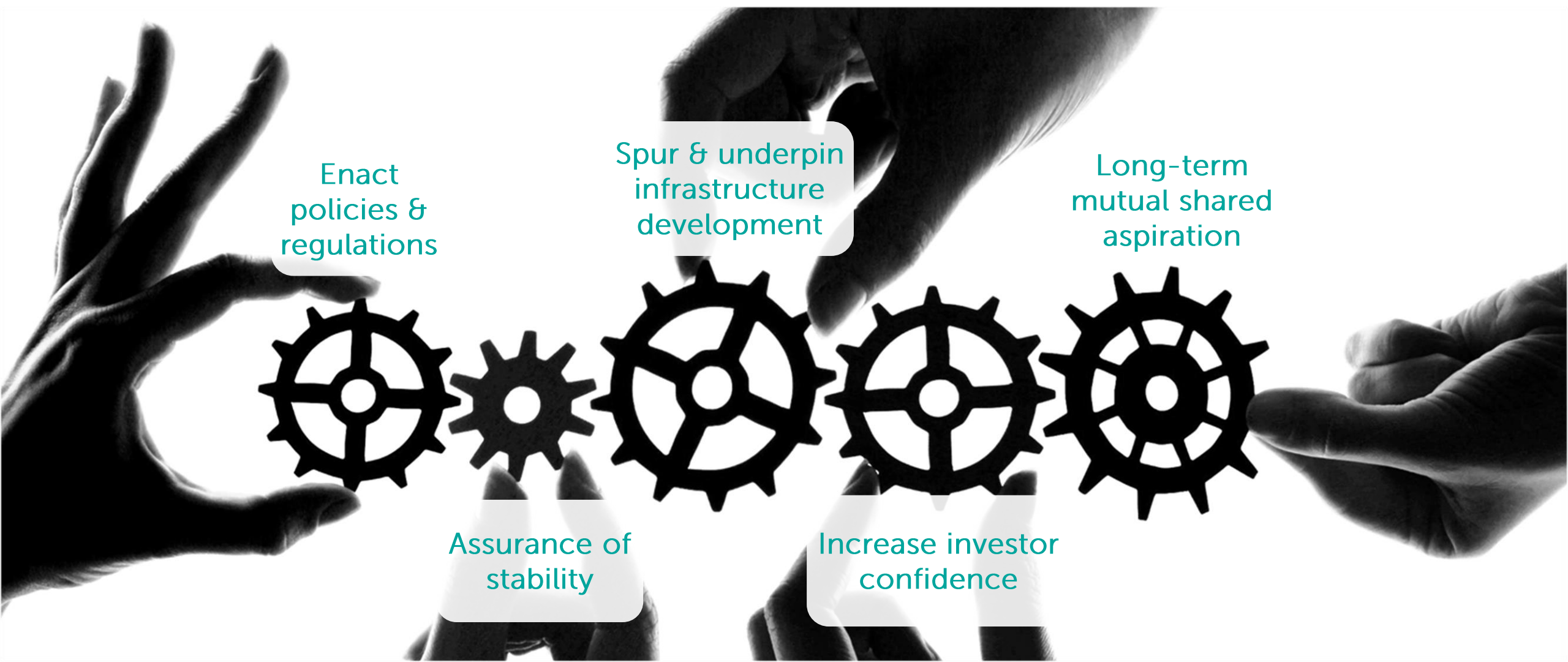
New supply may not come on-stream in time to meet demand

...with potential short supply felt into the next decade due to the long development period of major projects



*based on development milestones for greenfield projects

Government policy & action crucial in developing LNG market in Asia



Enact policies & regulations

Spur & underpin infrastructure development

Long-term mutual shared aspiration

Assurance of stability

Increase investor confidence

Early collaboration for Shared Success

Infrastructure Development



Technology & Engineering



Advocacy & Engagement



Regulation Development



Cost Optimisation & Economic Benefit



Cleaner Energy for the World



Shared Risks



Shared Rewards



THANK YOU

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