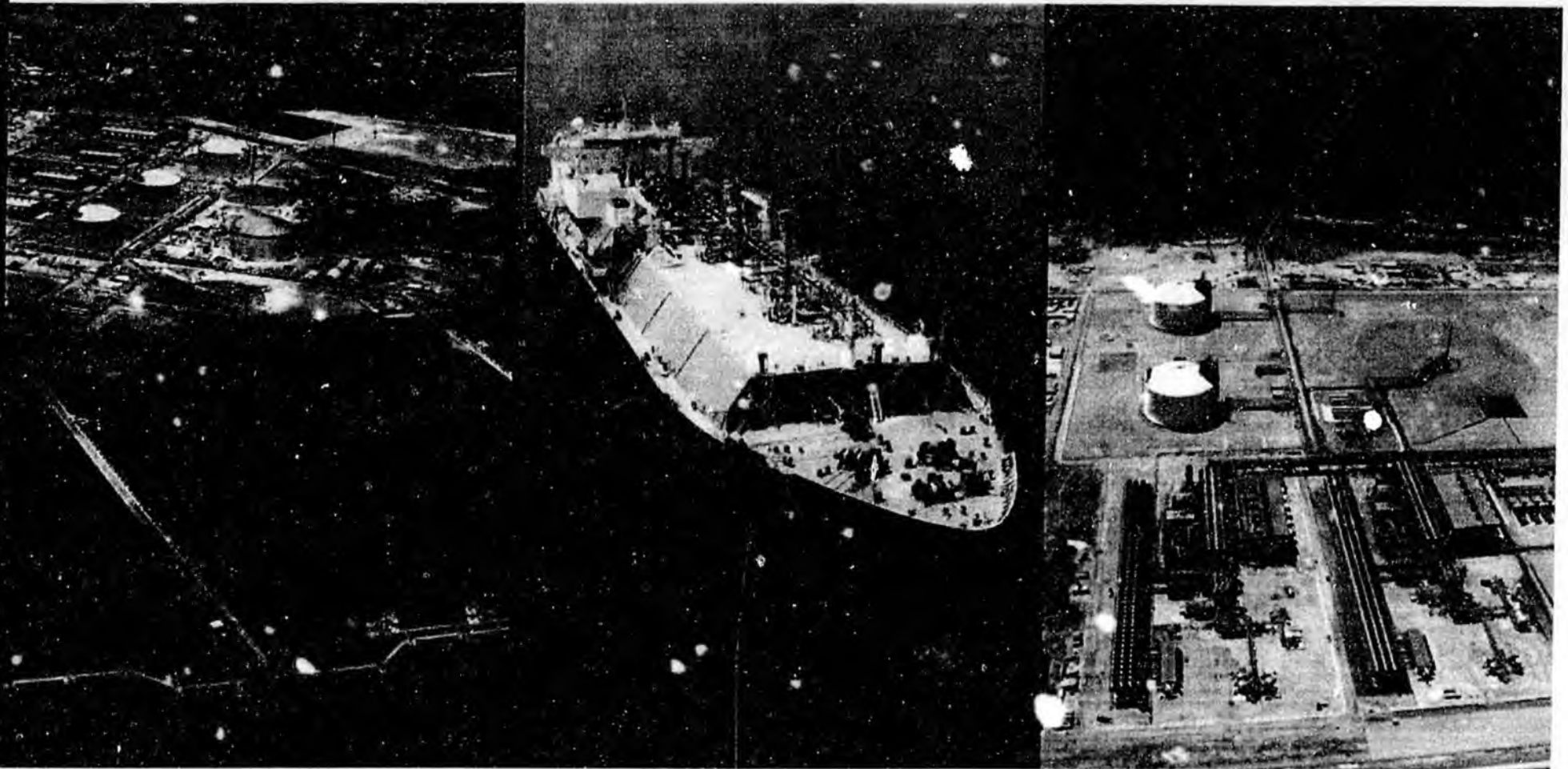


HB

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4/17/07

BG Group



House Resources Committee

David Keane • Juneau • April 17

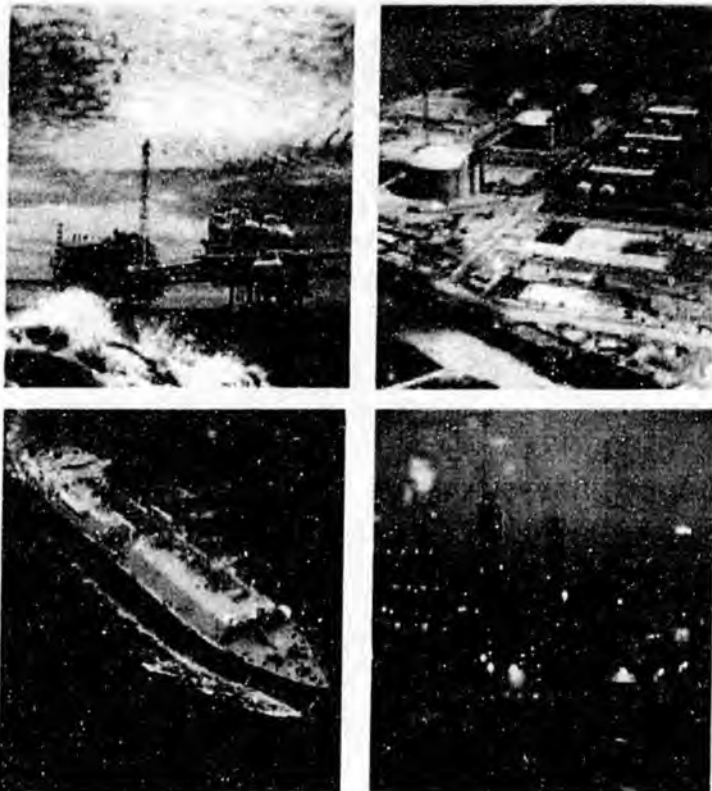
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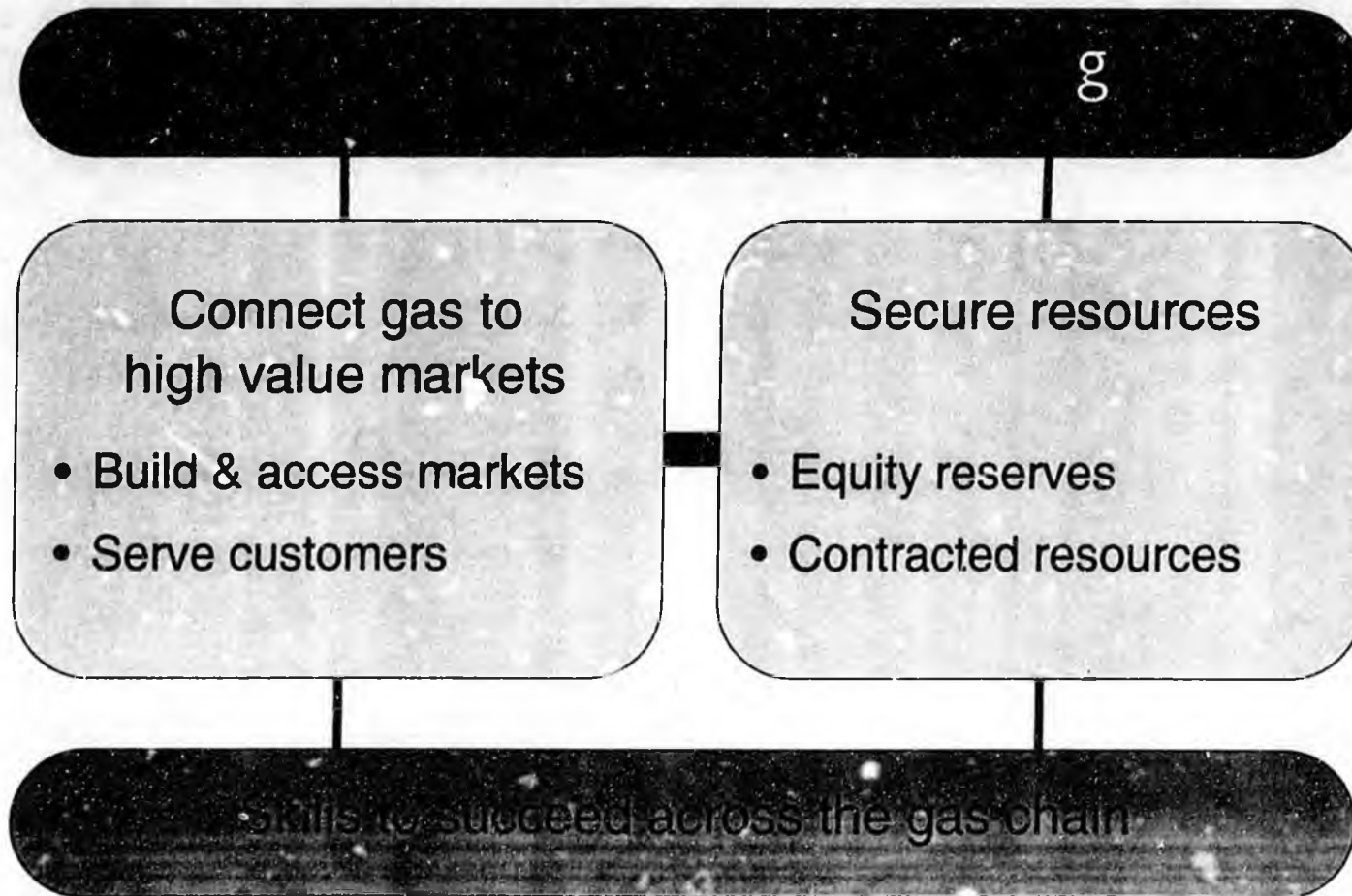
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By their nature, forward-looking statements involve uncertainty because they depend on, and relate to, future circumstances and events not all of which are within our control. Although BG Group believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in such forward-looking statements for a number of reasons, including but not limited to, changes in economic, market and competitive conditions; regulatory changes; governmental actions; fluctuations in commodity prices and exchange rates; supply and demand for oil and gas; the risks inherent in project implementation and delivery, and exploration and production activities; the inability or failure of co-venturers to meet contractual and/or funding obligations; natural disasters and adverse weather conditions; and war, sabotage and acts of terrorism. For a more detailed analysis of the factors that may affect our business, the results of our operations and our financial performance, we urge you to look at certain 'Risk Factors' included in BG Group's Annual Report and Accounts 2006. BG Group undertakes no obligation to update any forward-looking statements.

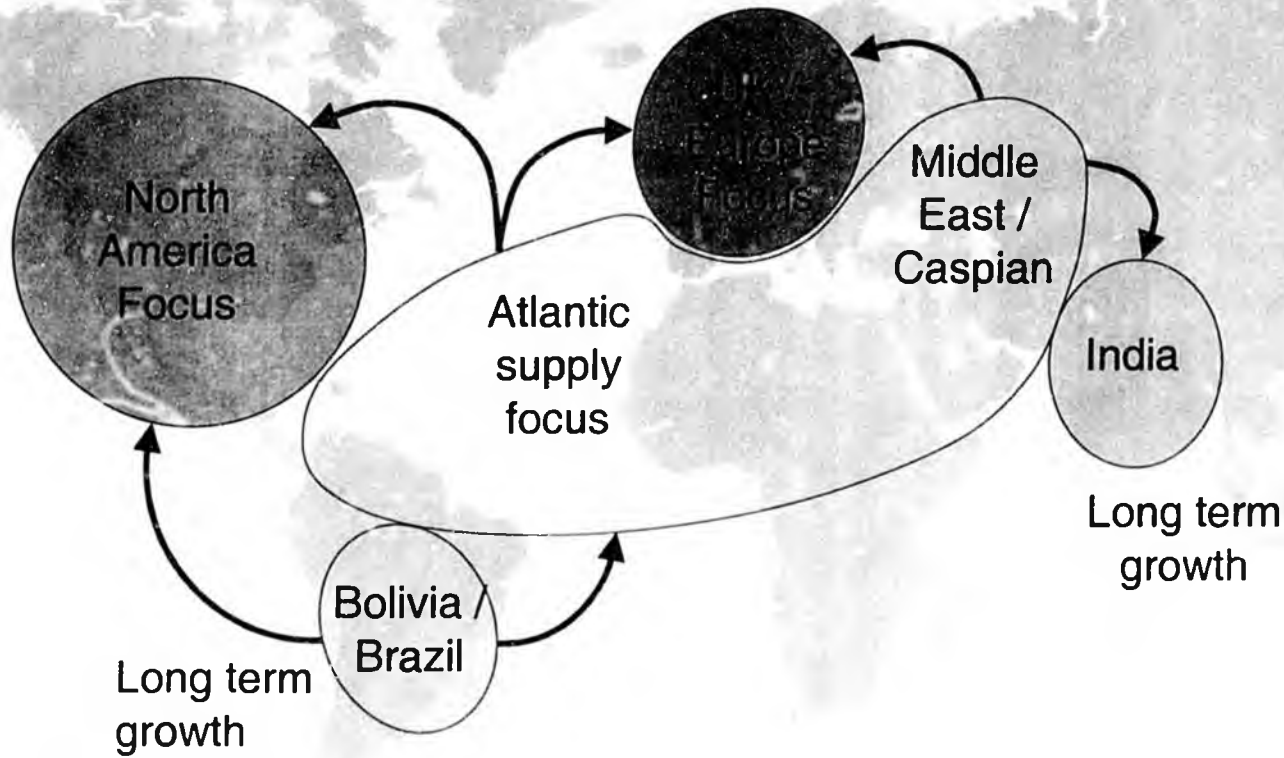
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- Integrated gas major
 - Long heritage in natural gas
- Activities span the natural gas chain
 - Exploration & Production
 - LNG
 - Transmission & Distribution
 - Gas Fired Power Generation
- A top 20 UK company
- Market capitalisation
 - Over \$45 billion
- A global player
 - Active in 25 countries



Gas market focus



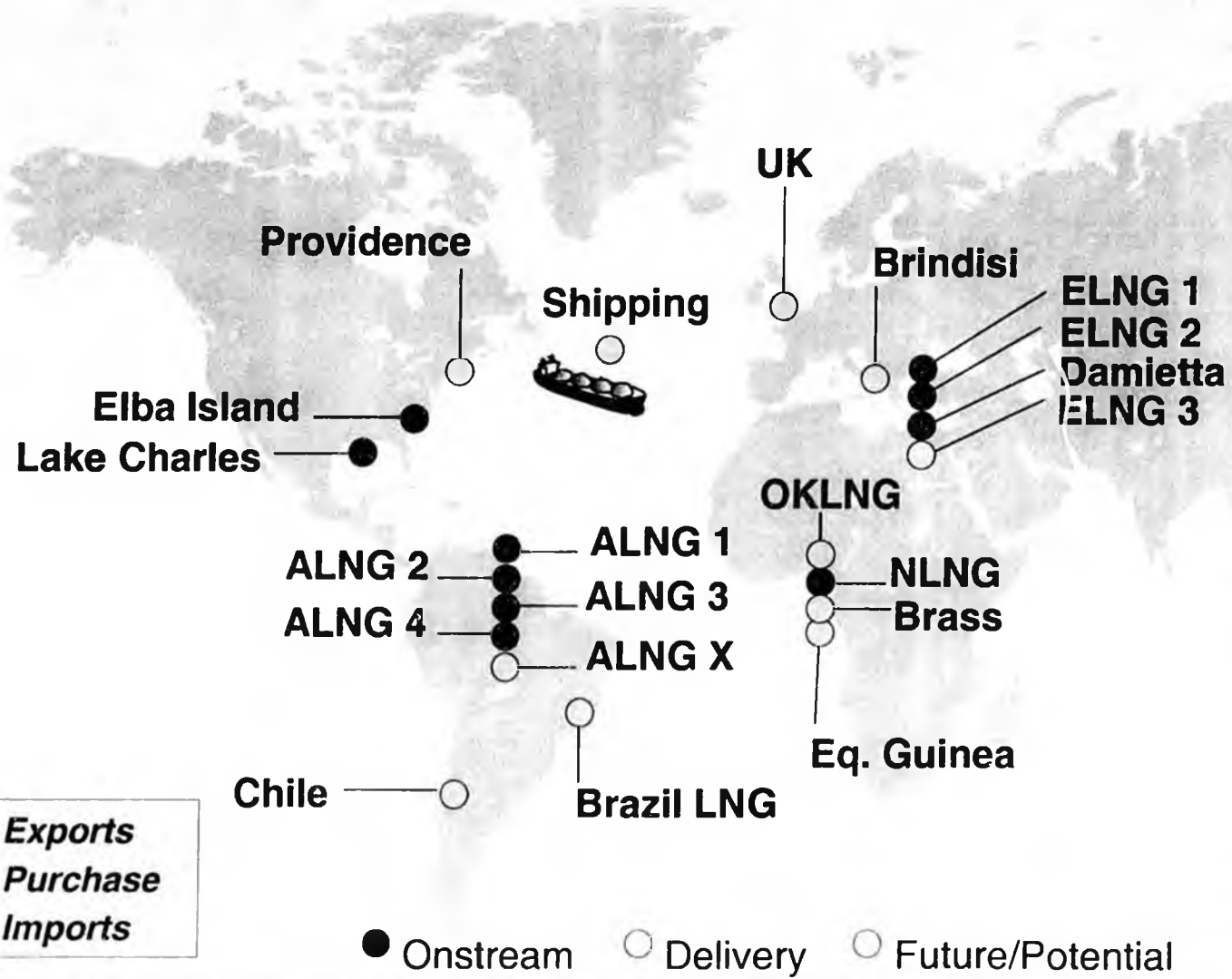
● Developed Market ○ Developing Market ○ Supplies

Strategy

Countries of current operation



BG Group's LNG portfolio

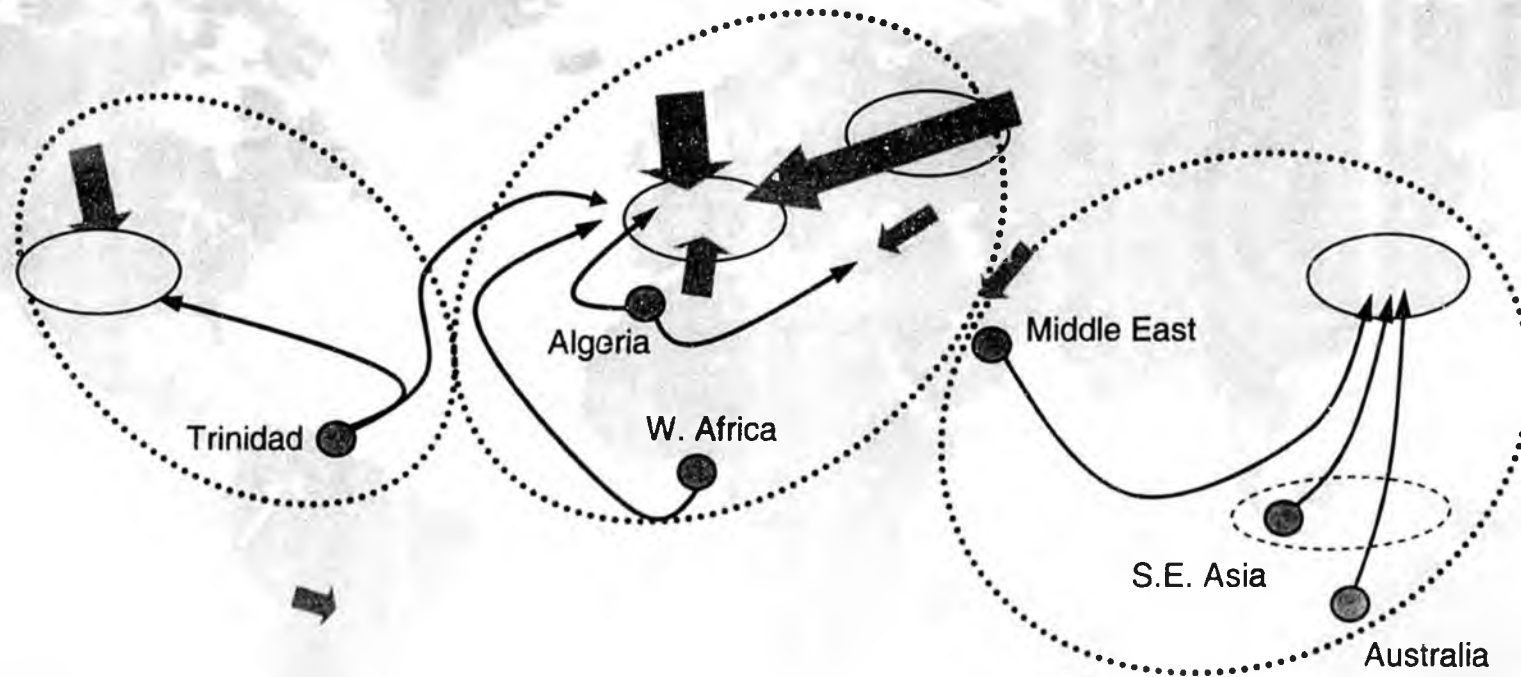


Atlantic LNG



Lake Charles

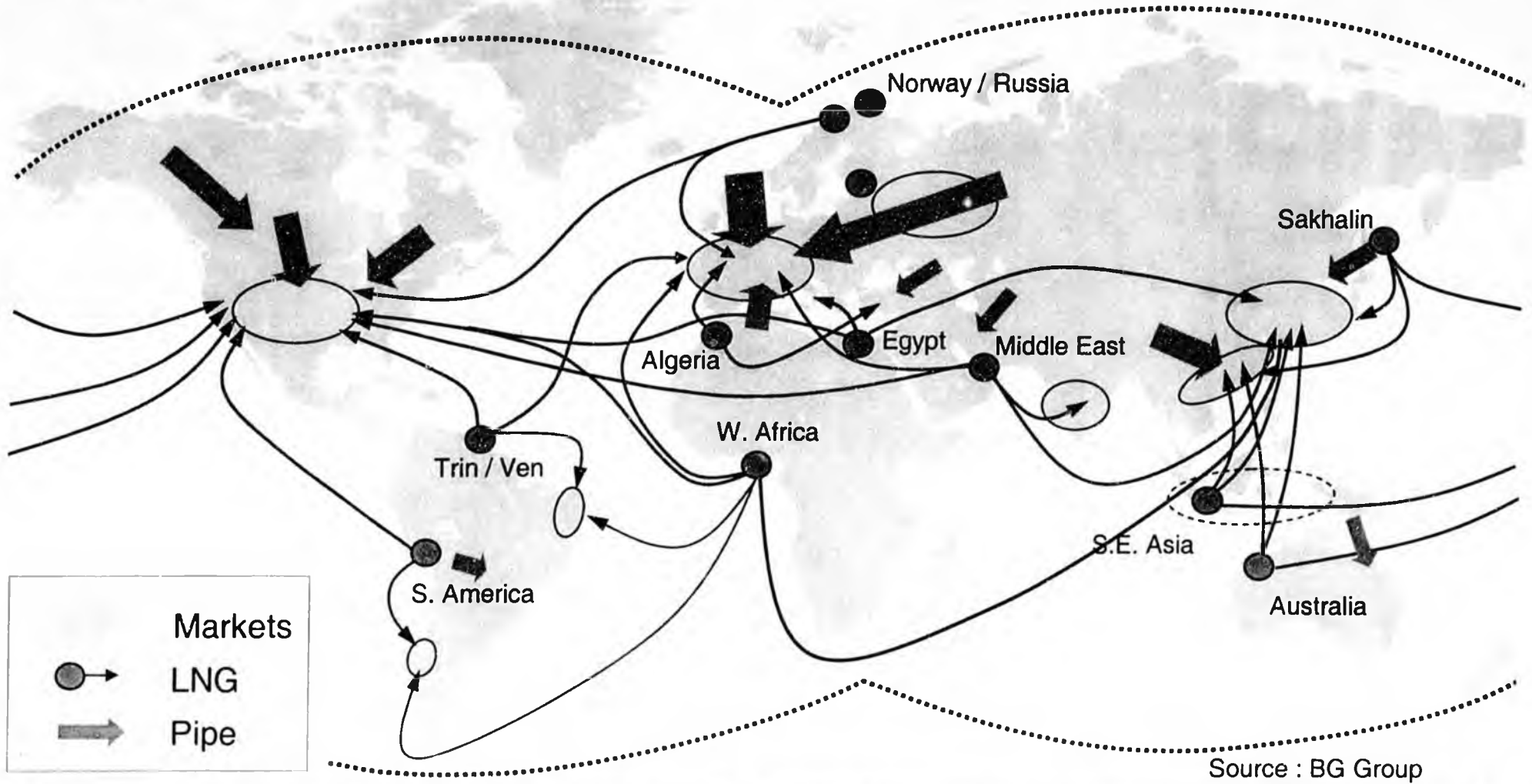
Global gas trade – the recent past



- Markets
- → LNG
- ➔ Pipe

Source : BG Group

Global gas trade – gradually evolving



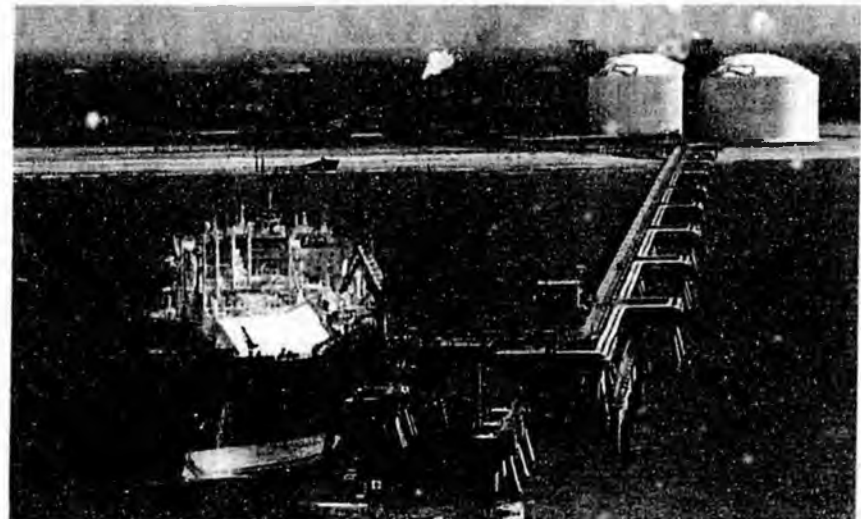
© a globalising gas industry

BG LNG

Supply projects



- Train 1: 3.1 mtpa – 1999 (BG 26.0%)
- Train 2/3: 6.6 mtpa – 2002 (BG 32.5%)
- Train 4: 5.2 mtpa – 2005 (BG 28.9%)
- BG initiated project and was instrumental in Phillips design
- Single train start-up



- Train 1: 3.6 mtpa – 2005 (BG 35.5%)
- Train 2: 3.6 mtpa – 2005 (BG 38.0%)
- Egypt's largest project financing to date
- Unique project commercial structure
- Utilized lessons learnt from ALNG

Atlantic LNG – total export capacity of 15 mtpa in just 7 years

- Lake Charles import terminal
- Phase I expansion Q4 2005
 - 1.2 bcf/d sustainable send out
 - 1.5 bcf/d peak send out
 - 9.1 bcf total storage
- Phase II expansion Q2 2006
 - 1.8 bcf/d sustainable send out
 - 2.1 bcf/d peak send out
- Elba Island import terminal
 - 0.45 bcf/d sustainable send out
 - 0.67 bcf/d peak send out
 - 4.0 bcf storage capacity
 - 1.17 bcf/d firm send out & 8.2 bcf storage after second expansion



Lake Charles

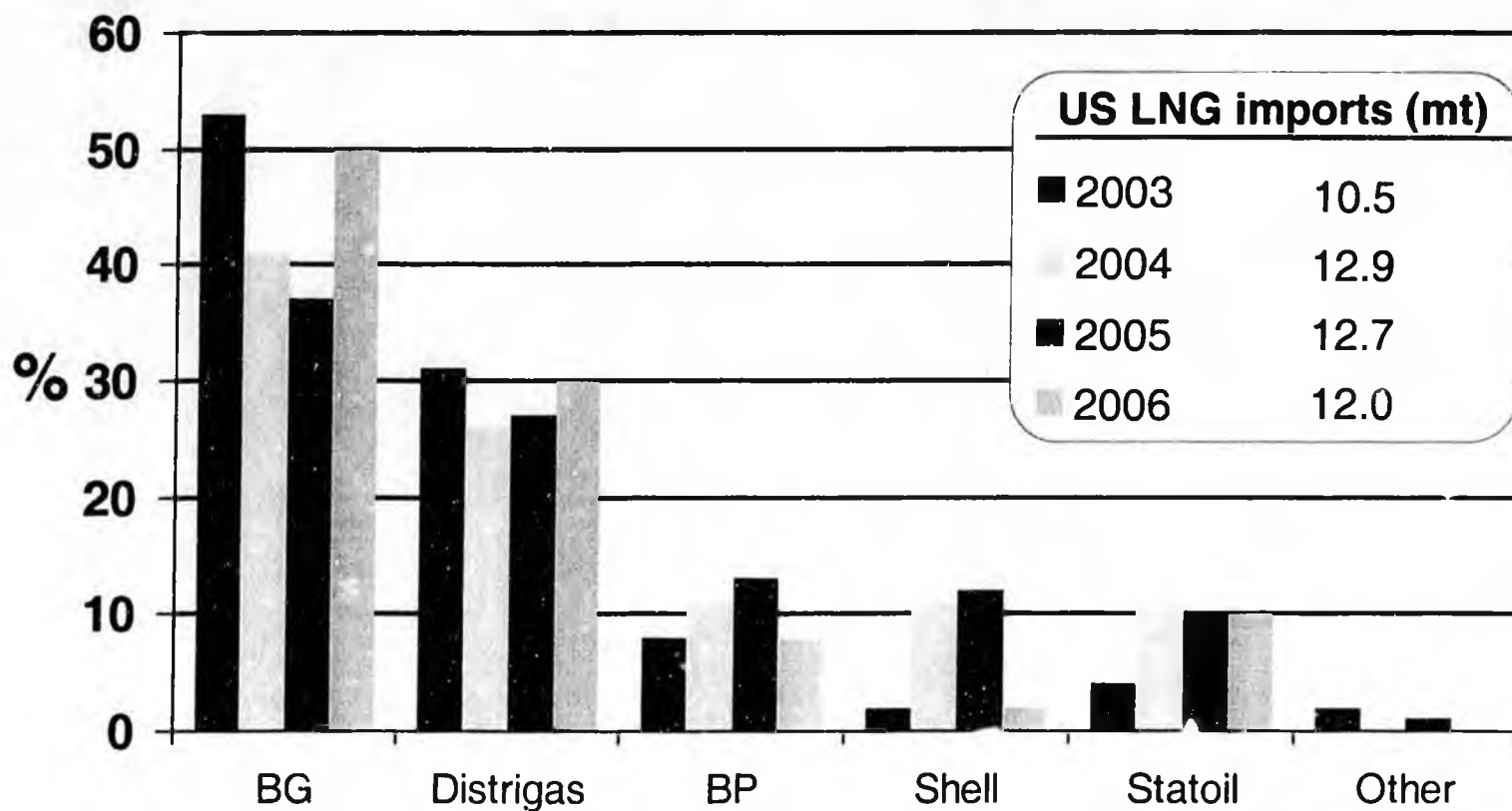


Elba Island

US LNG imports
2003 to present



Share of US LNG imports



Source : DOE

BG LNG Shipping

BG shipping capacity



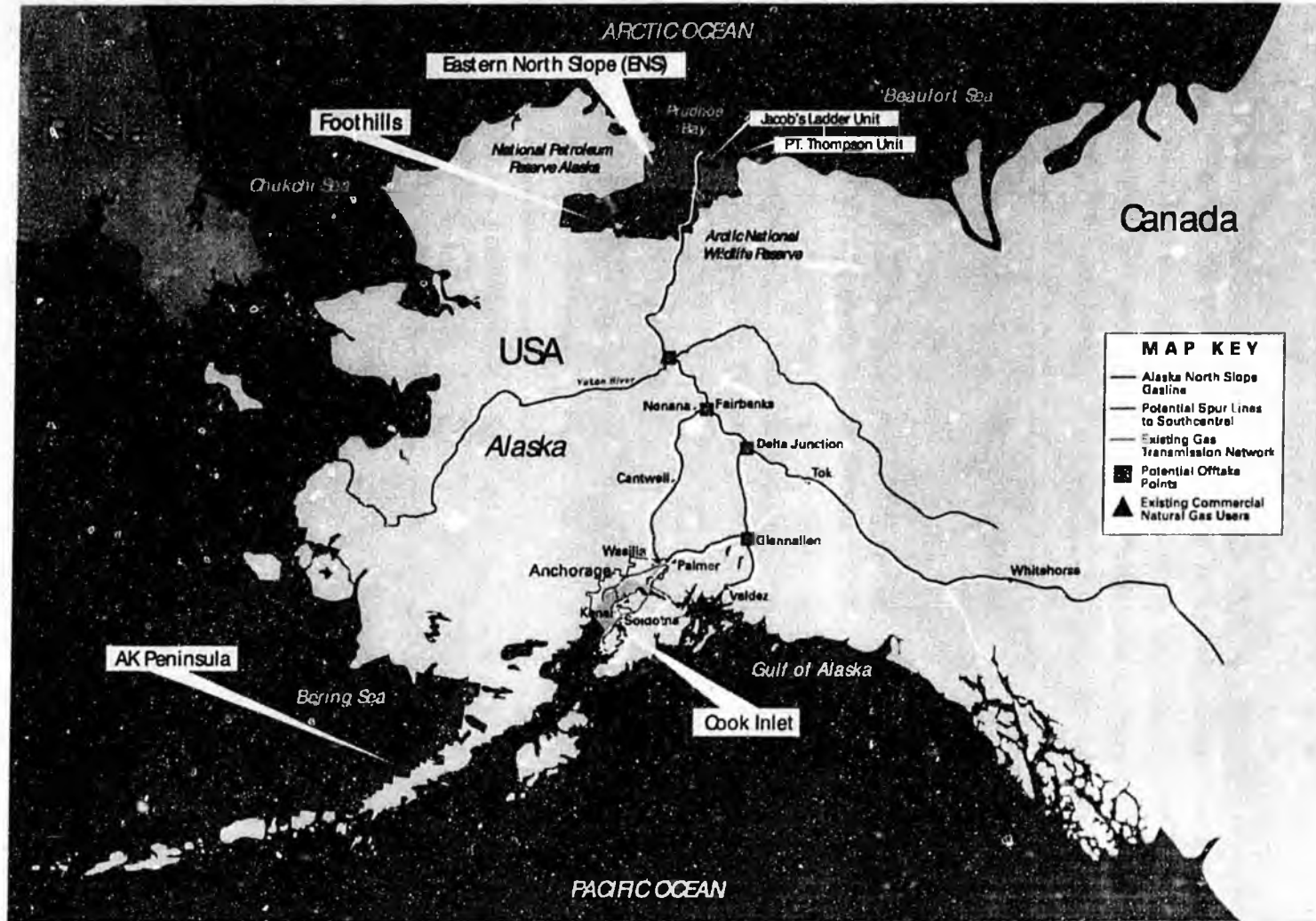
- 4 Golar ships (chartered)
- Methane Princess (20-year charter)
 - Golar new-build delivered early 2004
- Methane Kari Elin (long-term lease)
 - Samsung new-build delivered mid 2004
- Methane Rita Andrea, Methane Jane Elizabeth & Methane Lydon Volney
 - Samsung new-build delivered April, June and August 2006
- 3 new ships scheduled for delivery
 - Samsung new-builds delivery 2007
- 2 new ships scheduled for delivery
 - Samsung 170,000 m³
 - Delivery 2010



Methane Rita Andrea

Linking the LNG chains

Alaska Overview





- BG is investing in Alaska
 - Exploring along North Slope and ENS
- BG is a leading player throughout the natural gas value chain
 - Leading player in LNG - BG is interested in exploring the LNG option
- BG supports AGIA and the development of a pipeline but:
 - Had serious concerns about the previous draft contract
 - Contract must provide a level playing field for all participants
 - Contract must provide reasonable certainty that when we discover gas, we will have access to pipeline capacity
 - BG encourages the State to enter into discussions with independent pipeline companies