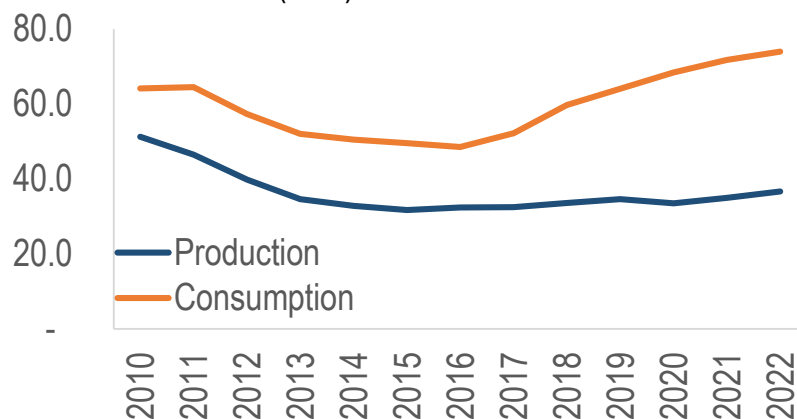


India Natural Gas Outlook

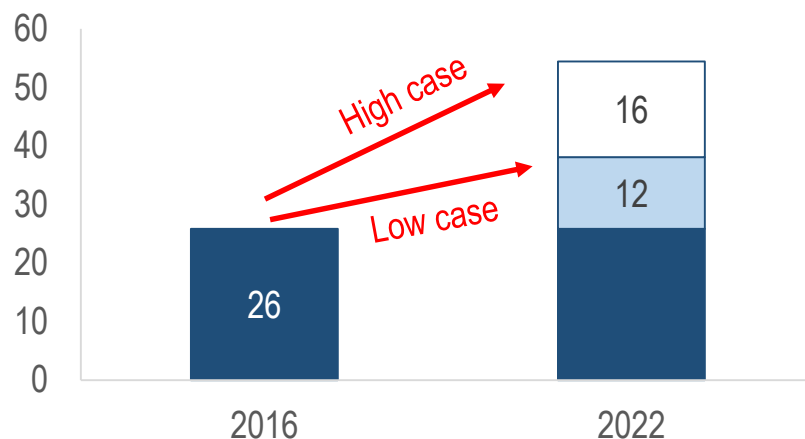
Natural Gas Supply and Demand in India

Billion cubic meters (bcm)



LNG Import Requirements in India

Billion cubic meters (bcm)



Source: various government and industry sources

Demand outlook

- Gas demand is set to grow rapidly, driven by industry and fertilizers, possibly power—quick ramp-up supported by underutilized gas-fired capacity, policies and low LNG prices
- Domestic production has stabilized after years of decline, but reforms are unlikely to boost production in the near term

Pipeline imports unlikely

- Neither TAPI, nor IPI is likely to reach India anytime soon

LNG demand has huge growth potential, but price-sensitive

- India is seen as potentially the largest driver of long-term LNG demand growth globally
- Regas capacity is undergoing significant expansion with several onshore and FSRU projects in progress
- LNG demand is highly price-sensitive and import growth is constrained by infrastructure in most parts of the country

Implications for Europe

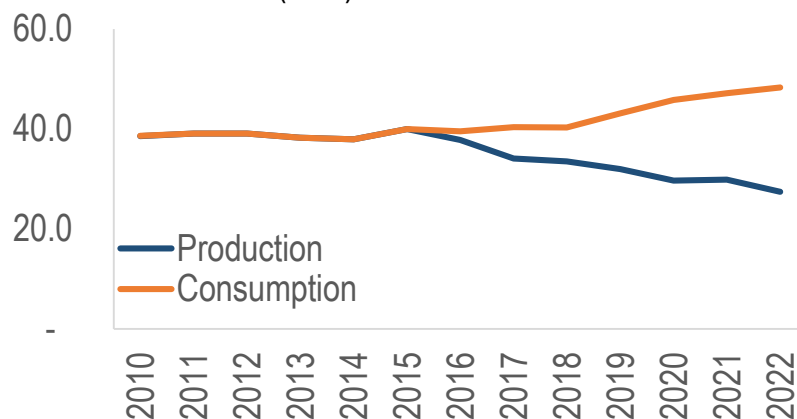
- Rejected volumes from Atlantic Basin (e.g. US) and Middle East (e.g. Qatar) may find a home in Europe



Pakistan Natural Gas Outlook

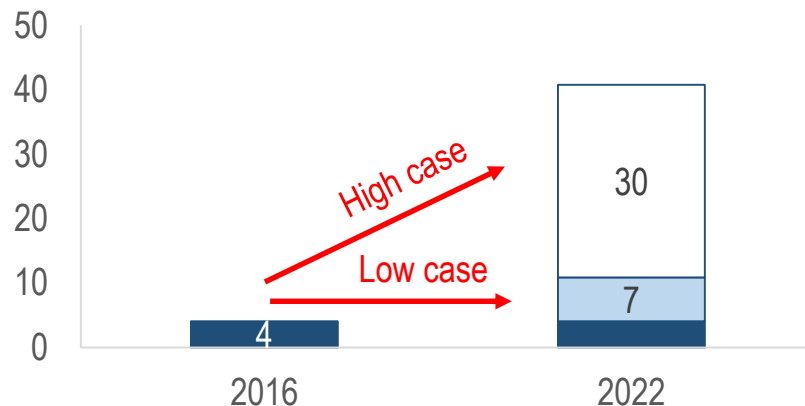
Natural Gas Supply and Demand in Pakistan

Billion cubic meters (bcm)



LNG Import Requirements in Pakistan

Billion cubic meters (bcm)



Source: various government and industry sources

Domestic supply / demand gap widening

- Gas production is set to decline due to the lack of E&P activity and mature production base
- Strong medium-term gas demand growth, mainly driven by power generation

Pipeline imports unlikely before 2020

- The Iran-Pakistan (IPI) pipeline project is stalled
- TAPI enjoys strong government support, but faces immense technical and geopolitical risks and has made little progress

LNG demand on the rise

- Pakistan is emerging as one of the largest FSRU-based LNG importers with 1 operating, 3 firm and 2 planned FSRUs
- How price sensitive will medium term natural gas demand be?

Implications for Europe

- Some of Pakistan's LNG might be sourced from spot markets, ultimately bidding away supplies from Europe

