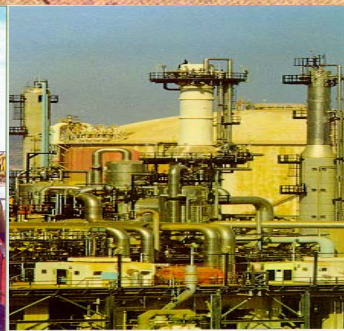




# SONATRACH

ROUND TABLE - 24<sup>TH</sup> JANUARY 2006

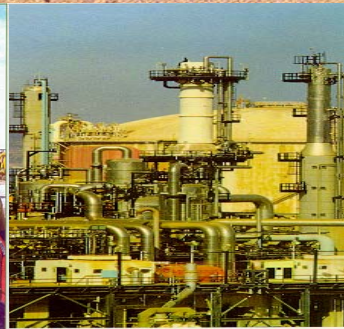
16TH SESSION OF WORKING PARTY ON GAS - UNECE





# PART-I

## Sonatrach Activities Overview & Developments



# SONATRACH : A FULLY INTEGRATED COMPANY

## Core activities

- E & P
- Transportation
- Downstream
- Marketing

## International activities

- E & P
- Transportation
- Downstream
- Trading of Oil & Gas
- Shipping

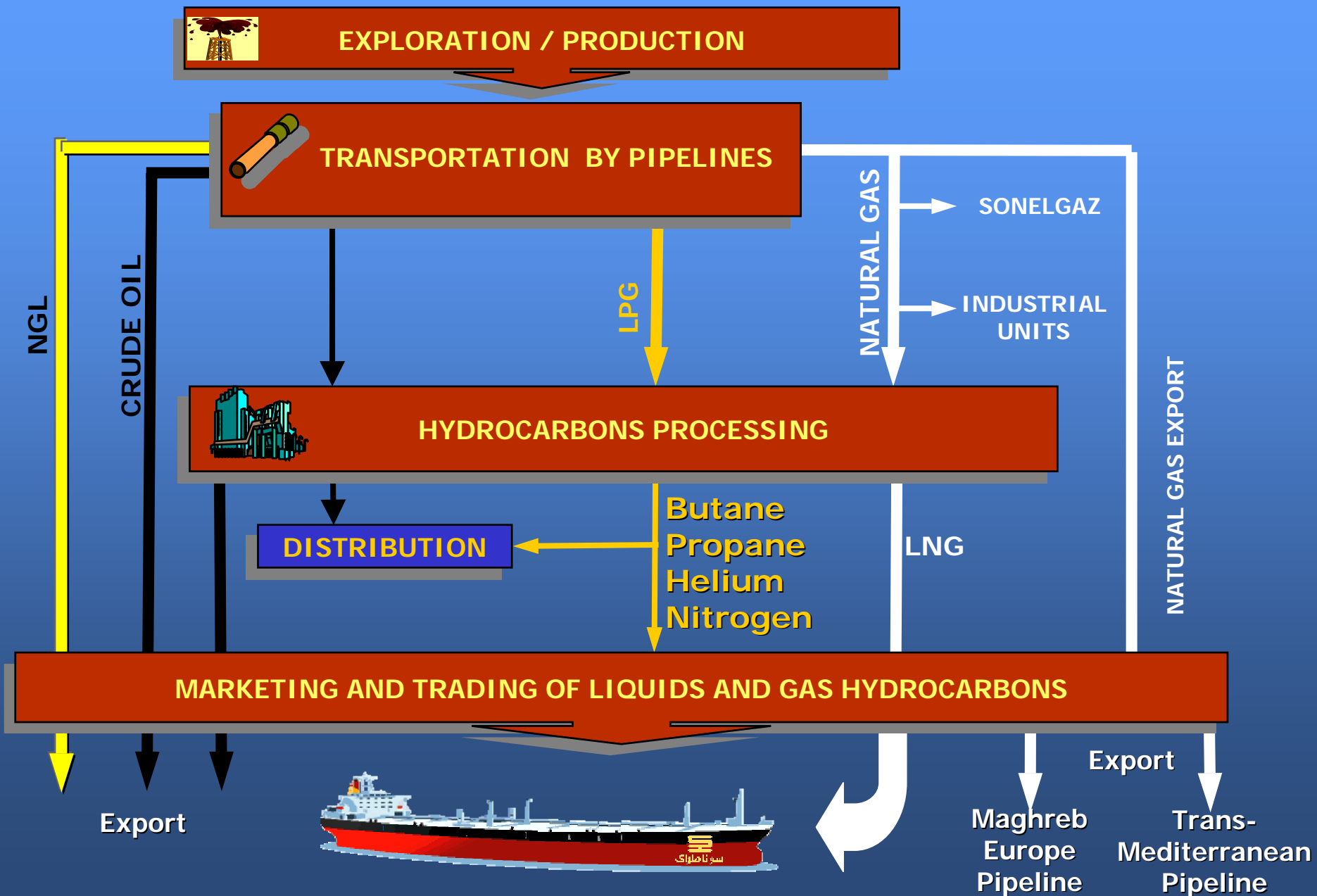
## Main Affiliates (100%)

- Naftec (refining)
- Enip (Petrochemicals)
- Naftal (domestic Distribution of Petroleum products)
- Hyproc (hydrocarbons shipping)
- SIHC (Sonatrach International)

## Affiliated activities (51%)

- ENTP & ENAFOR (Drilling)
- ENSP (well Services)
- ENAGEO (Geophysics)
- ENGTP (Construction)
- ALGERIAN ENERGY COMPANY (50%)

# SONATRACH CORE ACTIVITIES



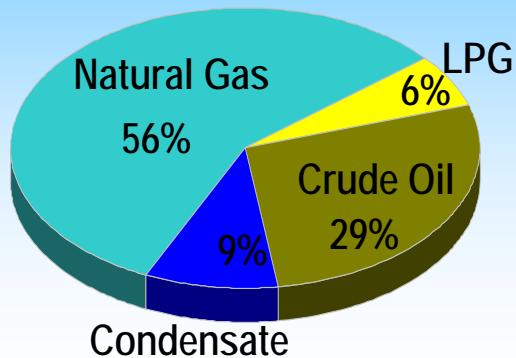
# SONATRACH MAIN OBJECTIVES

- ⇒ Pursue the dash of the hydrocarbons production growth started since 1991 with a rate of 3% per annum.
- ⇒ Pursue development of core business activities by:
  - Enhancing Hydrocarbons reserves
  - Increasing hydrocarbons production
  - Increasing hydrocarbons exports

# SONATRACH – 2004 KEY FIGURES

## Reserves

- Reserves : 141 Billions Boe
- Proven Reserves :  $\approx$  40 Billions Boe



## Production

- Total Volume : 223 Mtoe
- Crude Oil & NGL : 1.6 MB/d
- Natural Gas : 14.0 Bcf/d
- LPG : 0.3 MB/d

## Marketing

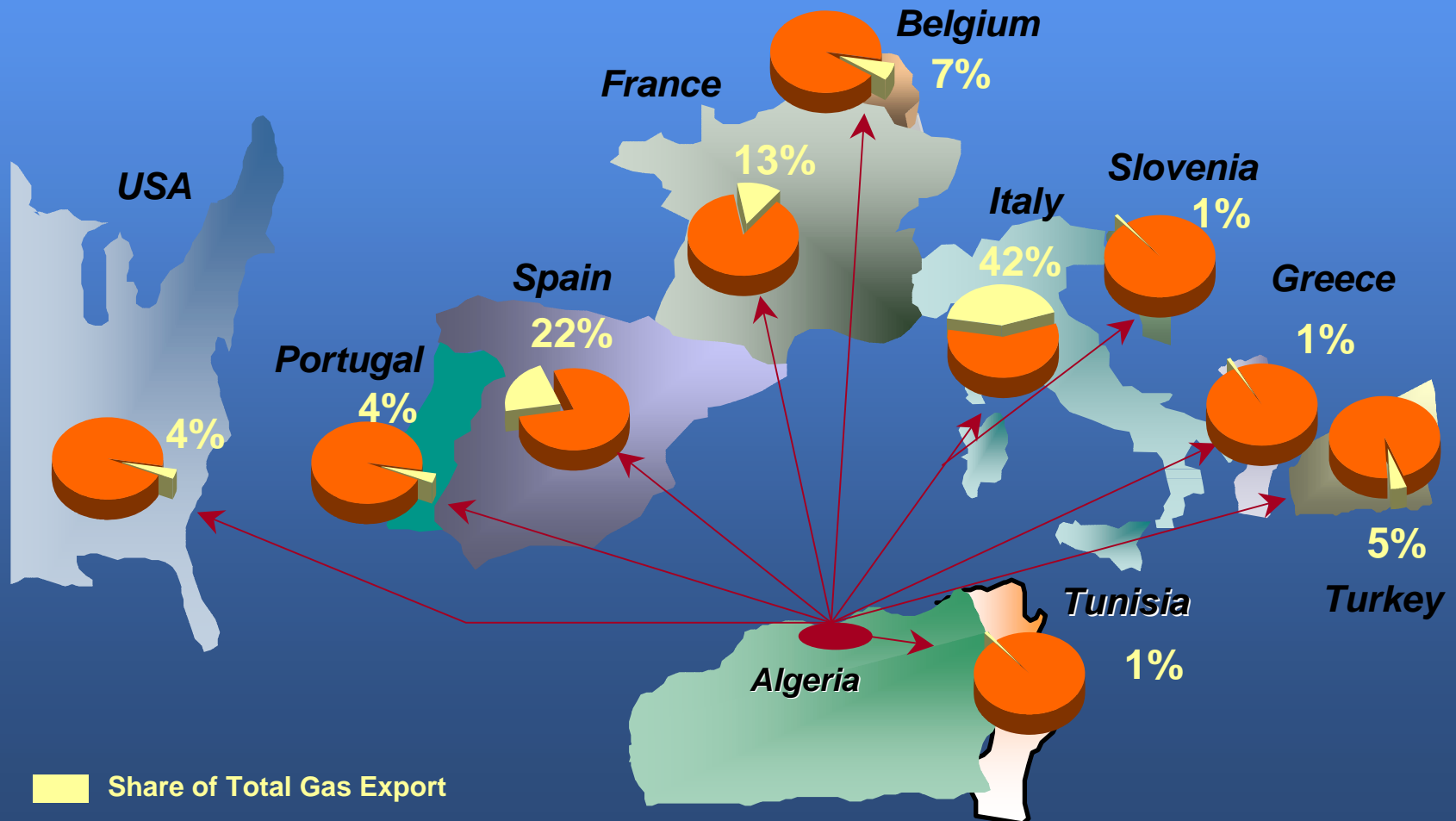
- Total Volume exported : 133.4 Mtoe
- Crude Oil & NGL : 1.2 MB/d
- Refined Products : 0.2 MB/d
- Natural Gas : 3.4 Bcf/d
- LNG : 2.4 Bcf/d
- LPG : 0.2 MB/d

Domestic Market : 31.3 Mtoe

# SONATRACH : A MAJOR GAS SUPPLIER

**2004 Gas Export : 5.8 Bcf/d**

59% by Pipeline and 41% LNG.



# SONATRACH 2005-2010 INVESTMENTS

**24 Billions US Dollars**

**Sonatrach : 70%**



**Partners: 30%**

**From which:**

● **Upstream : 48%**

✓ **Exploration.**

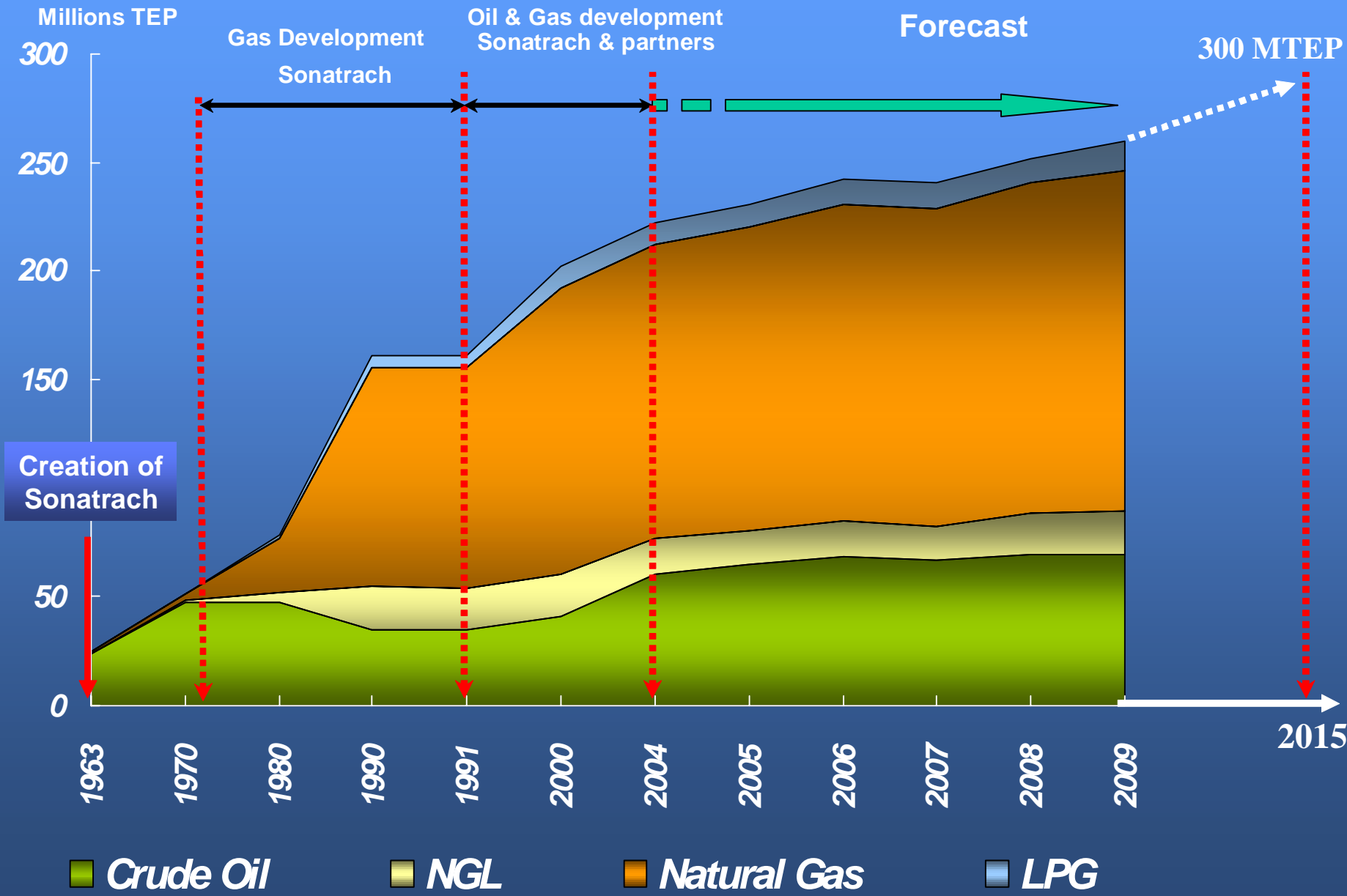
✓ **Gas and oil field development.**

● **Pipelines : 11%**

● **Downstream : 7%**

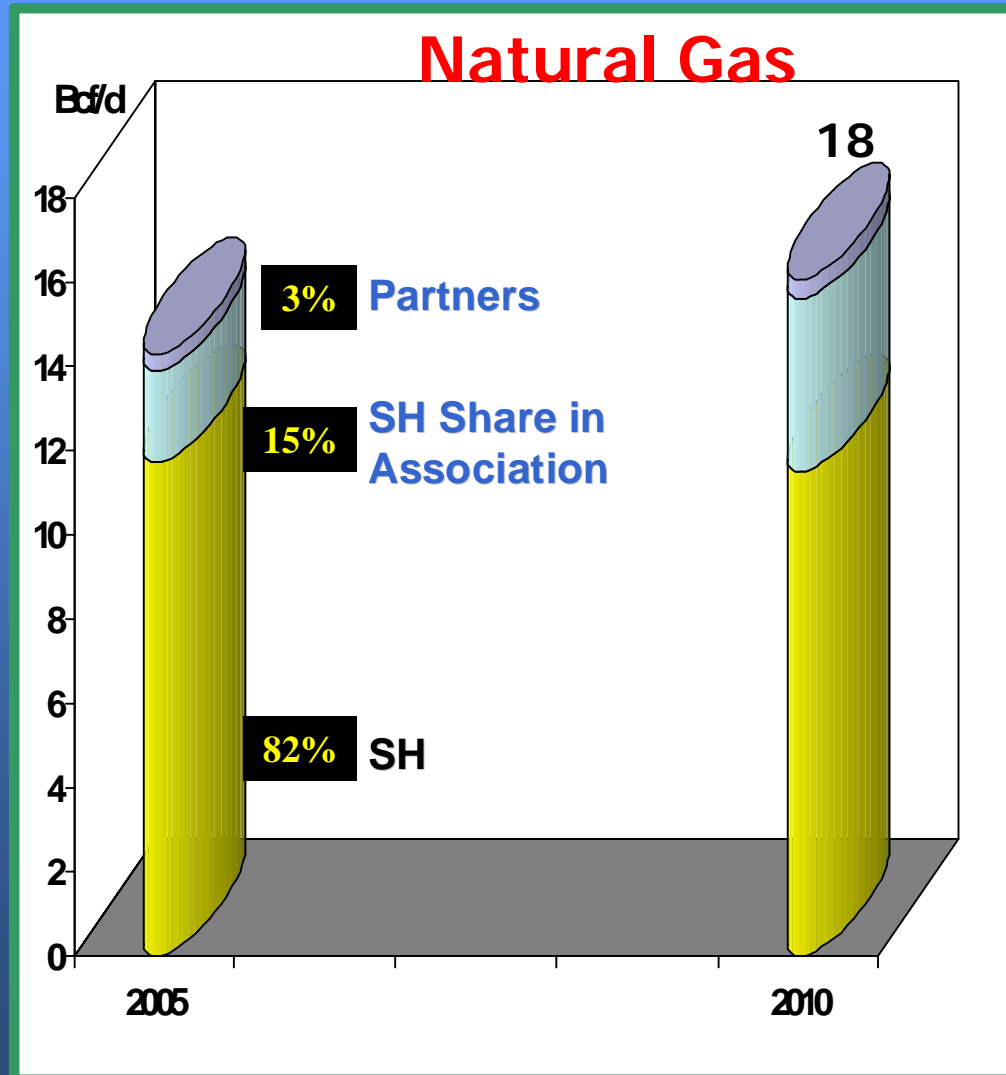
● **Environment & Others : 3%**

# HYDROCARBONS PRODUCTION PROFILE



# NATURAL GAS PRODUCTION PROFILE

## Production Capacity by 2010

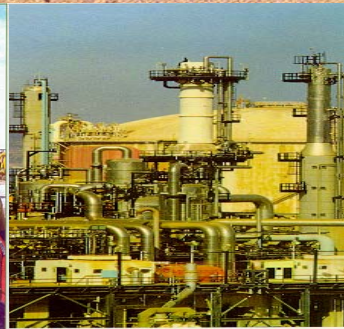


exports  
by 2005 :  
**60 BCM/YEAR**

New export  
target by 2010 :  
**85 BCM/YEAR**



## PART-II GAS TO POWER



# NEW PROJECTS TO SUPPLY SOUTH OF EUROPE



## ● MEDGAZ PROJECT

Direct line Algeria–  
Europe via Spain  
(8 Bcm/year, starting  
2008)

Partners :

**Sonatrach, Cepsa, BP,  
Endesa, Iberdrola, GDF,  
Total**

**More than 80% of the  
contracted volumes are  
linked to the power  
generation in Spain**

# NEW PROJECTS TO SUPPLY SOUTH OF EUROPE



## ● **GALSI PROJECT**

**Direct line Algeria–Italy via Sardinia**

**(8 Bcm/year, starting 2009)**

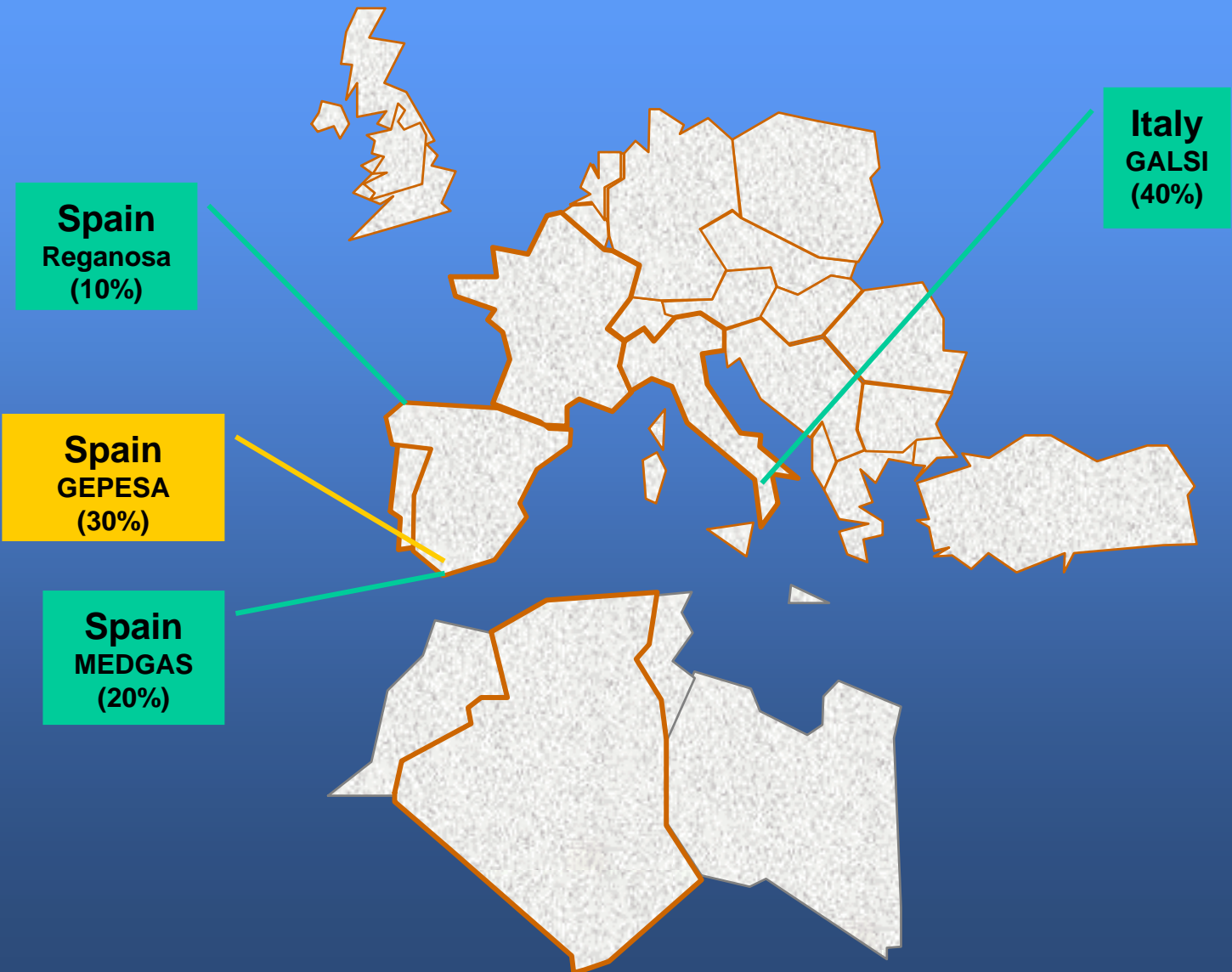
**Partners :**

**Sonatrach, Edison, Enel,  
Wintershall, EOS Energia,  
Progemisa, Sfrs.**

**Volumes not yet allocated.**

**Gas to Power will be significant if referring to the basic activity of the project initiators.**

# SONATRACH IN THE WORLD – Power Generation



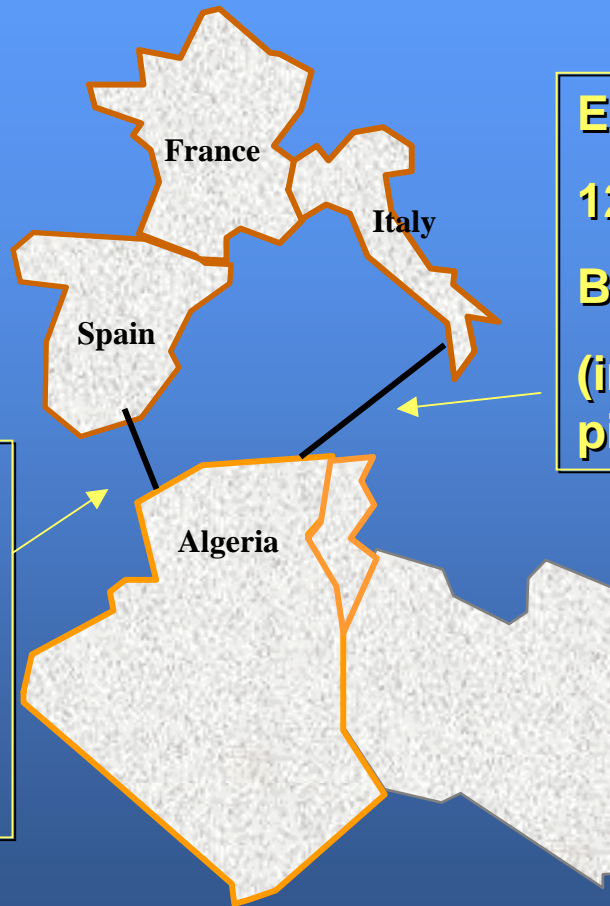
# SONATRACH IN THE WORLD – Power Generation

**SPAIN :** Discussions for supplying CCGT Project and  
being shareholder 2000 MW

**ITALY :** Discussions for supplying CCGT Project and  
being shareholder 4000 MW

**PORTUGAL:** Discussions for supplying CCGT Project and  
being shareholder 2500 MW

# SONATRACH IN THE WORLD – Power Generation



**Electricity Project Export :**  
**1200 MW**  
**Beni-Saf ..... Almeria**  
**(in parallel with Medgaz pipeline)**

**Electricity Project Export :**  
**1200 MW**  
**Beni-Saf ..... Almeria**  
**(in parallel with Galsi pipeline)**