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 Sevices)
- ENAGEO (Geophysics)
- ENGTP (Construction)
- ALGERIAN ENERGY COMPANY (50%)
SONATRACH CORE ACTIVITIES

- Exploration / Production
- Transportation by Pipelines
- Hydrocarbons Processing
- Distribution
- Marketing and Trading of Liquids and Gas Hydrocarbons
- Natural Gas Export
  - Maghreb-Mediterranean Pipeline
  - Maghreb Europe Pipeline
  - Trans-Mediterranean Pipeline

Key Products:
- Crude Oil
- NGL
- Natural Gas
- LPG
- Butane
- Propane
- Helium
- Nitrogen

Sectors:
- Exploration / Production
- Transportation by Pipelines
- Hydrocarbons Processing
- Distribution
- Marketing and Trading of Liquids and Gas Hydrocarbons
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: ≈ 40 Billions Boe

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

Production

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

Production Capacity by 2010

Natural Gas

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, Sfirs.

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

Spain
- Reganosa (10%)
- GEPESA (30%)
- MEDGAS (20%)

Italy
- GALSI (40%)
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)