

The Key to LNG Market Growth
- Long-Term Solid Buyers -






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■ Rapid expansion of LNG market ?

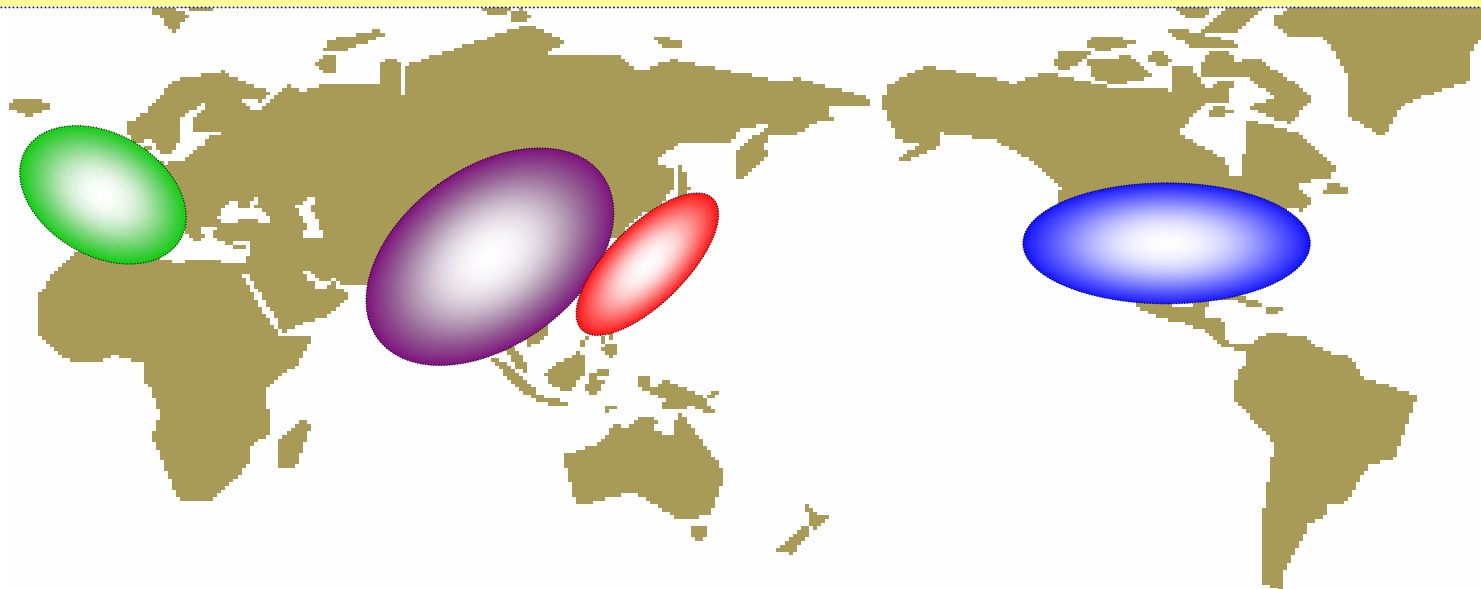
- 4 LNG markets : **US**, **EU**, **East Asia**, **New Asia** (China, India...)

US : *Rapid growth of market, but volatile*

EU : *Not so fast as expected*

East Asia : *Stable growth of market*

New Asia : *Depending on infrastructure development*



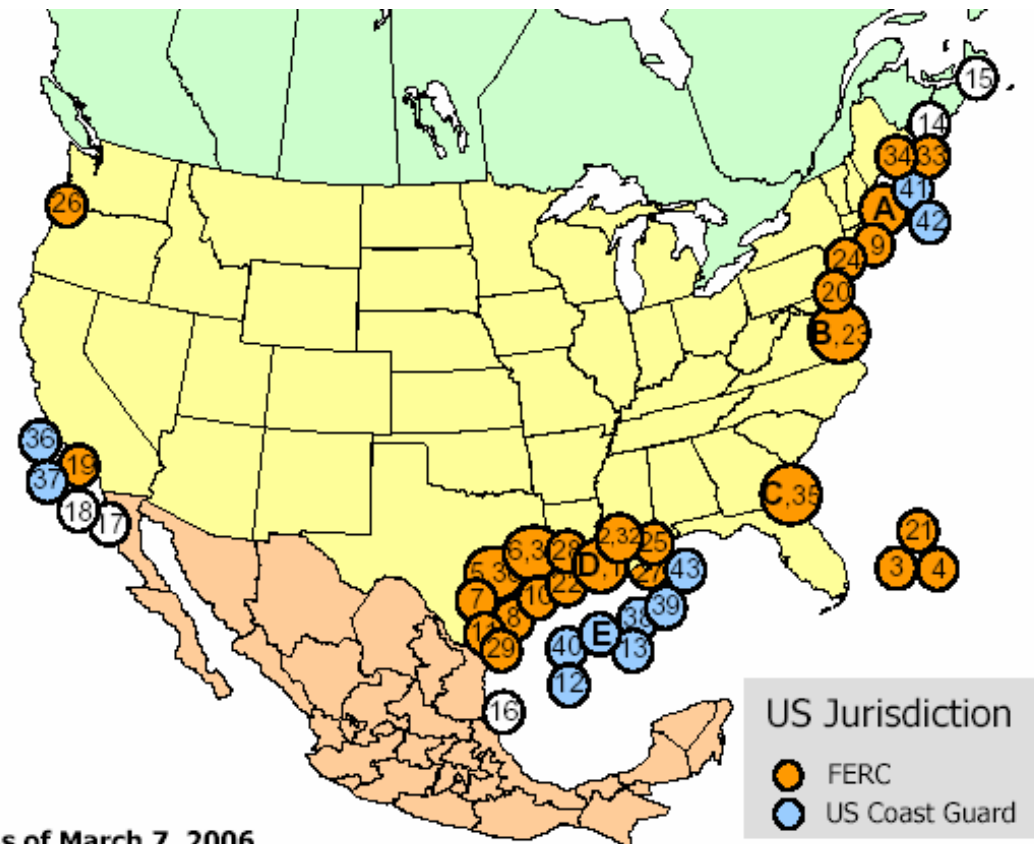
The US makes LNG market volatile

- Many new LNG buyers in the US = masked buyers?
- Expansion of wholesale marketers...
...makes LNG market unstable...



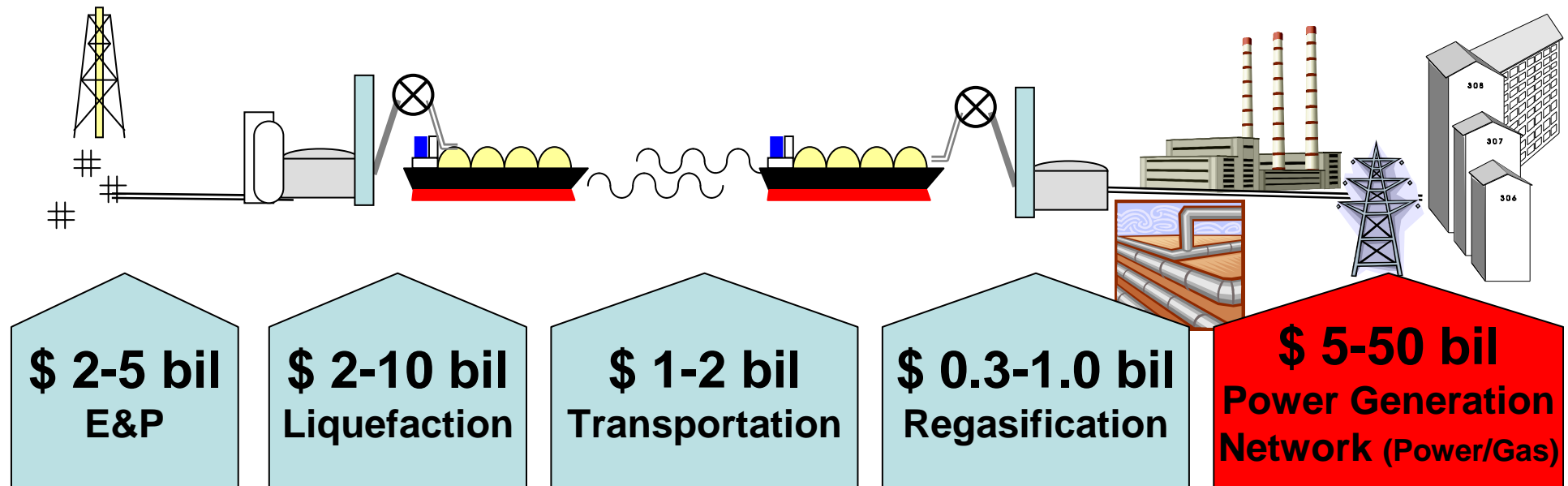
Price would be volatile

- Importance of Utilities
with identified demand

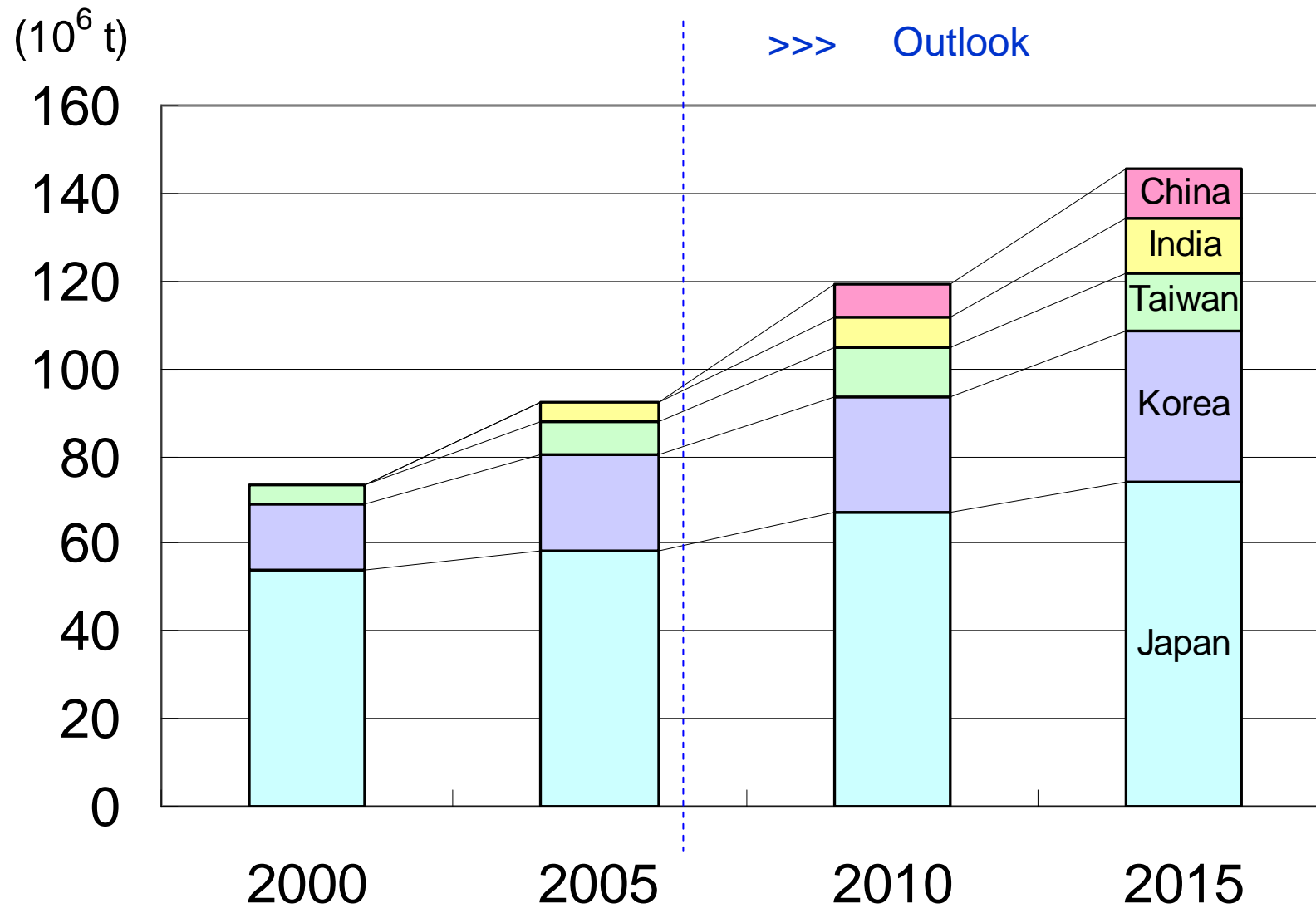


LNG to China depends on infrastructure development

- Downstream development is critical for Chinese market
 - New Asian markets need to develop downstream infrastructure
 - Large price elasticity
 - LNG receiving terminal plans without assured demand



LNG Demand Outlook in Asia



Example of Seller / Buyer Cooperation

Tokyo Gas Contract



	Darwin	Gorgon	Pluto
Seller	Darwin LNG	Chevron	Woodside
Quantity	1 mtpa	1.2 mtpa	1.5 - 1.75 mtpa
Duration	17 yrs	25 + 5 yrs	15 + 5 yrs
Transport	FOB	FOB	Ex-ship
Equity	3.36%	TBD	5%

- Seller/Buyer cooperation for launching new LNG project



- Tokyo Gas is the foundation buyer / investor in new LNG projects
- Tokyo Gas is a "solid" buyer with assured demand and is required by sellers for launching new LNG projects

Thank you very much!!



Wishing you the best for the
prospective future!!

Reference : LNG Imports (2004 / 2005)



	(10 ⁶ t)		
	<i>2004</i>	<i>2005</i>	<i>Var. 2004-05</i>
US	12.9	12.7	(-1.7%)
EU	26.8	32.6	(21.4%)
East Asia (Japan, Korea, Taiwan)	86.0	87.8	(2.1%)
New Asia (India)	2.0	4.6	(133.4%)
Others	3.5	4.1	(17.0%)
Total	131.2	141.7	(8.0%)