

Risk reduction in the energy sector

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Changing environment

New gas streams

Decline in European production and rise in demand will increase imports (mainly Russia and LNG)

Liberalisation and regulation

Unbundling of trading and transport activities and establishment of transmission system operator (GTS).
Lower tariffs and new products

Increased competition

Not only between traders but also between transmission companies

Market structure

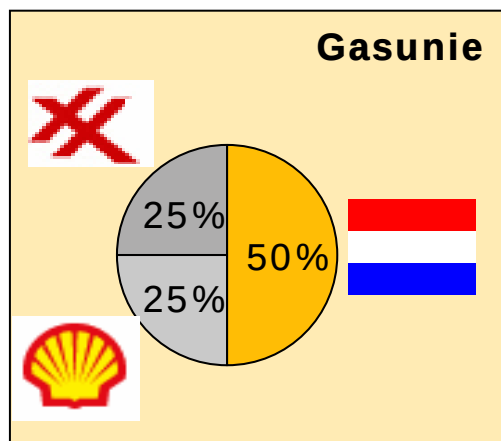
Restructuring of (regional) sales and distribution companies

On July 1ST 2005 vertical integration has ended

Ownership structure

Before July 1st, 2005

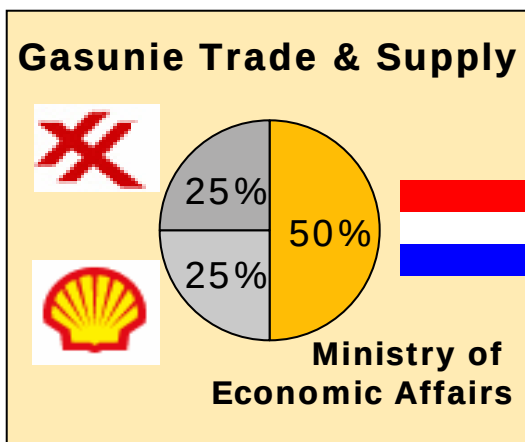
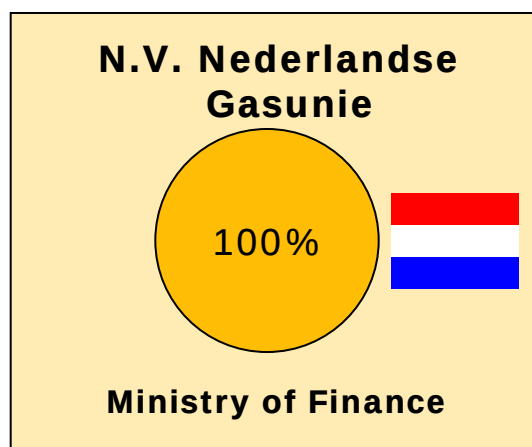
One company



Ownership structure

After July 1st, 2005

Two separate companies



gasunie
Transport company
Includes TSO
"GTS"
gas transport services

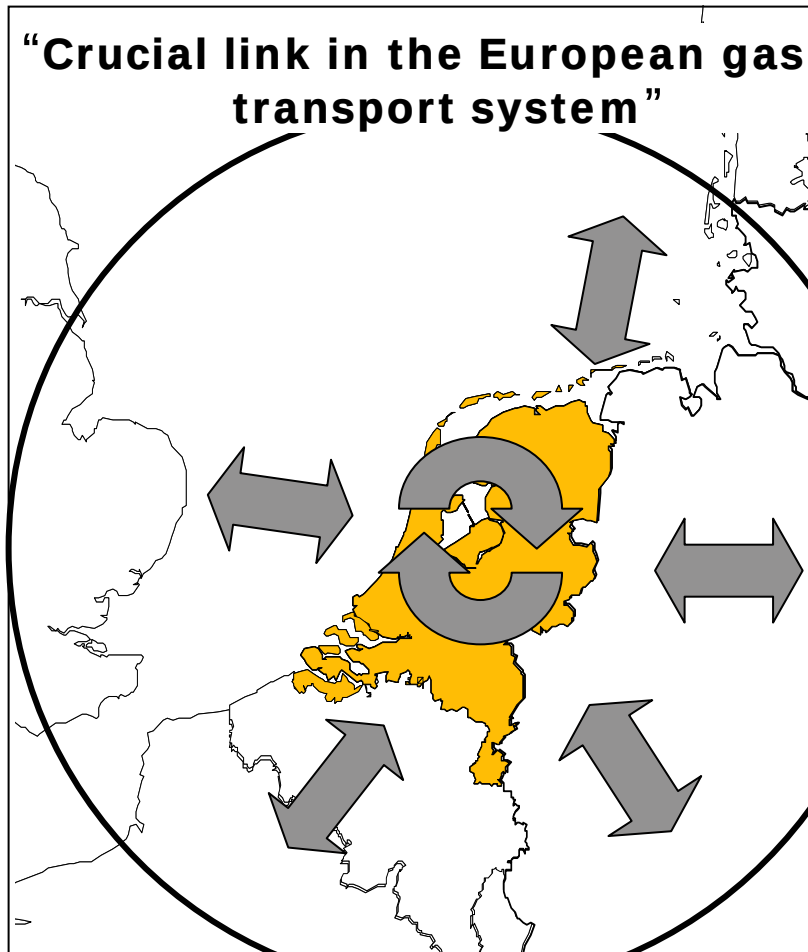
**Gasunie
Trade & Supply
B.V.**
Trading company

Gasunie Mission

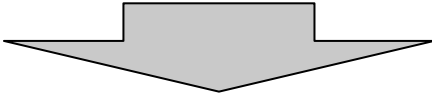
- Maintain a safe and efficient transmission grid
- Invest in expansion on economic sound basis
- Maintain and expand the pivotal role of the Dutch grid in European Transmission “Gas Roundabout”
- Seek cooperation with other European players in the form of Alliances and Joint Ventures in support of the above

Provide a decent return to the Shareholder

Gasunie wants to maintain its position as leading gas infrastructure company in Europe



- With a focus on long term delivery of gas
- With an undisputed reputation for highest reliability and safety performance
- With leading transmission assets in Netherlands and connected regions
- Fostering trade and well functioning of gas market
- Further developing know-how
- As an attractive employer



**Security of supply
and enterprise value**

The new Gasunie world is characterised by:

Good starting position

- The highest transported volume of gas in continental Europe (2004)
- One of the most extensive transport networks in Europe
- An excellent track record in safety and security of supply
- Over 40 years of knowledge and expertise in relation to the safe, reliable and sustainable transport of natural gas

Strategic priorities

- “Operational excellence” in safety, reliability and cost-efficiency
- Expanding activities in and related to the Dutch gas transport network
- Attracting new international gas transport to maintain and expand the Netherlands’ central position
- Supporting a liquid market structure for gas, balancing and flexibility

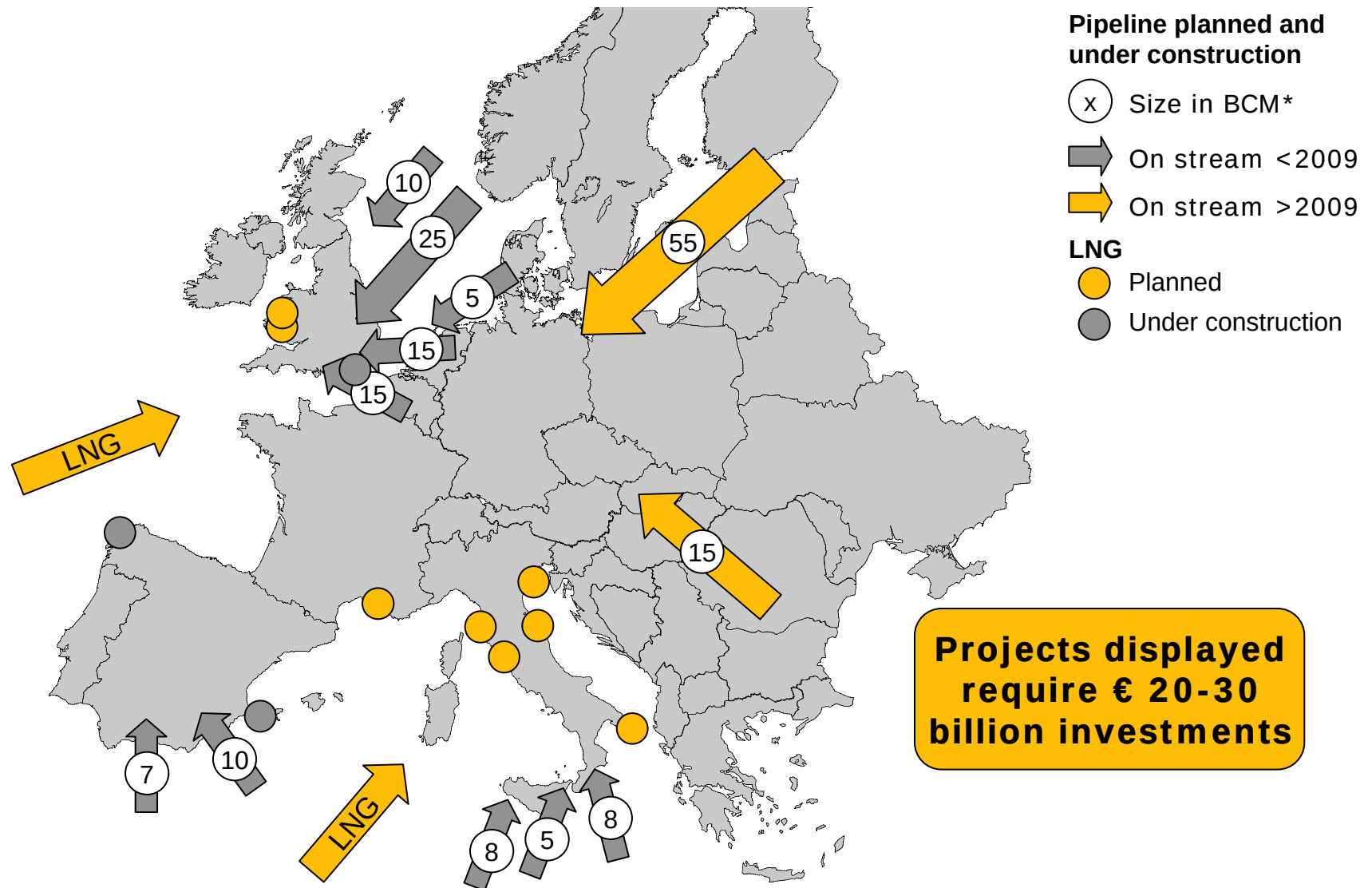
Major challenges

- Growing public concern about, and commitment to, safety and sustainability
- Substantial influence of regulation and legislation on commercial operations and new projects
- National and international competition in existing and new gas infrastructure

Increasing number of gas transport companies in Europe



At least € 20-30 billion of investments already committed or planned, more to come



* Size can vary significantly per source – construction also often modular
Source: Gasunie

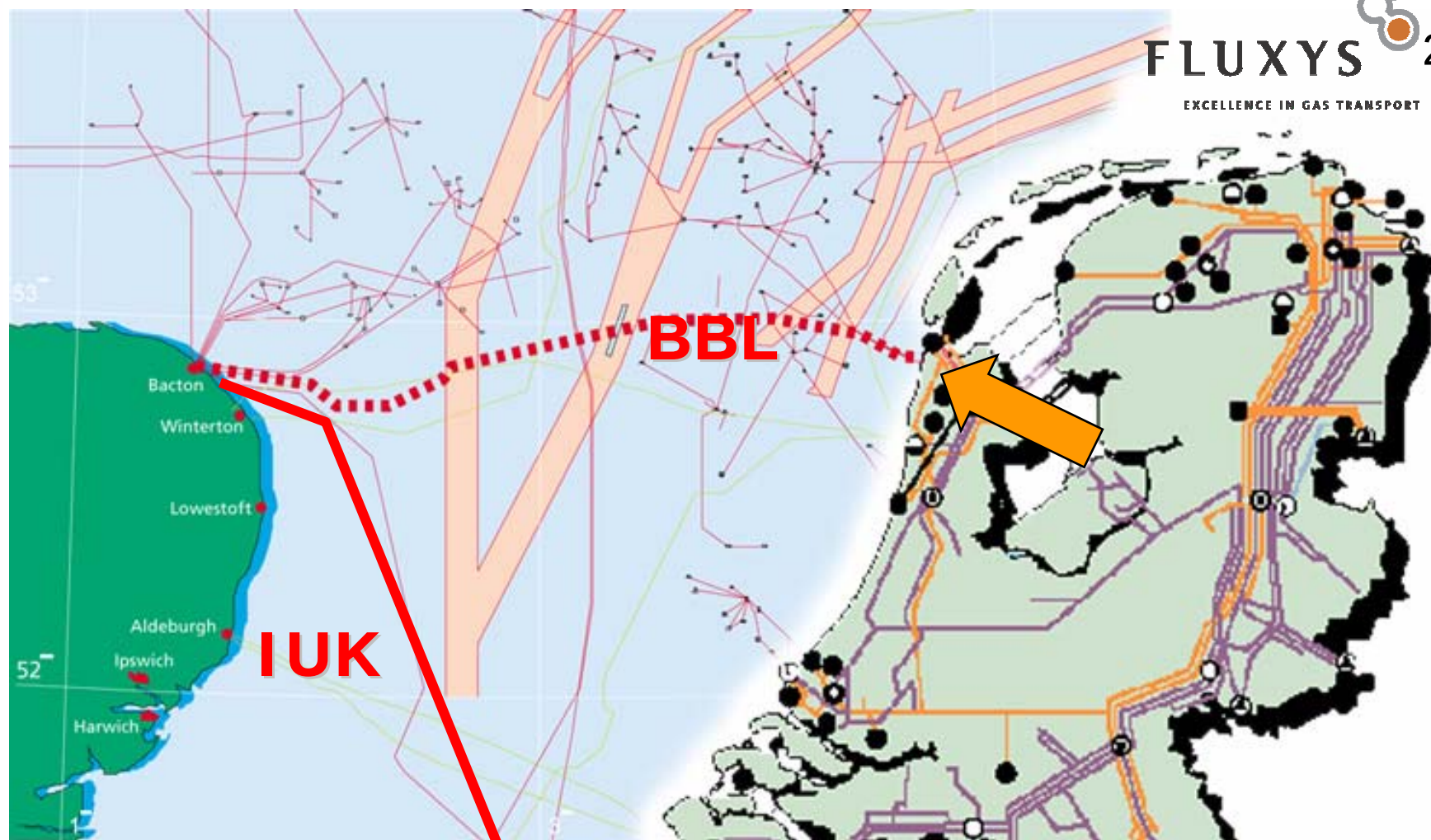
BBL Pipeline Project

Investment 500MM Euro

gasunie 60%

e-on ruhr gas 20%

FLUXYS 20%
EXCELLENCE IN GAS TRANSPORT



The GWWL Project

gasunie

100%

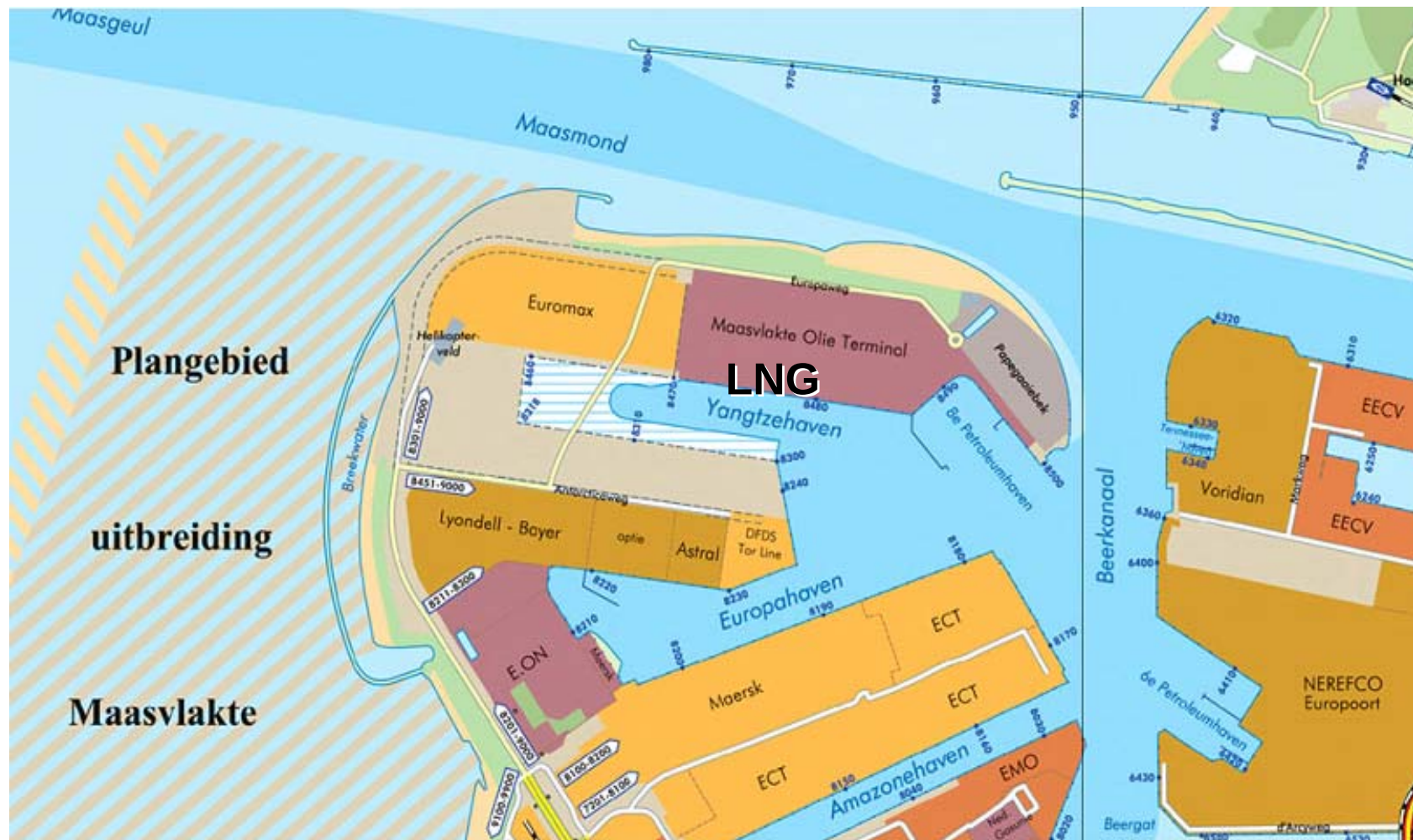
Investment 300+MM Euro



gasunie

Rotterdam, Maasvlakte LNG receiving terminal

Investment 300+MM Euro



gasunie

50%



50%

gasunie

Zuidwending Cavern Storage Project

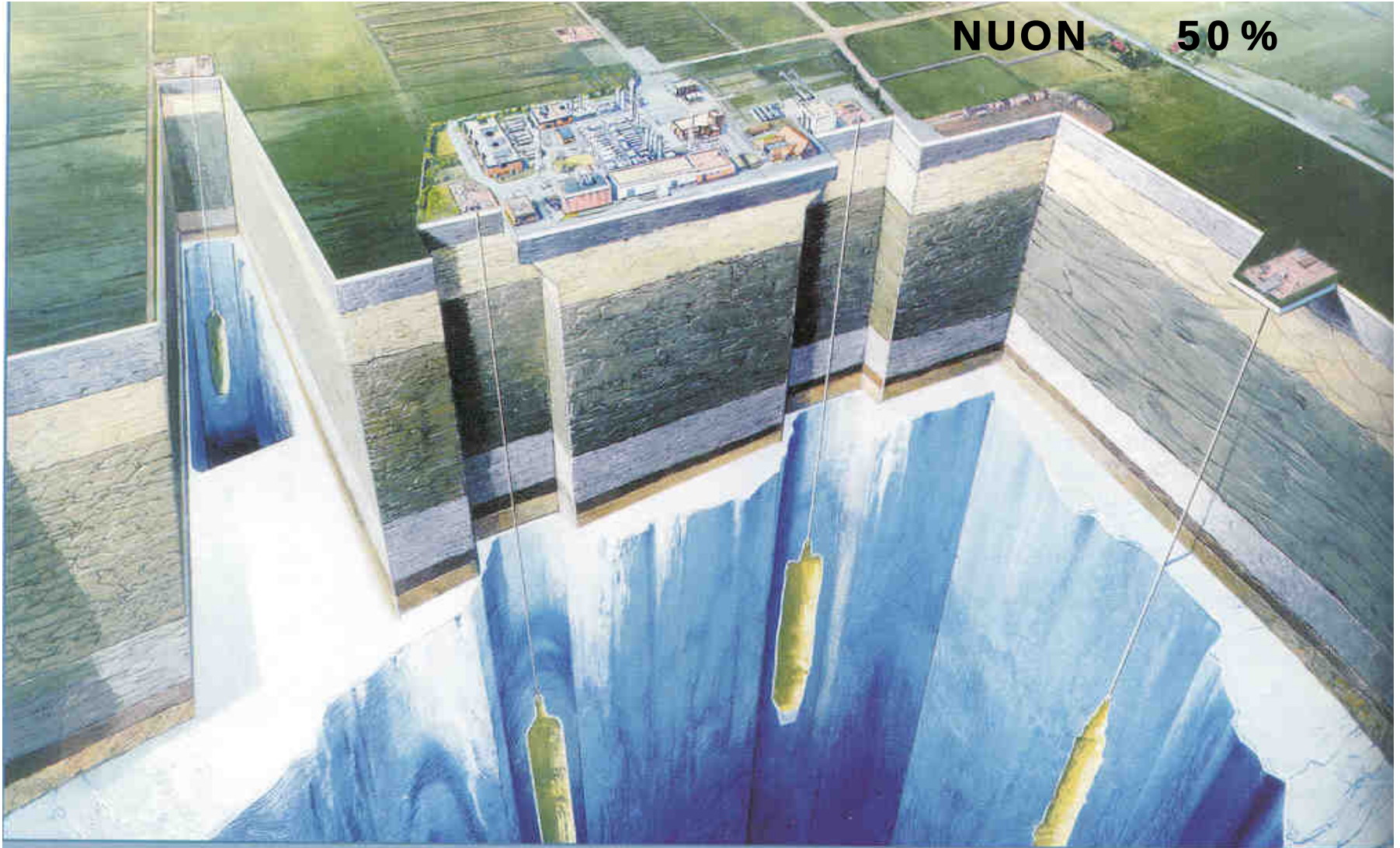
Investment 360MM Euro

gasunie

50 %

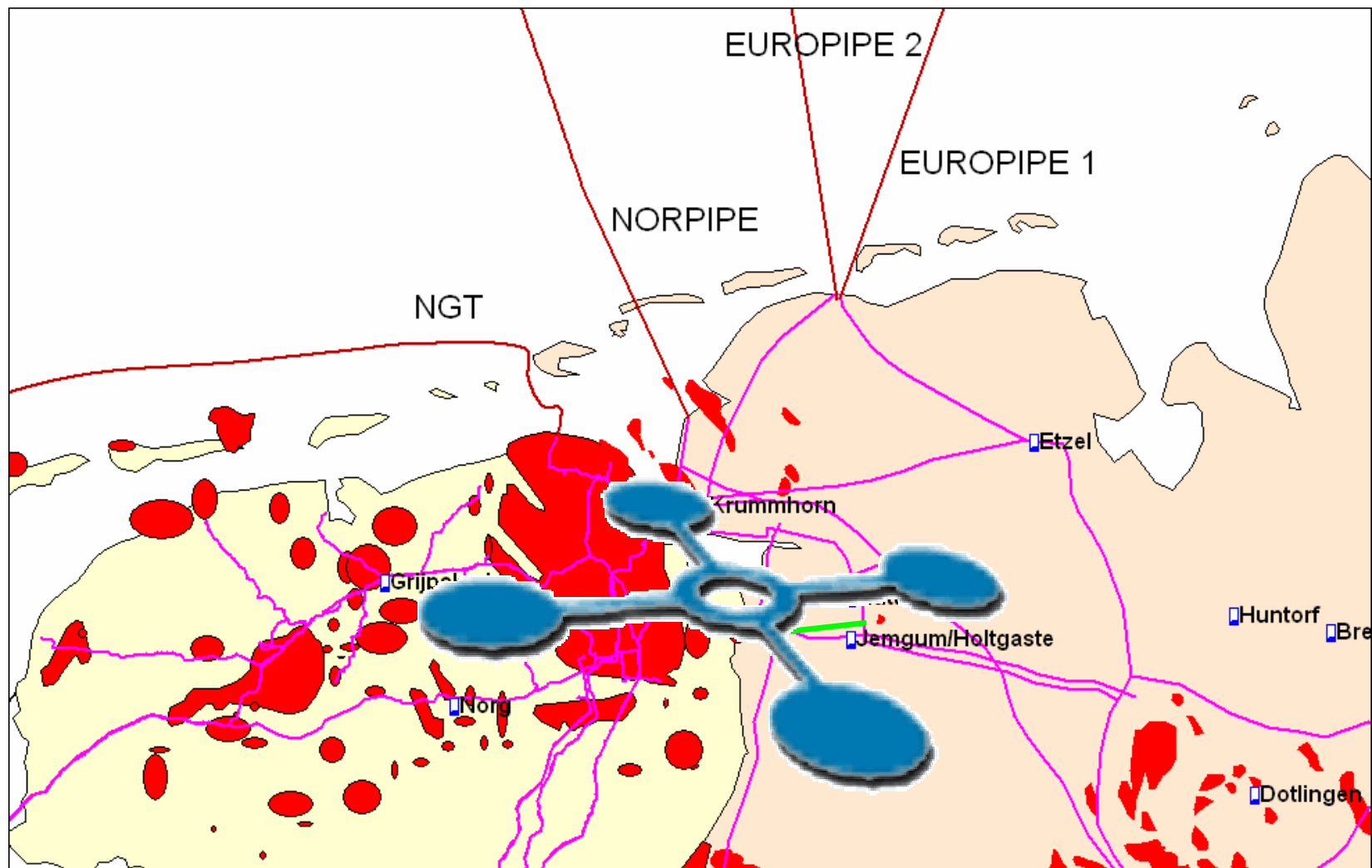
NUON

50 %



Natural gas storage in salt caverns

EuroHub GmbH

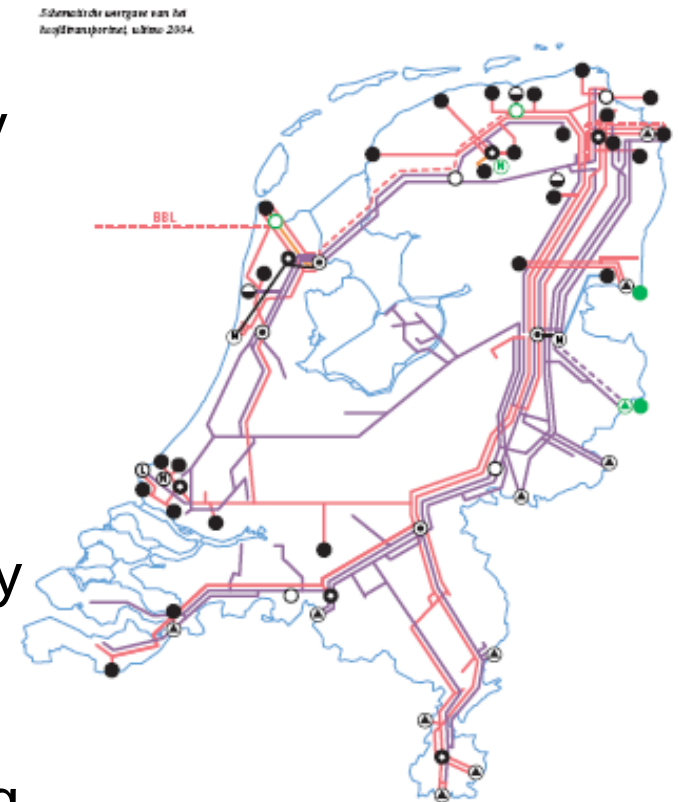


GTS “Open Season”

gasunie 100%

Investment ????MM Euro

- Shippers can indicate their capacity needs in/through The Netherlands
- GTS identifies bottle necks and proposes Grid Reinforcements
- Gasunie invests where economically feasible
- Shippers commit early through long term ship or pay contracts



Risks in the energy sector

Market Structure

- More dependence on third party financing versus (sometimes) lower credit rating
- Fragmentation of former integrated companies versus the need for new non-EU supply contracts
- Gas market needs new investments but at the same time there is a tendency towards shorter term contracts

Increased competition

- Increased competition in the transport sector (pipe-to-pipe competition, storage and lng-facilities) versus downward pressure on tariffs
- More independent transport companies with lower credit rating versus long term high investment schemes/needs

Regulation

- National regulation versus European level playing field
- Long term pay back for capital intensive projects versus short term supply contracts
- Downward pressure on tariffs versus growing public concern on safety, sustainability and security of supply

N.V. Nederlandse Gasunie

Thank you for your attention