NAPLES – MAY/15/2019

THE FUTURE OF NATURAL GAS AND LNG

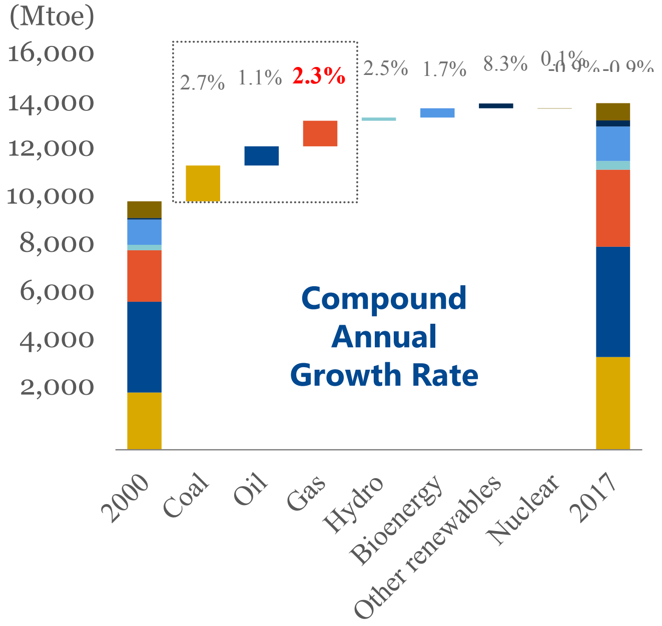
The Small-Scale LNG use Euro-Mediterranean Conference & Expo

Vincent Demoury, General Delegate

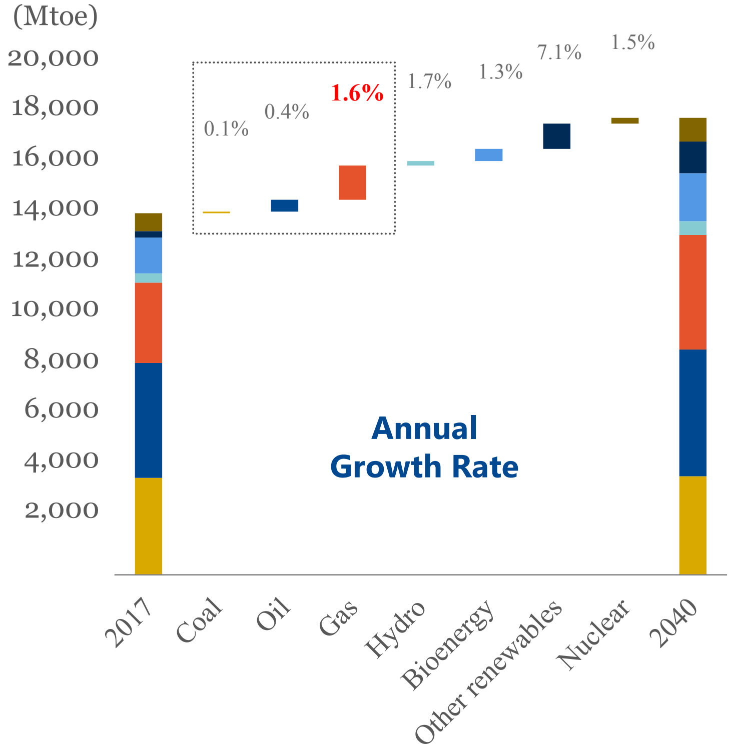
THE WORLD NEEDS MORE & CLEANER ENERGY

Gas will outpace growth of other hydrocarbons and its share in the Primary Energy mix will grow by 2040

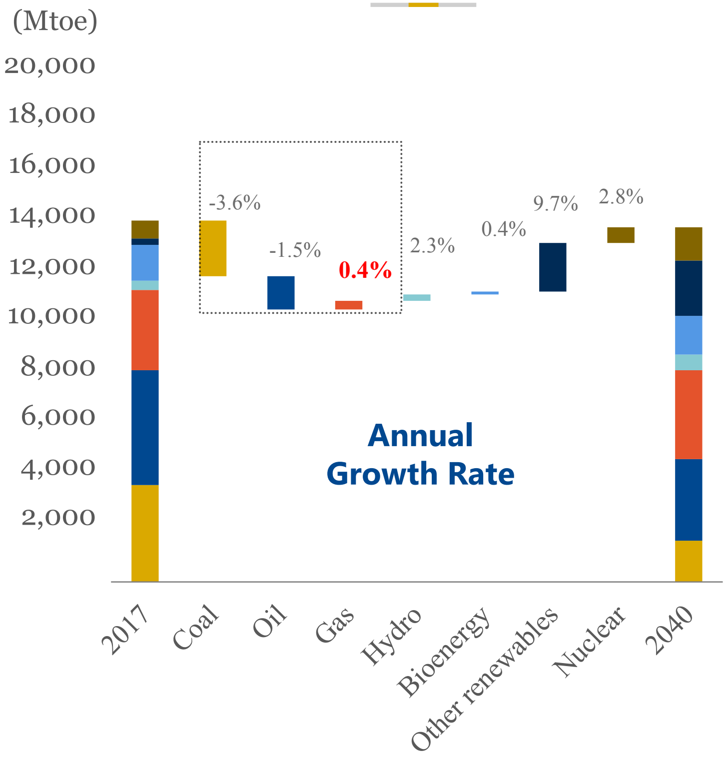
Historical Energy Demand
2000 - 2017



New Policies Scenario
2017-2040



Sustainable Development Scenario
2017-2040

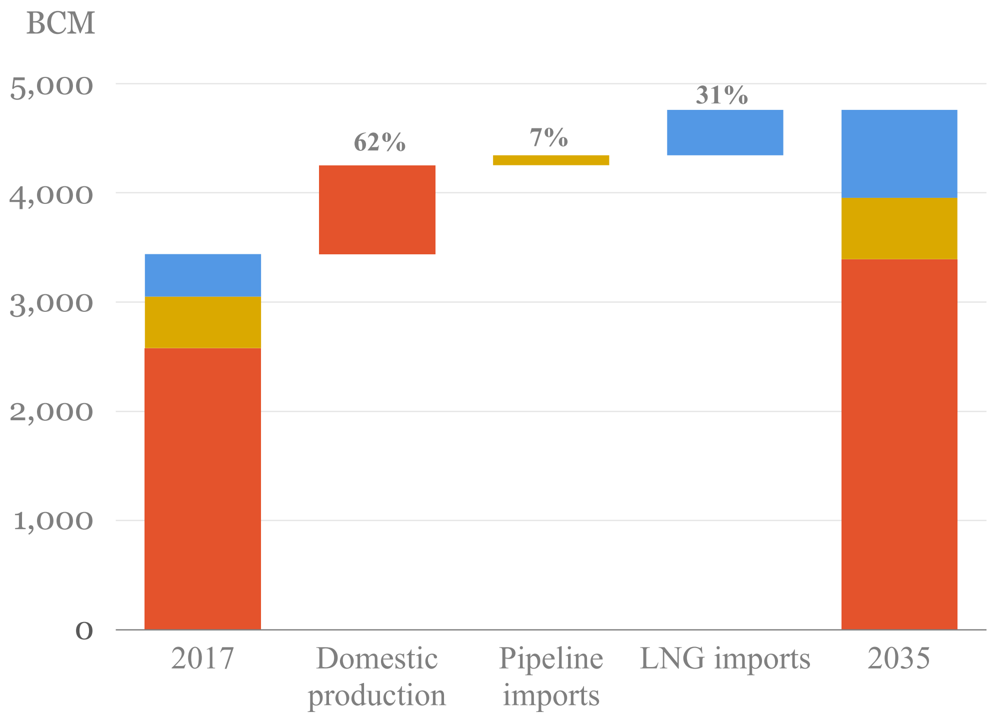


Source: IEA WEO 2018

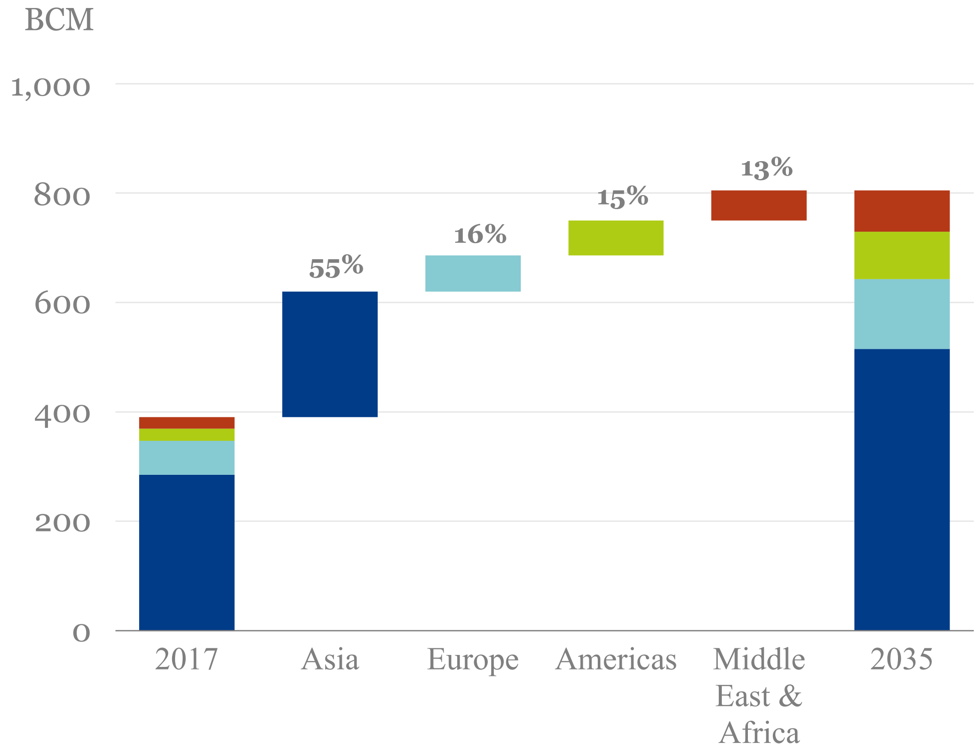
LNG IS THE FASTEST GROWING GAS SUPPLY SOURCE

The LNG market will double between 2017 and 2035

Global gas supply by source



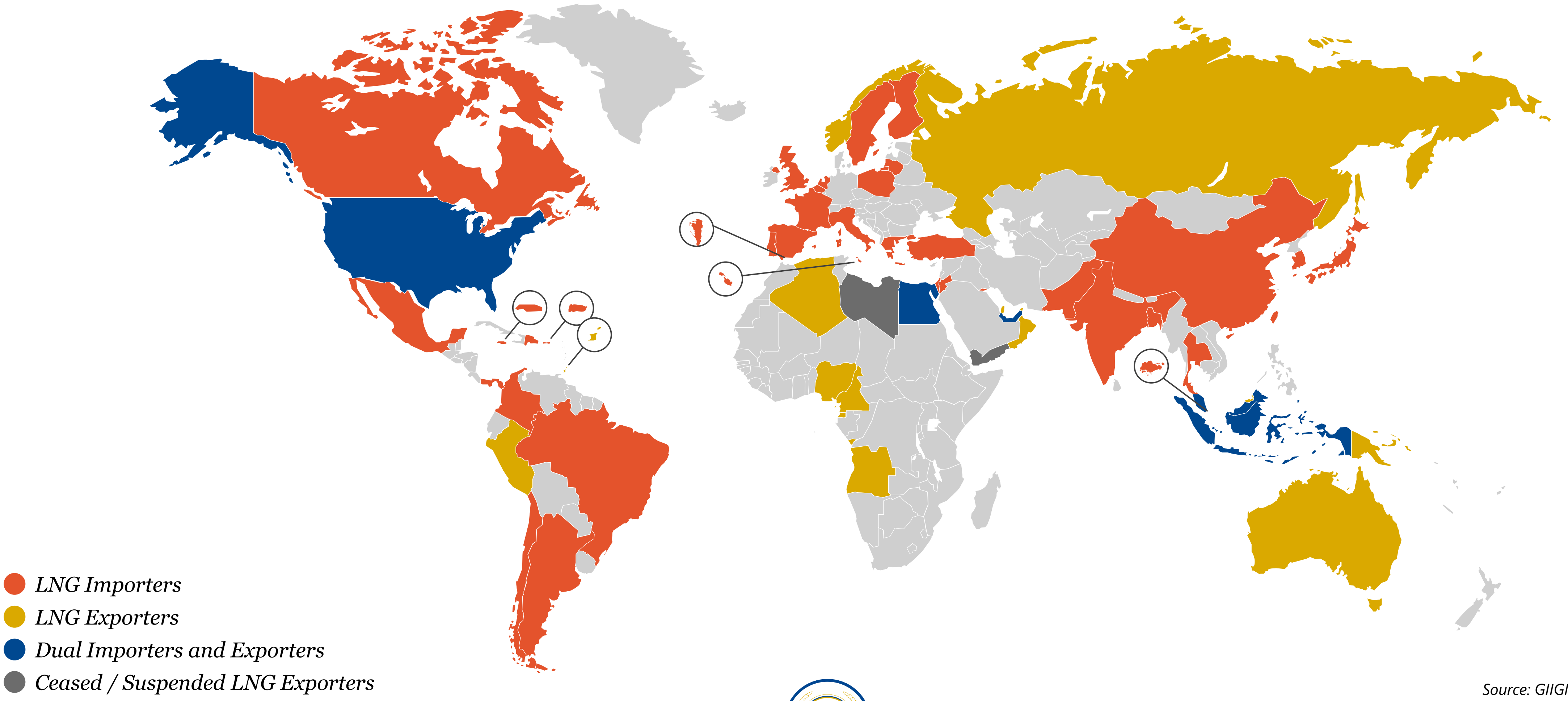
LNG imports by region



Source: Shell LNG Outlook 2018

LNG PROVIDES ENERGY ACCESS TO 42 COUNTRIES WITH A COMBINED POPULATION OF 4.9BN

20 producing countries supplied LNG to 42 importing countries in 2018



Source: GIIGNL LNG Playbook

THE LNG INDUSTRY IN 2018

LNG imports increase for the 5th year in a row

313.8 mt
Imported
+8.3%

406 mtpa
Liquefaction capacity
+41 mtpa

11%
% of global gas demand

25%
*Delivered on spot**

42
Importing countries

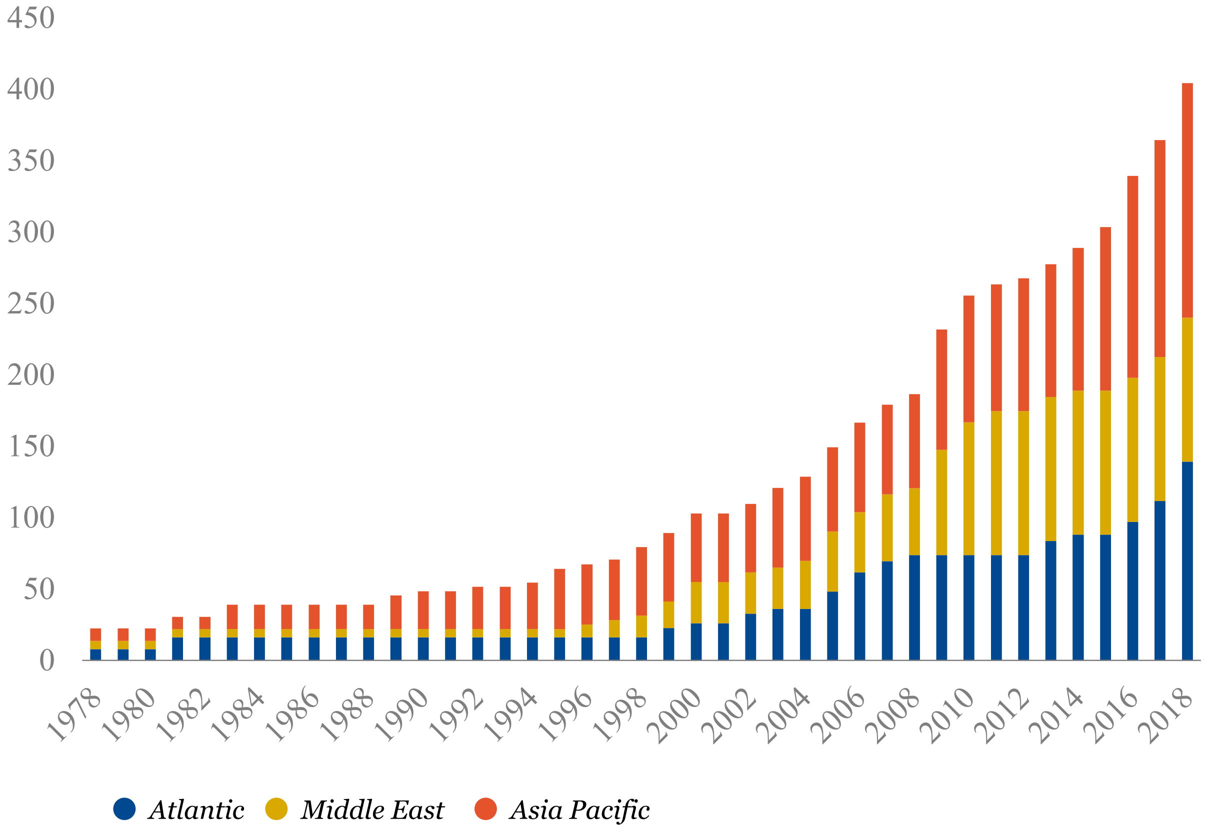
**Spot: transactions with physical delivery occurring less than 3 months from the transaction date*

Source: GIIGNL Annual report

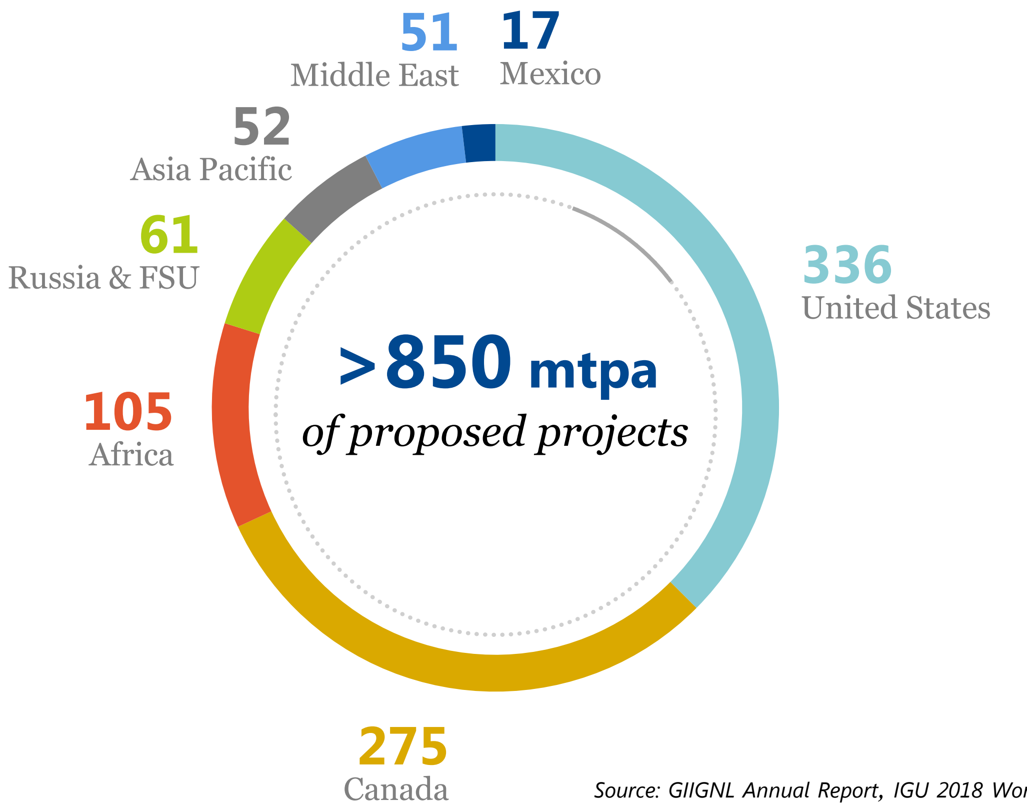
ABUNDANT LNG SUPPLY WORLDWIDE

LNG provides low-carbon energy from multiple regions

Liquefaction capacity by region
(mtpa) 1978-2018



Pre-FID projects (mtpa)

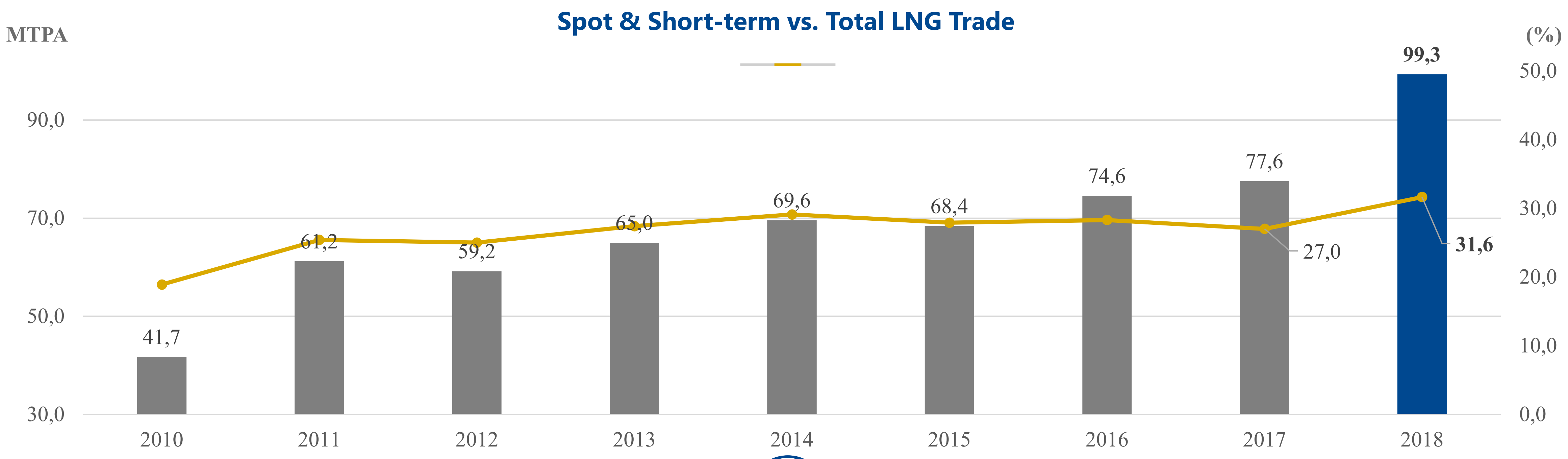


Source: GIIGNL Annual Report, IGU 2018 World LNG Report

SPOT & SHORT-TERM TRADE ON THE RISE

The share of spot & short-term trade increased due to the flexible volumes from US and Russia

Total Imports (MT)	Spot & Short-term		Spot	
	Imports (MT)	Share (%)	Imports (MT)	Share (%)
313.8	***99.3***	***32%***	***78.7***	***25%***



Source: GIIGNL Annual report, Kpler

LNG IS AVAILABLE TO FUEL THE GLOBAL ROAD AND MARINE MARKETS

1 LNG supply is available in key markets globally

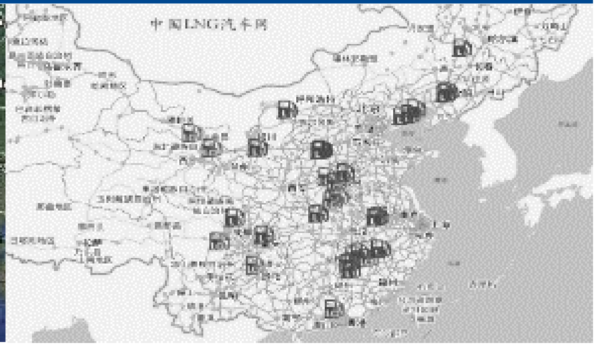
3 The marine segments are adopting LNG

- *Container*
- *Tanker*
- *Bulker*
- *PCT*
- *OSV*
- *Ferry*






2 The LNG road network is developing in EU & China

4 Key downstream infrastructure is being developed

Source: Shell

CREATING SUSTAINABLE ENERGY SYSTEMS WITH LNG

- Policy-driven emerging economies will continue to drive demand growth
- LNG growth will outpace gas demand growth
- Supply expansion underway but competitiveness remains essential
- Public policies need to recognize the benefits of LNG in terms of energy security, affordability and sustainability
- Uncertainties remain high but manageable

THANK YOU

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