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2013 Q4 & Full Year Results and 2014 Outlook

Hibiscus production platform, Trinidad & Tobago

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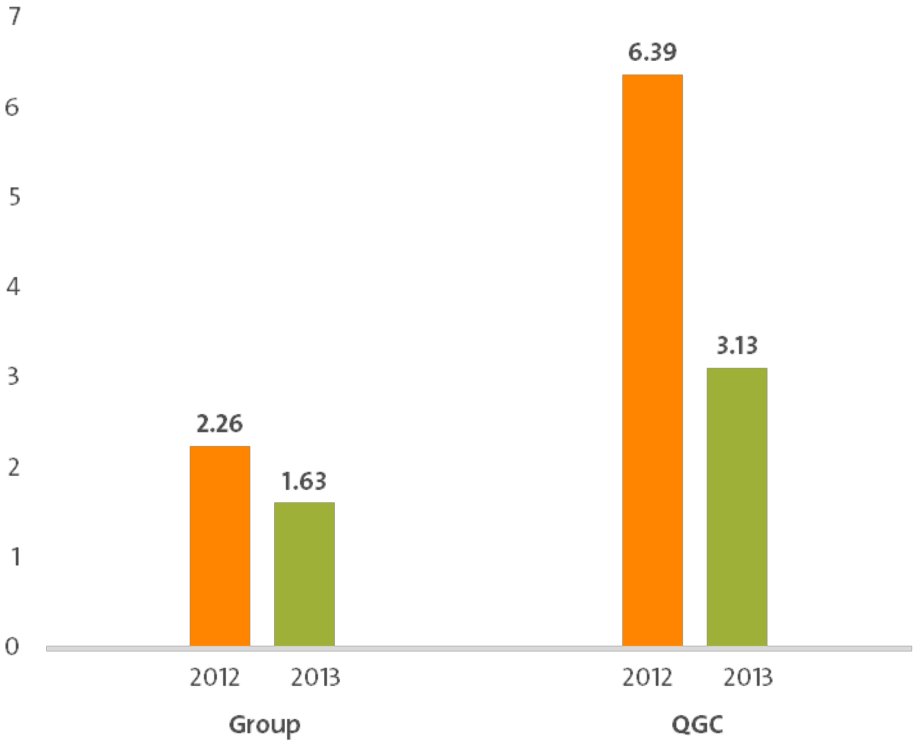
Introduction

Chris Finlayson
Chief Executive

Bongkot production platform, Thailand

Improved safety performance

2013 TRCF*



- Beat individual safety targets
  - Group – below 1.75 target
  - QGC – sharp improvement during peak construction
- Asset integrity
  - No Tier 1 hydrocarbon releases
- One road traffic fatality

* Total recordable case frequency per million exposure hours

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Financial Review

Simon Lowth
Chief Financial Officer

Crane operations on Poinsettia production platform, Trinidad & Tobago

Financial highlights Q4 2013

	Q4 2013	Q4 2012	Δ YOY
Total operating profit	$1 908m	$1 830m	+4%
Upstream	$1 116m	$1 168m	-4%
LNG Shipping & Marketing	$778m	$658m	+18%
Net cash inflow from operating activities	$2 086m	$1 639m	+27%
Business Performance EPS	33.3 cents	30.2 cents	+10%
Reported EPS	(31.3) cents	27.5 cents	-

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Financial highlights FY 2013

	2013	2012	Δ YOY
Total operating profit	$7 616m	$8 050m	-5%
Upstream	$4 967m	$5 467m	-9%
LNG Shipping & Marketing	$2 643m	$2 577m	+3%
Net cash inflow from operating activities	$7 817m	$7 995m	-2%
Business Performance EPS	128.6 cents	128.9 cents	-
Reported EPS	64.8 cents	97.0 cents	-33%

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Impairments

Egypt

$1.3 billion post tax

- Business environment has deteriorated; continued uncertainty
- Lower reserve estimates
- Fewer LNG cargoes

USA

$1.1 billion post tax

- Lower forward gas market prices
- Continued low rig count
- Lower production expectations
- Relinquishment of uneconomic acreage

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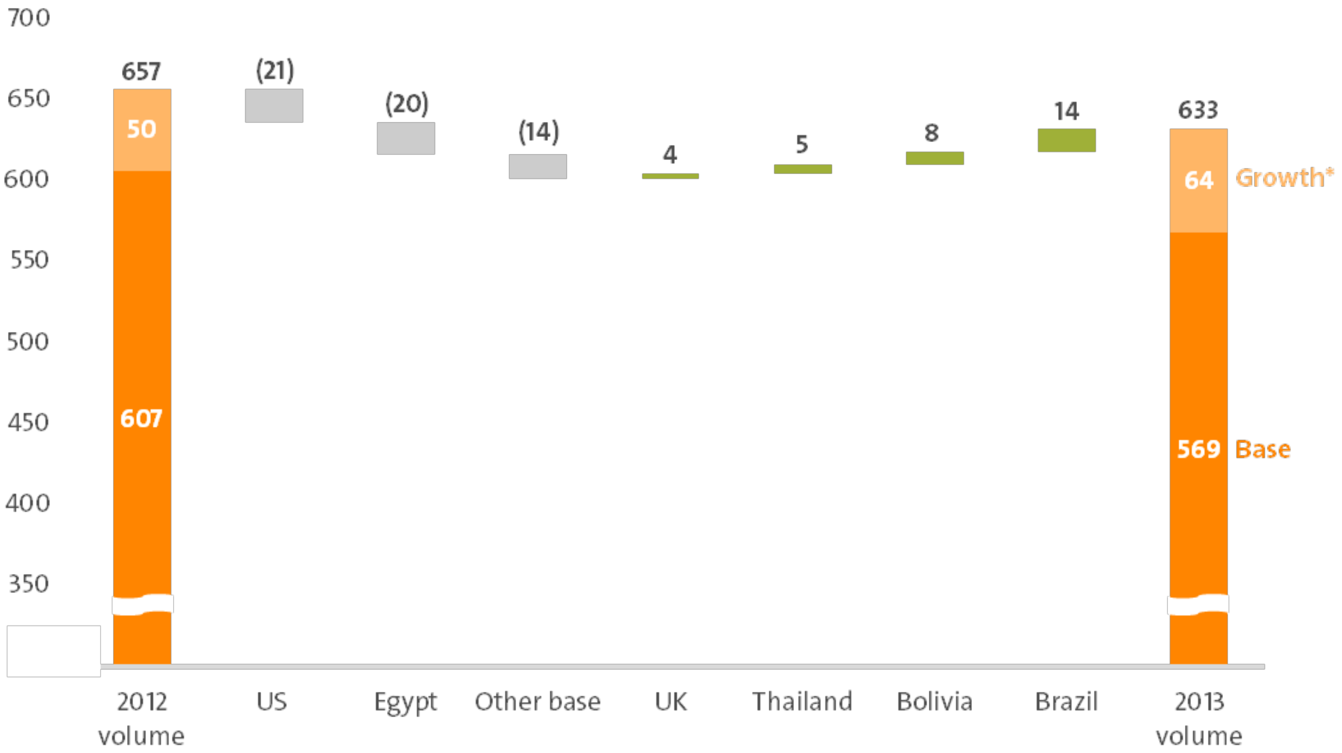
Base asset decline offsets growth from new projects

E&P volumes (kboed)



* Growth assets are Brazil and Australia

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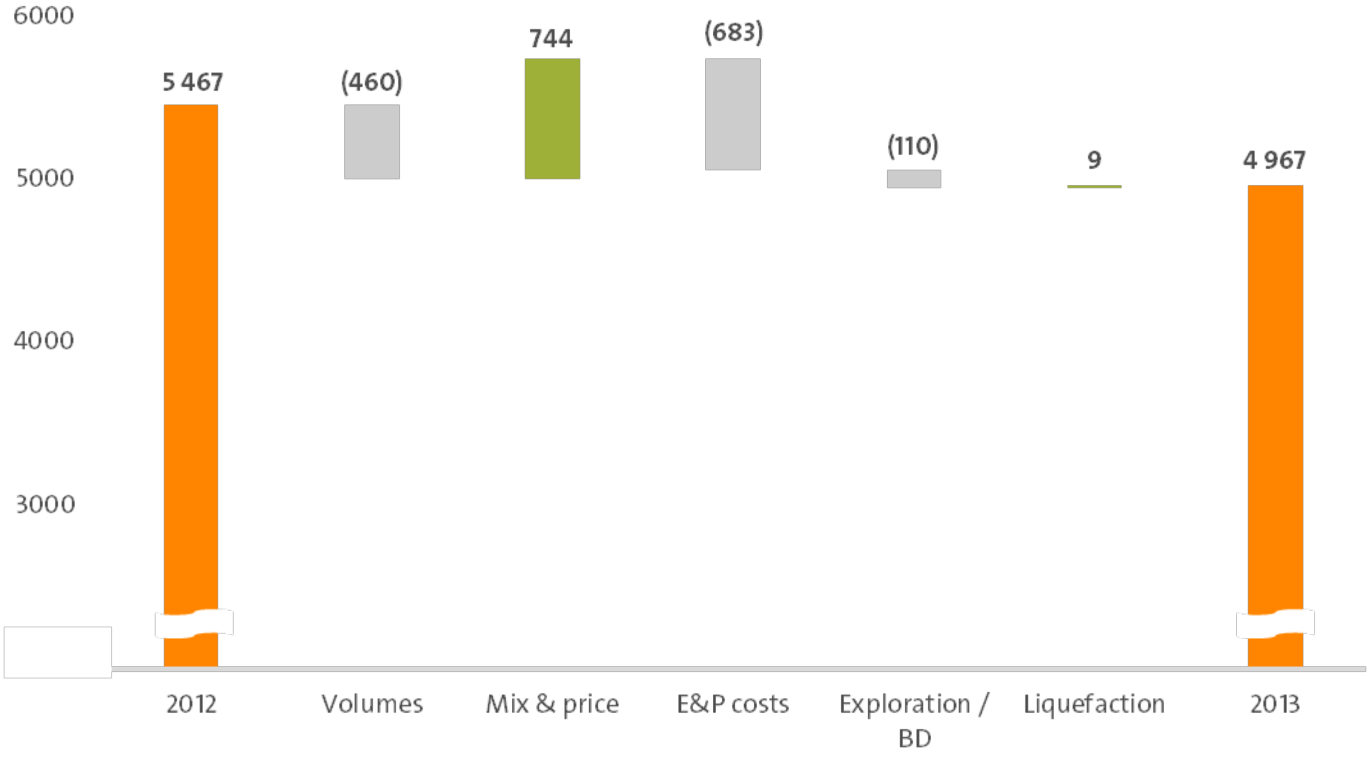
Improving mix offset by costs, volumes

Upstream operating profit ($m)



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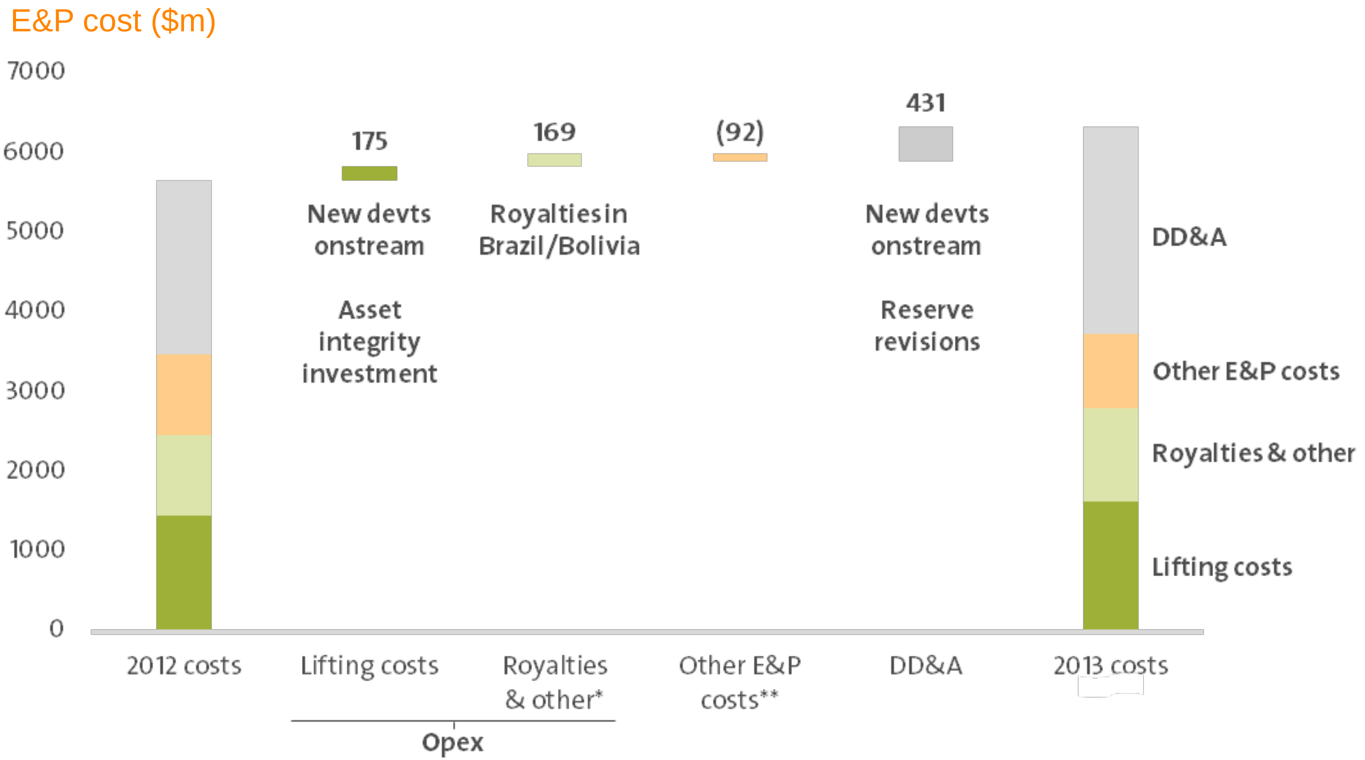
E&P cost growth driven by new assets & reserve revisions



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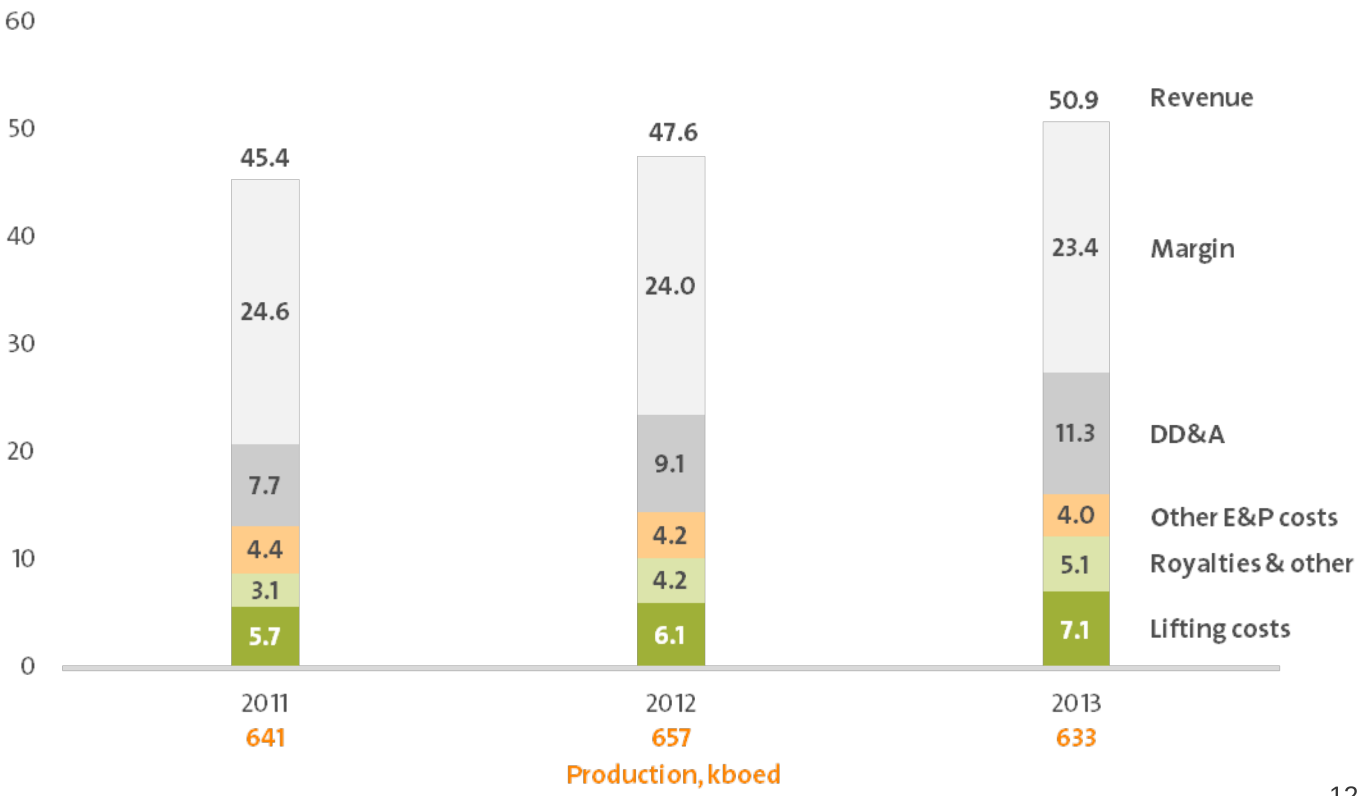
* Includes royalties, tariffs and insurance

** Includes Brazil oil shipping/R&D costs, Australian third party gas purchases and other infrastructure and G&A costs

Unit costs rising with improving revenue mix

E&P ($/boe)



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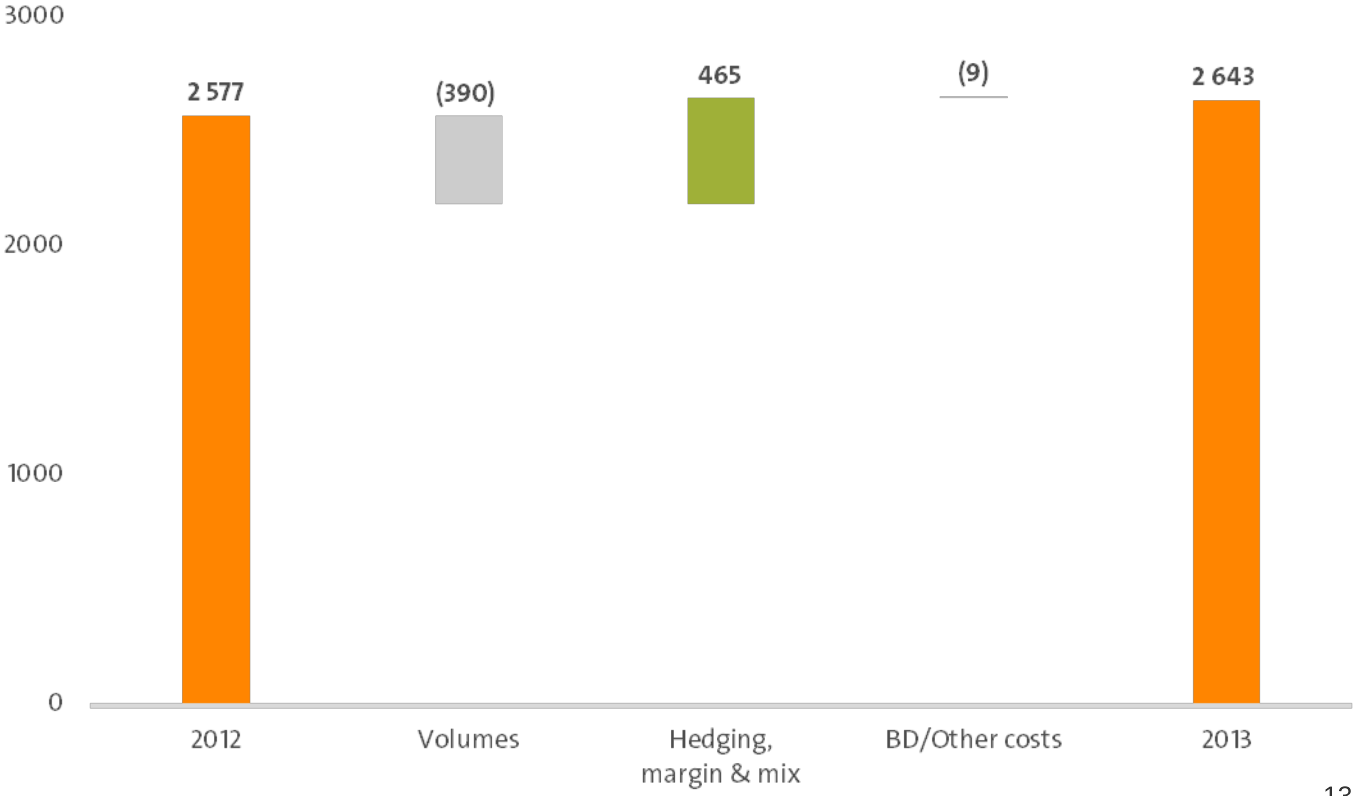
Margin & mix offsets fewer LNG cargoes

LNG Shipping & Marketing total operating profit ($m)



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2013 portfolio management delivers $4.8 bn

$4.8 billion of transactions closed in 2013

Key transactions:

- QCLNG sell down to CNOOC (Australia)
- Gujarat Gas (India)
- TGGT (US)
- Quintero LNG (Chile)
- Cotton Valley (US)
- Bream (Norway)

$8.5 billion of capital released from 2012-2013 transactions

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Cash generation & deployment

	2013	2012
Net cash flow from operations	7 817	7 995
Cash flow from investing activities	(10 883)	(9 834)
Net interest	(560)	(541)
Free cash flow	(3 626)	(2 380)
Disposals	4 601	2 939
Dividends	(923)	(859)
Borrowing and other financing	1 652	1 191
Net increase in cash/cash equivalents	1 704	891
Cash/cash equivalents	6 208	4 520
Net debt	10 610	10 624

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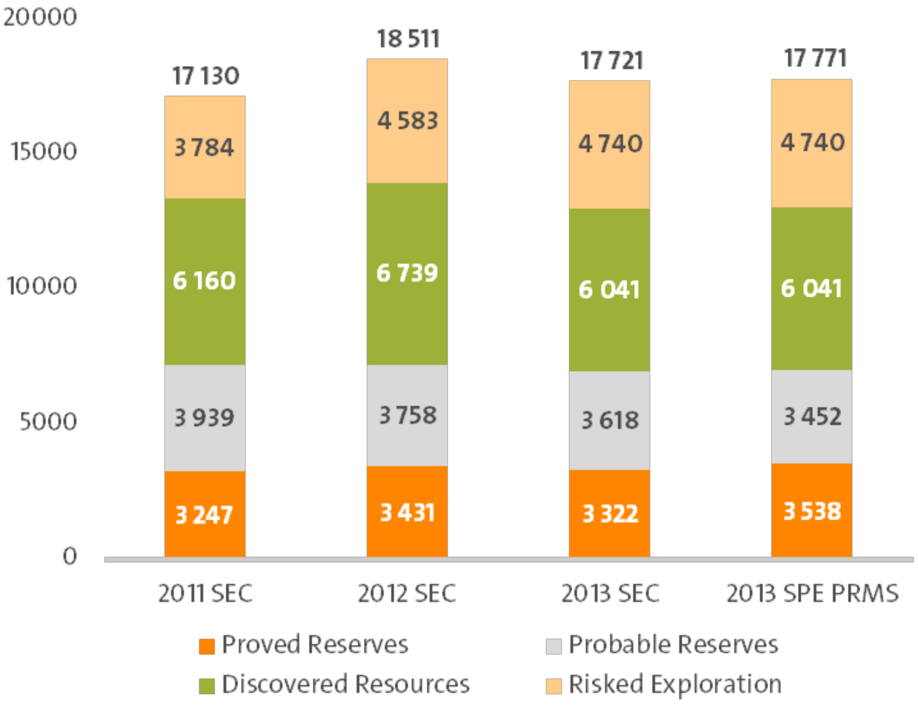
Organic 1 year RRR of 115%

YE reserves and resources (mmboe)*



- >1 000 mmboe reserves and resources monetised
  - ~231 mmboe produced
  - ~860 mmboe disposals
- Organic RRR (SEC) :
  - 1 year 115%
  - 3 year 179%
- Adopting SPE PRMS for 2013

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* From 2013, BG Group is adopting the Petroleum Resources Management System published by the Society of Petroleum Engineers (SPE PRMS) for reserves reporting. Reserves (proved and probable) as at 31 Dec 2013 are shown under SPE PRMS, together with the estimates under SEC definitions which was the previous basis for measurement.

Finance summary

- Improved revenue mix on lower volumes
- Increased expenditure to drive future growth and value
- Business performance EPS and net debt flat year on year
- Final dividend of 15.68 cents, full year dividend up 10%

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Execution & Strategy

Chris Finlayson
Chief Executive

FPSO Cidade de Paraty, Brazil

2014 & 2015 production outlook

2014 production volumes 590 – 630 kboed*	2015 production volumes 710 – 750 kboed*

2014 production volumes
590 – 630 kboed*

- Base assets contributing 480-520 kboed
- Production ramp up in Australia and Brazil
- Growth assets offset by decline in Egypt
- US production decline similar to 2013
- Rest of base assets broadly flat
- Marked seasonal production profile

2015 production volumes
710 – 750 kboed*

- Production growth driven by Brazil and Australia

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* At reference conditions, excluding portfolio changes

2014 E&P cost expectations

- Unit operating expenditure expected to be $15.50 - 16.25 per boe*
  - Enhanced UK asset integrity programme
  - Cost of new facilities in Australia and Brazil ahead of plateau production
  - Declining production across the base assets, especially Egypt
  - Increasing production from royalty-paying fields in Brazil and Bolivia
- Unit DD&A charge expected to be $12.25 - 13.00 per boe
  - New developments coming onstream

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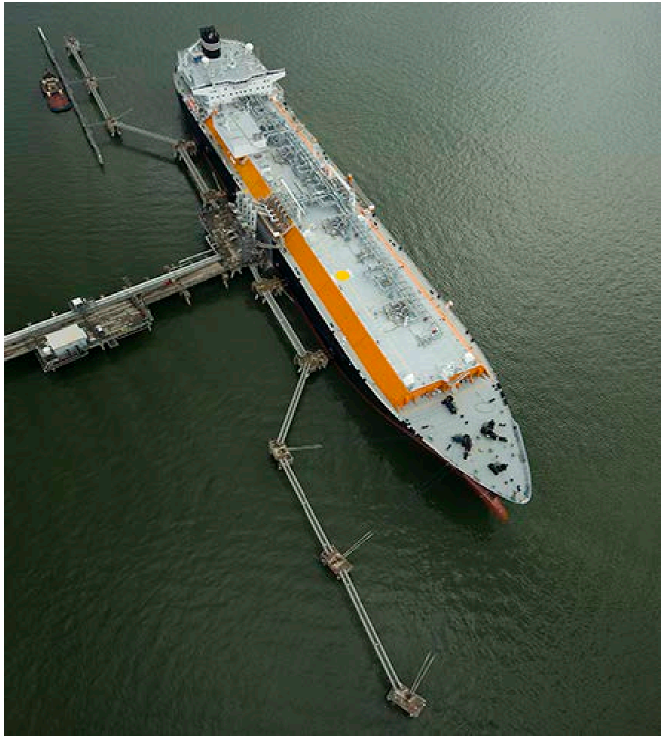
* At reference conditions

2014 LNG operating profit $2.1-2.4 bn



- Global market remains tight
  - Modest supply growth
  - Outpaced by growing Asian demand
- Operating profit LNG Shipping & Marketing $2.1-2.4 billion*
  - Reflects lower supply volumes from Egypt
  - Reference conditions lower than realised prices in 2013
  - Portfolio fully unhedged post Q1 2014
- Majority of QCLNG operating profit reported in Upstream

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* At reference conditions

2014 priorities

- QCLNG first LNG in Q4 2014
- Brazil volumes increase; capacity grows
- Clear project milestones for 2014
- Continue exploration programme and advance LNG options
- Capex lower than 2013
- On track to be free cash flow positive in 2015

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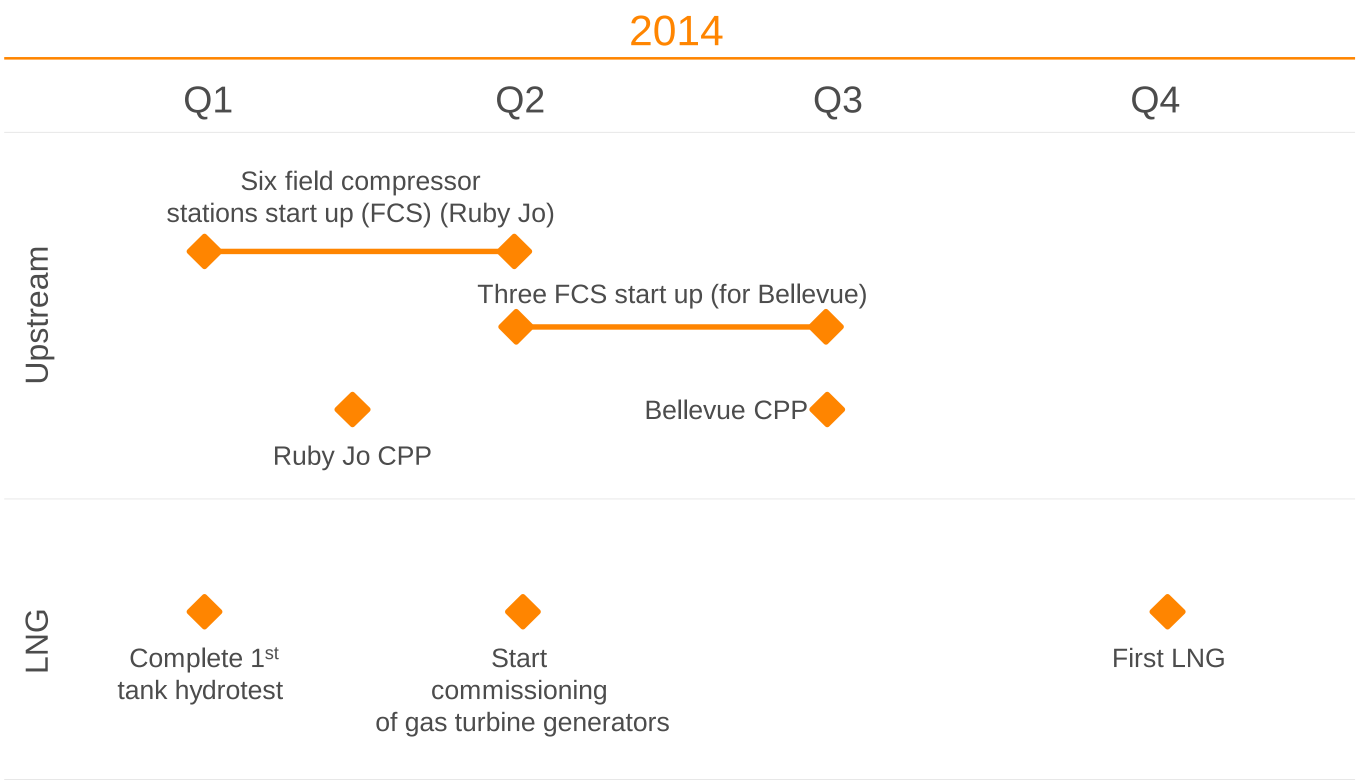
QCLNG - countdown to first LNG



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QCLNG gas supply strategy

- Drilling programme ahead of schedule
- Well performance in line with expectations
- Train 1 has initial spare capacity as BG Group production ramps-up
- Accessing short-term third-party volumes to deliver into LNG markets
- Small proportion of initial supply
- Less than 5% of total supply at plateau

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Production ramping up in Brazil

- BSR installations for FPSO2 and FPSO3 complete
- FPSO 2 – 4 producer wells to reach plateau
- FPSO 3 – 5/6 producer wells to reach plateau
- Operator expects to install FPSOs 4 & 5 in second half of 2014
- Continue to focus on reduced drilling time
  - Development well time total depth reduced to 56 days from 69 days in 2012
- 44 producer & injector wells drilled for FPSOs 1-6

2014 milestones

Q1

- Brazil - FPSO 2 second well connected
- Thailand - Bongkot South Phase 4b

Q2

- Brazil - FPSO 3 second well connected
- QCLNG - commissioning of gas turbine generators

Q3

- Egypt - WDDM Phase 9a
- Brazil - FPSO 4 onstream

Q4

- QCLNG - first LNG
- UK - West Franklin Phase 2 start-up
- Trinidad - Starfish onstream
- Norway - Knarr onstream
- Brazil - FPSO 5 onstream

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Exploration - 2014 activity*

Early entrant | Distinctive knowledge | LNG opportunity | Hub strategy

Prospect generation
(Seismic acquisition & processing; potential field data acquisition & seabed coring)

- Brazil (Barreirinhas)
- Uruguay
- Honduras
- Colombia**

Key exploration wells

- Kenya (Sunbird)
- Tanzania (Taachui)
- Australia (Bowen deep gas sands & Cooper Basin)
- Europe (Jade South, Jasmine North, Jordbaer SE)

Key appraisal activity

- Brazil (Sagitario - test)
- Australia (coal seam gas)
- Tanzania

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* Subject to partner approval ** Subject to regulatory approval

Creating LNG options

Lake Charles: 15 mtpa

- File FERC application
- Complete FEED
- Potential sanction in 2015

Tanzania: ~10 mtpa

- Finalise terminal site
- Continue discussions with Block 2 parties

Prince Rupert: ~14 mtpa

- Progress pipeline / plant permitting
- Continue evaluation of upstream options
- Advance partner / collaboration opportunities

Will not pursue all options at current equity levels

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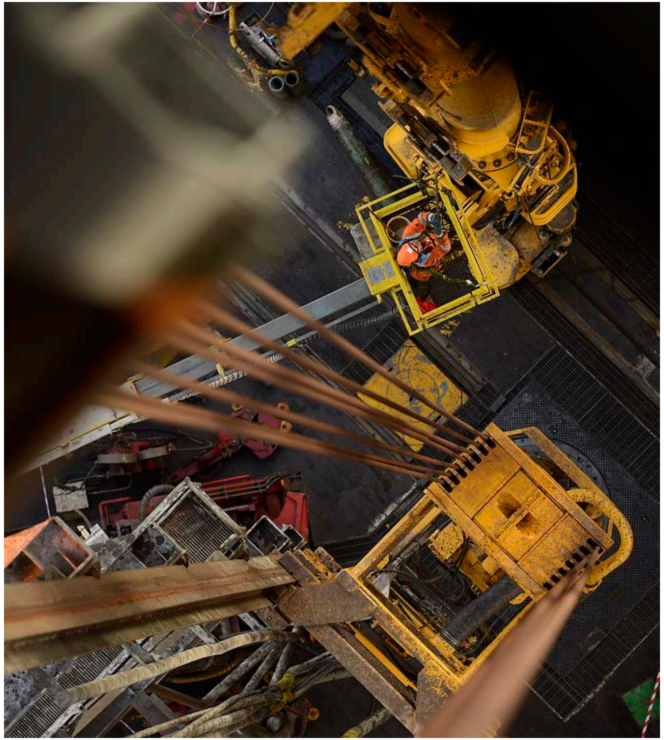
Actively managing the portfolio



- Aim to monetise c.50% of discovered resources in the next 10 years
- Demonstrated capability with 2012 and 2013 disposals
- Disposal programme ongoing
- All assets actively under review
- Value focused

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Capex set to decline

- 2013 capital expenditure below $12 bn budget
- 2014 capital expenditure will be lower than 2013
  - ~70% of capex for Australia & Brazil
- 2015-2016 capital expenditure expected to fall to $8-10 bn

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Summary

- 2014 another key year
- Highlighted by QCLNG first LNG in Q4 2014
- Focus on delivery
  - Clear project milestones for 2014
  - Remain on track into 2015
- Committed to value strategy & active portfolio management
- Long term growth story intact

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Key assumptions

Reference Conditions

- Brent Oil price real (1/1/2014): 2014 and 2015: $100/bbl
- US Henry Hub real (1/1/2014): 2014: $4.0/mmbtu; 2015 $4.25/mmbtu
- US/UK exchange rates of $1.55:£1
- US/AUD exchange rates of $1:$A1.05
- US/BRL exchange rates of $1:BRL2.10
- Prepared under International Financial Reporting Standards
- All production includes fuel gas

Principal Risks

- Asset Integrity and HSSE
- Capital requirements, liquidity and interest rates
- Climate change
- Commodity prices
- Credit
- Delivery of projects
- Environment
- Exchange rates
- Licence to operate and the political context
- Operational performance
- Organisational capacity
- Regulation, legislation and litigation
- Resources discovery, estimation and development

For a detailed discussion of these and other risk factors, please refer to the Principal risks and uncertainties included in BG Group's Annual Report and Accounts .

Actual performance could differ materially from that shown. Accordingly, no assurances can be given that such performance will be achieved.

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