

JSC Gazprom in World LNG trading

Vladivostok LNG - a new source of energy for Asia-Pacific

Victor Timoshilov

*Deputy Head of Project Management Department
and Head of Oriental Projects Coordination Directorate
JSC Gazprom*



Gazprom - a world leader in natural gas production and exports

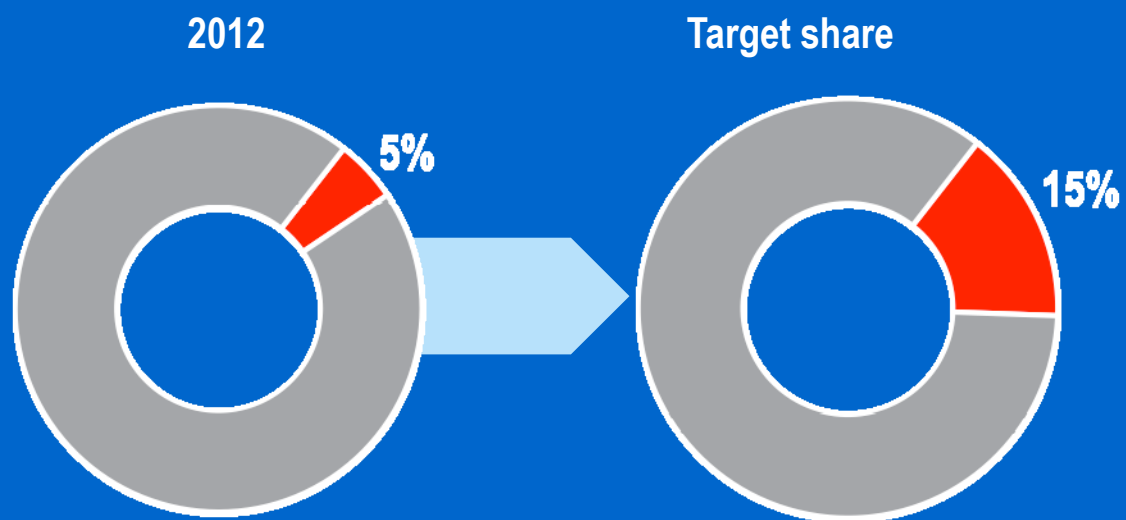
2012

Natural gas production – 487 bcm

Natural gas exports – 203 bcm



Gazprom in World LNG



Sakhalin-2 LNG
production

10,8
mil tons

Non-Russian LNG trading
(including swap operations)

0,82
mil tons

■ World LNG trading
■ Gazprom market share



2009 - Production of LNG started

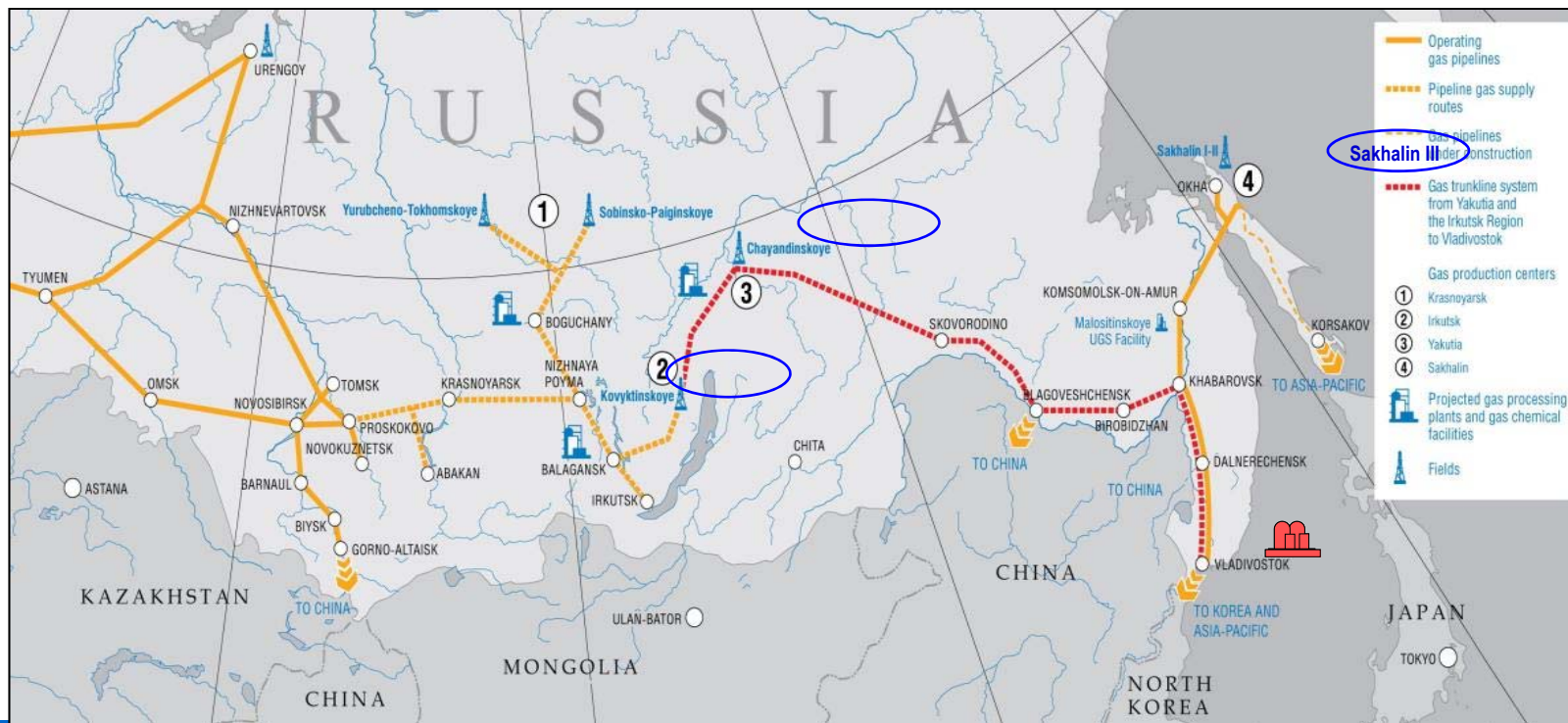
Sakhalin-2 LNG Exports to Japan

- 2010 – 4.381 mil.tons
- 2011 – 7.125 mil.tons
- 2012 – 8.306 mil.tons

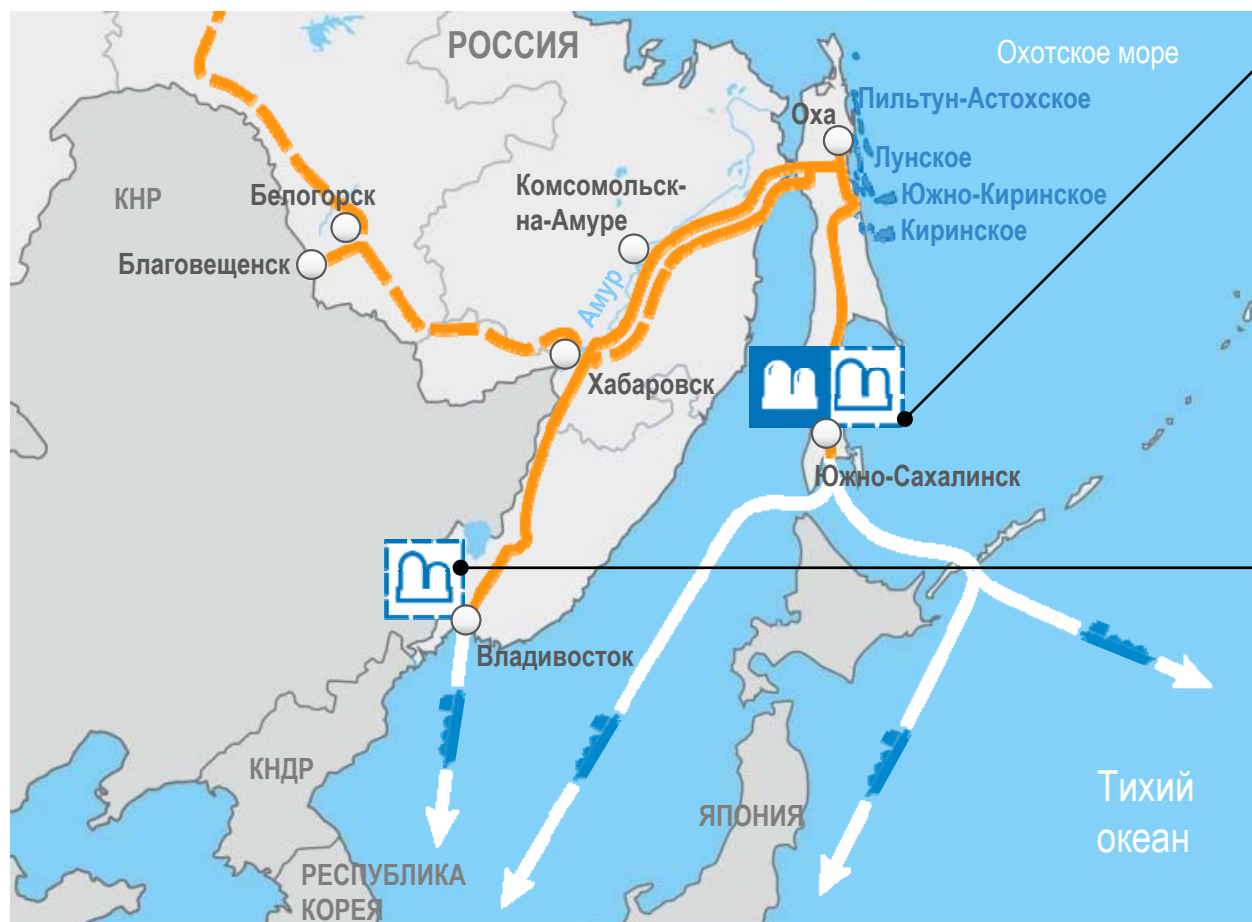


Vladivostok LNG plant resource base

- Strong advantage of the project – dual source of feed gas, supplied from Sakhalin and East Siberian gas fields (Yakutia and Irkutsk Region).
- Sakhalin gas primarily means Sakhalin-3 project gas with estimated gas reserves 1820 bcm, proven reserves – 746 bcm.
- Additional gas reserves: Yakutia - 1755 bcm, Irkutsk Region - 2168 bcm.
- Sakhalin gas will be delivered to Vladivostok via the Sakhalin – Khabarovsk – Vladivostok pipeline (already in operation).
- Upon the completion of the pipeline from East Siberia (“The Power of Siberia Pipeline”) by 2018, additional gas reserves will be allocated for the LNG plant expansion.



Russian Far East LNG production expansion



Sakhalin-2

Installed capacity	9,6 mil tons
2012 actual production volume	10,8 mil tons

Vladivostok LNG

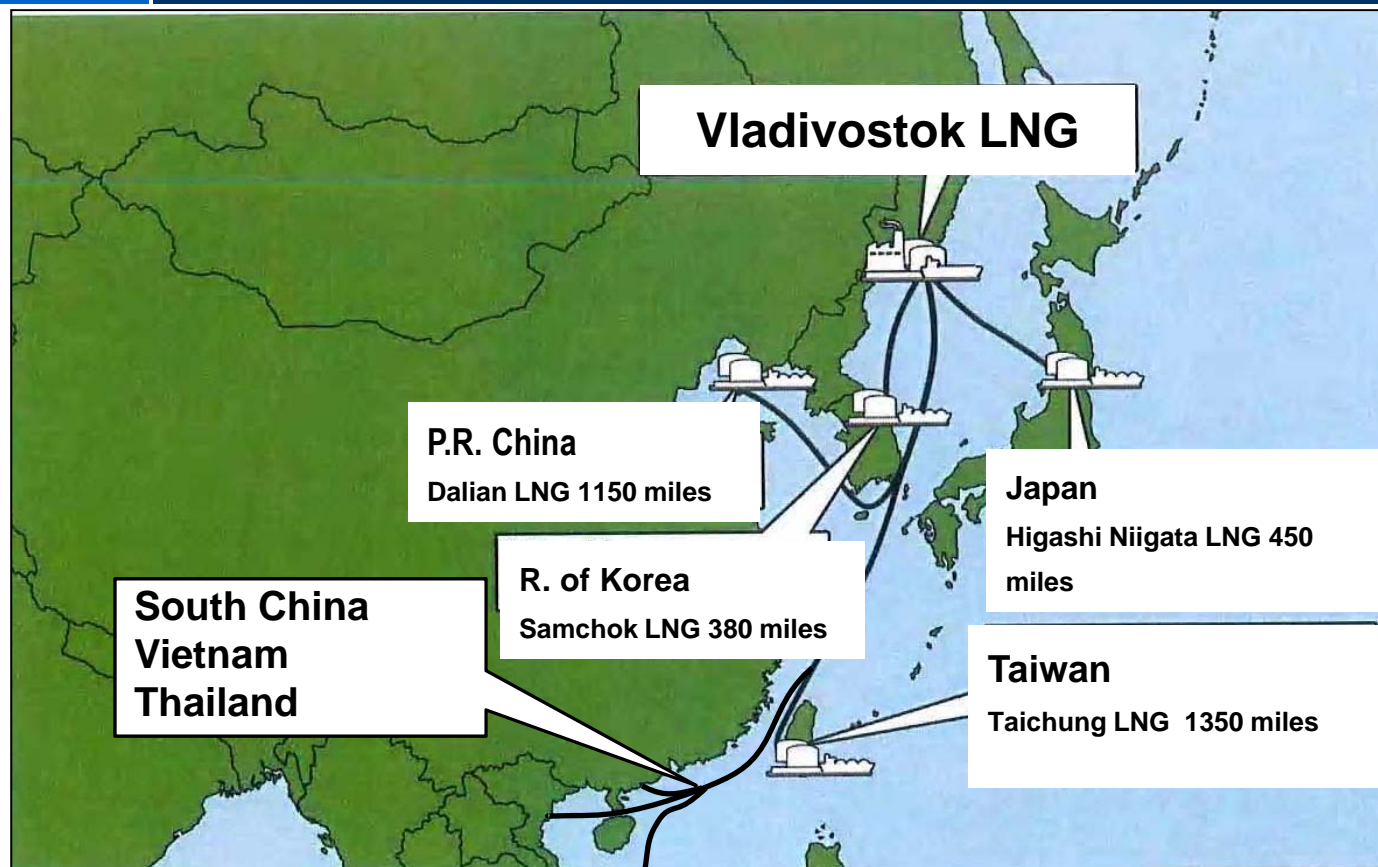
Phase One (two trains)	10 mil tons
Phase Two (expansion)	>15 mil tons
First train commissioning	2018

— Existing pipelines
 - - - Perspective pipelines
 → LNG export routes

LNG plant

Sakhalin-2 LNG plant possible expansion

Vladivostok-LNG Project: Prospective Natural Gas Hub for East Asia



Competitive Advantages of Vladivostok-LNG Project

- Short distance to main demand areas and quick reaction in case of emergency or unexpected demand rise
- Zero dependence on Middle East situation
- Secure shipping routes (no Ormuz, Malacca and other Straits)
- Easy to tie up with Energy policy of Japan

Thank you for your attention!