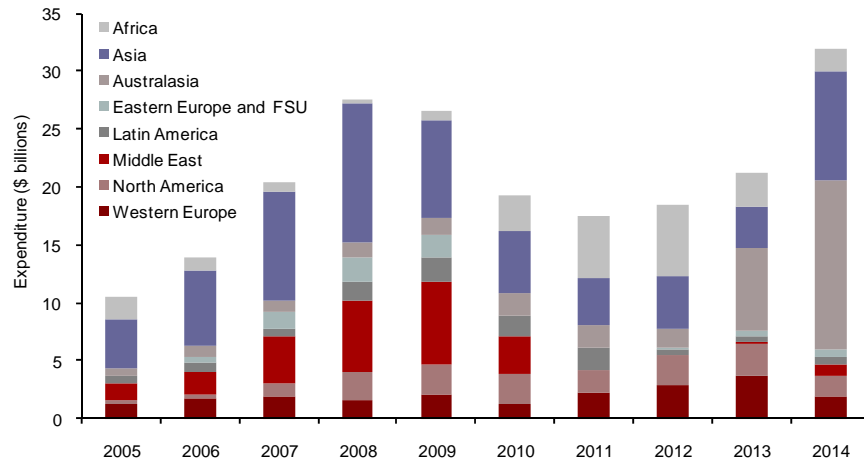


New Douglas-Westwood forecast predicts Australian investment to drive global LNG expenditure to \$32 billion per annum by 2014



Expenditure on LNG Facilities by Region 2005-2014

Source: 'The LNG Market Report 2010-2014,' Douglas-Westwood

Business energy analyst company Douglas-Westwood predicts Australasia will be the main driver in global LNG expenditure over the next five years – contributing to a 10 year high of \$32 billion per annum by 2014. This is just one of many key expenditure forecasts revealed in the company's, "World LNG Market Report 2010-2014," which was launched today. The report suggests that much of the sector's growth will be driven by an abundance of promising liquefaction projects in Australia, which are scheduled to come onstream from 2015.

"The past year has been a difficult one for the LNG industry. Reduced gas demand in the core consumer countries coupled with massive capacity additions in the Middle East and Russia has led to a worldwide oversupply of LNG, which has driven down gas prices," explains lead Douglas-Westwood analyst, Lucy Miller. "With the exception of the Gorgon project, major investment decisions have been few and far between as operators have struggled to raise the necessary capital required to fund these developments. While there is evidence that costs have declined from the heights of 2008, they remain historically high further discouraging investment."

In the latest edition of, "The World LNG Market Report," Douglas-Westwood highlights capital LNG facilities expenditure over the 2010-2014 period. It also examines new prospects for LNG liquefaction & regasification terminals and LNG carriers, looks at the technology underlying the LNG business and presents market forecasts for activity in the sector over the 2010-2014 period.

The market model used to develop the forecasts is based on a project-by-project review of development prospects, with the timing of expenditure phased to reflect likely project structure. The 196 page report includes 136 charts and 72 tables (with five years of historic data) showing the market expenditures in US dollar values over the period, segmented by facility type and region. Expenditure related to LNG liquefaction and regasification terminals is further broken down by individual components – including jetty and loading arms, storage tanks, compressors and construction services.

"We expect that lower levels of expenditure on new LNG facilities over the coming years relative to 2008 levels as projects are delayed. However, the market is expected to recover and investment levels should reach around \$32 billion by 2014. Overall global Capex on LNG facilities for the 2010-2014 period is forecast to total over \$108 billion – a growth of 10% relative to the 2005-2009 period," concludes Lucy Miller.

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