

## **Shell signs Share Purchase Agreement to acquire Gasnor**

**From:**

**[http://www.shell.com/home/content/media/news\\_and\\_media\\_releases/2012/share\\_purchase\\_agreement\\_gasnor.html](http://www.shell.com/home/content/media/news_and_media_releases/2012/share_purchase_agreement_gasnor.html)**

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Shell, the current owner of 4.1% of the shares in Gasnor AS, has signed a Share Purchase Agreement for the acquisition of the remaining outstanding shares in the company for USD 74 million (NOK 455.5 million). Subject to Norwegian regulatory approvals, the transaction is expected to be closed in the 3rd quarter of 2012.

Gasnor is a market leader in Norway in small scale LNG (Liquefied Natural Gas), supplying LNG as a fuel to industrial and marine customers and operating an end to end supply chain, with three small scale production plants and distribution assets including two tanker ships, a fleet of trucks and a network of terminals. The acquisition of Gasnor is an important step for Shell towards creating an LNG sales business. LNG will be a reliable new addition to Shell's commercial customers' fuel mix.

Colin Abraham, Shell's Vice President for Downstream LNG, said: "The benefits of natural gas in meeting our future energy needs are well-documented. Shell believes the Liquefied Natural Gas (LNG) in transport sector will develop into a sizeable market and given its industry leading expertise across the LNG value chain, the extension into this market is a good fit for Shell. The Gasnor acquisition provides Shell with invaluable customer and market insight built up over a number of years. This will help us to quickly develop and meet customer requirements for LNG as a transport fuel."

Through this acquisition, Shell will capitalise on Gasnor's experience in LNG sales and marketing, combining it with its own customer reach to target European marine customers ahead of new environmental regulations that will come into force from 2015. These regulations will apply across the Baltic Sea, English Channel and North Sea and will require lower levels of 'air-quality emissions' such as sulphur oxides (SOx) and nitrogen oxides (NOx). Switching to LNG can help to reduce these emissions. Shell expects European marine LNG to be a key growth sector as customers look for cleaner, cost competitive fuel alternatives as part of their fuel supply mix.

Eilef Stange, Gasnor's Chief Executive Officer, said: "Shell's customer reach and Gasnor's LNG sales and marketing experience is a winning combination. There is real growth potential for small scale LNG in Europe, particularly in the marine sector, and Gasnor with Shell is well placed to capitalise on this."

LNG as a marine fuel is not new. LNG has been used to power gas engines in LNG carriers for many years. Shell has been a pioneer in this area, and has an excellent track record in terms of the safe storage, handling and movement of LNG.

In September 2011 Shell took its first final investment decision on a LNG for transport project in Canada to supply LNG to Shell Flying J truck stops for use by heavy truck fleets. In June 2012, Shell signed a memorandum of understanding with TravelCenters of America LLC (TA) to sell LNG to heavy-duty road transport customers in the US through TA's existing nationwide network of full-service fueling centers.

## Note to editors

- Shell is a global leader in upstream LNG and helped pioneer the liquefied natural gas (LNG) sector, providing the technology for the world's first commercial liquefaction plant in 1964. Shell is a participant in nine operating LNG projects with some 21.5 million tonnes per annum operational LNG capacity, in seven countries. It has three new projects under construction with 15 mtpa of LNG options. Shell was a partner in the first-ever purpose built LNG carrier and has been delivering LNG safely for nearly half a century. Today Shell is the world's largest LNG shipping operator, with interests in around a quarter of the LNG vessels in operation.
- Norway was one of the first European countries to focus on LNG as a fuel and this forward thinking helped foster Gasnor's pioneering approach. Shell already has an upstream and downstream presence in Norway and this LNG acquisition is part of Norske Shell's growth ambitions.

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This release contains forward-looking statements concerning the financial condition, results of operations and businesses of Royal Dutch Shell. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of Royal Dutch Shell to market risks and statements

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