

Hoegh LNG forecasts solid FSRU market amid timing warning

Norwegian player explains setbacks outwith its control in three projects
Our Europe editor

Hoegh LNG, the Norwegian import terminal developer and fleet operator, said long-term outlook for the floating storage and regasification unit (FSRU) market remains solid, though it warned that ventures were complex and reliant on a host of factors as one of its ventures was cancelled and two others suffered further delays.

"Hoegh LNG has this year experienced setbacks related to the three projects under development owing to factors beyond its control," said the company, citing projects in Pakistan, Ghana and Chile.

Confident

"Nevertheless, the group remains confident that it will secure further growth through its current backlog of FSRU contracts and from new contract awards in an active tendering market," said the Oslo-listed company.

Hoegh's update on its floating import terminal projects came in its third-quarter earnings as it reported a 10 percent rise in revenue to \$64.04 million compared with \$58.05M in the year-ago quarter.

Hoegh also reported a 15.5 percent increase in gross earnings to \$31.6M in the three months to the end of September compared with \$26.5M in the year-ago period.

At the end of September, Hoegh said it had \$285M in cash and marketable securities and net interest-bearing debt of \$962M.

Hoegh continues to be the largest owner in the FSRU market



Hoegh is among main participants in FSRU ventures

with seven FSRUs in operation and several others under construction.

However, it suffered the cancellation of one project in Pakistan and there were scheduling delays in two other ventures in Ghana and Chile.

Hoegh had signed a 20-year FSRU contract in December 2016 with Global Energy Infrastructure (GEI) in Pakistan, which among other requirements was conditional on GEI putting in place the associated infrastructure to connect the FSRU to the domestic pipeline grid.

"As part of this process, a consortium consisting of Qatar Petroleum, ExxonMobil, Total, Mitsubishi and Hoegh LNG was formed with the intention to build, finance and operate the infrastructure based on an agreement with GEI," explained Hoegh.

The consortium has "spent considerable time and resources" on finding its final form and structure, however by mid-November it has been concluded that no agreement could be found and the consortium was dissolved.

"Due to the withdrawal of the LNG sellers from the infrastructure consortium, and the delays to the original start-up date for the GEI project, Hoegh LNG is evaluating its options with respect to the

FSRU contract with GEI," the company said.

Hoegh said it was pursuing alternative opportunities for the FSRU intended to serve the GEI project and remained optimistic it would ultimately be a partner in an FSRU development in Pakistan.

The company said the Ghana FSRU project with Quantum Power was continuing to suffer delays.

The FSRU project in Ghana still awaits final government approval.

"In the third quarter, the government of Ghana reached an agreement with Gazprom over long-term gas supply, underpinning the country's desire to replace expensive liquid fuels with attractively priced LNG.

"The Quantum Power-Hoegh LNG regasification solution represents a fast-track alternative for Ghana to import LNG, and the dialogue between government entities and Quantum Power is continuing with the target of reaching an agreement," stated Hoegh.

Hoegh additionally explained that the GNL Penco FSRU joint venture in Chile is being further delayed by a revised environmental impact study (EIS) process involving consultation between local environmental authorities and an indigenous interest group.

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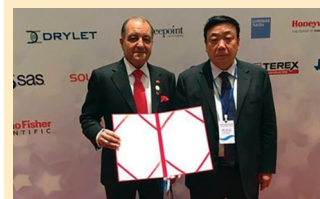
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Chiyoda of Japan anticipates increases in contract costs for LNG projects in the US

Our Asia-Pacific editor

Chiyoda Corp., the Japanese engineering company, swung to a first-half net loss because of expected higher costs for US liquefaction and export plant work amid a continuing corporate restructuring to take advantage of its impressive book of LNG contracts around the world.

Chiyoda reported a first-half net loss of 12.37 billion yen (\$109.12M) versus a net profit of 10.27Bln yen (\$90.58M) in the same six months of 2016.

Revenue

The Japanese company's first-half revenue from construction projects dropped by 8.3 percent to 250.6 billion yen (\$2.23Bln) versus 276.9 (\$2.44Bln) in the year-ago period.

Chiyoda's key contracts include the Yamal LNG project in Russia, the Tangguh plant expansion in Indonesia and its work in Qatar for plans to expand gas output.

"Operating income and ordinary income came in at a loss due to the company anticipating an in-



Engineering and construction costs set to rise

crease in costs on LNG projects currently underway in the United States," said Chiyoda.

Among its US contracts, Chiyoda is working on the Cameron LNG plant in Louisiana for California-based Sempra Energy and partners.

"On the other hand, profit attributable to owners of the parent company was 3.48 billion yen (\$30.6M) due to a recovery in subsidiary losses and Federal corporation tax refunds to the US subsidiary," it added.

The Yokohama-based company had previously reduced earnings

forecasts and overhauled its senior management because of troubles at its Emas Chiyoda Subsea venture which it has now exited.

"Chiyoda is conducting pre-contract work on an LNG project in Mozambique as the selected Engineering, Procurement and Construction (EPC) Contractor and continues EPC operations on LNG projects in Australia, Russia, Indonesia and the USA.

"In Qatar, under an agreement with Qatar Petroleum announced in June 2017, Chiyoda is conducting debottlenecking studies to increase the capacity of LNG plants

and the renovation and modification of LNG and gas processing plants previously constructed by the company," it stated.

"In Japan, EPC activities have commenced to renovate and modify existing LNG receiving terminals similarly built by Chiyoda," said Chiyoda.

"The price of crude oil is recovering and, although large-scale LNG project final investment decisions remain to be taken, bidding and investment activities have gradually progressed," it explained in its 2018 outlook.

"Through its LNG core business, Chiyoda continued to implement large-scale projects worldwide whilst expanding into new markets, such as renewable energy and life sciences," added the company.

"Despite geopolitical tensions in the Middle East and Korean Peninsula, macroeconomics in Asia, Europe and the USA remained relatively stable during the first six months of the current fiscal year," it said.

Inpex set for Australian LNG starts and will proceed with Indonesian Abadi onshore plan

Inpex Corp., the Japanese energy company with stakes in two projects in Australia's final phase of its 10-year LNG production build-out, reported steady earnings as the Ichthys and Prelude ventures prepared for production and it decided to move its Indonesian Abadi liquefaction development onshore.

Japan's leading oil and gas company overseas posted 15 percent higher net sales in the first half of its fiscal year from April to September at 447.9 billion yen (\$3.95Bln) compared with 389.6Bln yen in the same six months of 2016.

Net income doubled to 30Bln yen (\$264.5 million) versus 15Bln yen in the year-ago period.

Inpex said its average overseas natural gas production price rose 6.4 percent to \$5.14 per thousand feet (mcf) of gas compared with \$4.83 per mcf in the first half of 2016.

"In the Ichthys LNG project, commissioning work is in progress on both offshore and onshore facilities and production will start up during the current fiscal year," said Inpex.

The company also gave an update on the development of the Abadi project from resources Masela block in the Arafura Sea offshore Indonesia and originally planned as a floating LNG venture.

While Inpex and Shell favoured an FLNG solution, the Indonesian government has insisted on an on-

shore liquefaction plant and has suggested the Tanimbar Islands as the site.

"We are preparing pre-front-end engineering work based on an onshore LNG development scheme," stated Inpex.

Inpex had brought Royal Dutch Shell into the Abadi project in exchange for its 17.5 percent stake in Shell's Prelude FLNG venture currently preparing for production offshore northwest Australia.

Inpex said it was concentrating on commissioning the offshore Central Processing Facility and the floating production storage and offloading (FPSO) unit above the Ichthys field.

The late arrival of the offshore platforms was one of several fac-

tors that have delayed the commercial start of Ichthys LNG for Inpex and its main project partner, France's Total.

The plant will produce 8.9 million tonnes per annum from two processing Trains and cargoes will be shipped to Japan's main utilities and to Taiwan. A total of 8.4 MTPA of output has been pre-sold.

"The drilling of production wells required for the production start-up has been completed," said Inpex in its Ichthys update.

"The hook-up between the CPF/FPSO and subsea production facilities was successful and the commissioning work on each facility was progressing towards production start-up," stated Inpex.

Magnolia and Bear Head owner hires new executive

LNG Ltd, the company proposing to build the Magnolia project in the US state of Louisiana and the Bear Head venture in the Canadian province of Nova Scotia, has named a new Chief Development Officer.

The Australian-listed company said the CDO post would be filled by Joseph B'Oris and he will report to LNL Managing Director and Chief Executive Greg Vesey.

The executive will have overall responsibility for all aspects of commercial development and marketing, tolling parties and offtake agreements, project development and strategy, and ensuring organizational knowledge regarding market factors.

B'Oris has more than 30 years of experience in the energy industry, specifically focused in LNG and gas and liquid pipelines.

He began his career at Getty Oil, later acquired by Texaco and while at Texaco was responsible for all commercial activities on the Sabine Pipeline, which is the owner and operator of the Henry Hub.

Following his position at Texaco, he served in roles at various LNG projects across the world for Canada-based Nexen, Royal Dutch Shell and Marathon Oil.

He most recently operated a private consulting business focused on supporting the development and commercial activities of various LNG development, pipeline, and mid-stream companies.

"We are pleased to welcome Joe to the LNG Limited team and are confident his deep global LNG experience and connections will help us deliver on our Magnolia and Bear Head projects," said CEO Vesey.

Australia's Santos confirms recent offer by firm of ex-Shell executive

Our Asia-Pacific editor

Australian energy company Santos, a stakeholder in three Australia-Pacific LNG export ventures, said it was not currently in takeover discussions with Harbour Energy whose Chief Executive is Linda Cook, a former senior executive at Royal Dutch Shell, though it had received a previous approach.

Santos shares surged 13 percent to A\$4.95 on renewed takeover speculation regarding the Adelaide-based company, now valued at over US\$10 billion.

Retired

Cook retired from Shell in 2010 after about 30 years of service with the Anglo-Dutch energy major and now runs Harbour Energy for EIG Global Energy Partners, a US private equity firm whose headquarters are in Washington DC.

Harbour Energy, which already has a seat on the board at Santos, completed a transaction at the end of October 2017 to buy Shell oil and gas assets in the North Sea for around \$3 billion.

The EIG equity fund had US\$17 billion under management for in-



Linda Cook runs Harbour Energy for US equity fund EIG

vestors at the end of September.

The key Santos LNG assets include operatorship of the Gladstone LNG plant in Queensland, a stake in the ConocoPhillips-operated Darwin LNG plant in the Northern Territory and a share of the existing Papua New Guinea production plant and its expansion project.

Santos said in a statement to the Australia Securities Exchange on November 16 that it was not currently engaged in discussions with "and has not received a current proposal from Harbour Energy regarding a change of control for Santos."

Santos said it had previously received a "confidential, non-binding conditional and indicative

proposal from Harbour Energy to acquire all the shares in Santos" in August 2017.

"The indicative price was AUD\$4.55 per share. The Board rejected the approach on the basis that the indicative price was inadequate and the sources of funds were uncertain," said the statement to the ASX.

"Santos receives a range of proposals from time to time and is at all times in compliance with its continuous disclosure obligations," it added.

Santos previously rejected a takeover bid from Bermuda-based Scepter Partners representing a group of investors from the Middle East and Asia.

Shell raises US\$1.7 billion from sale of final shares in Woodside

Royal Dutch Shell has raised US\$2.7 billion from selling its remaining stake in Woodside Petroleum, the Australian LNG plant operator it tried to take over 16 years ago.

The sale was to a number of investment banks by Shell subsidiary Shell Energy Holdings Australia.

Shell had agreed to sell an initial 71.6 million shares in Woodside to the banks, representing 8.5 percent of the issued capital in Woodside, at a price of A\$31.10 per share.

However, demand was such that the total was raised to 111.8 million shares, including Shell's remaining equity stake, and amount-

ing to a final total of 13.28 percent of Woodside's stock.

"This sale is another step towards the completion of our three-year \$30Bn divestment programme, which is an important part of our strategy to reshape Shell," said Shell's Chief Financial Officer Jessica Uhl.

"Proceeds from the sale will contribute to reducing our net debt," added the Shell CFO.

Shell has previously offloaded large chunks of Woodside stock, including 10 percent of Woodside's shares sold in November 2010 and a further 9.5 percent in 2014.

Woodside operates the North

West Shelf plant in Western Australia, in which Shell remains one of the six shareholders.

The Australian company also owns the Pluto LNG plant and has a stake in the Wheatstone plant, operated by Chevron Corp., that recently entered commercial operations.

Shell had begun building up a stake in Woodside in 2001. However, its takeover bid was blocked by the Australian government.

Outside of its remaining small stake in Woodside, Shell is still very active in the Australian LNG market.

At the Core of LNG

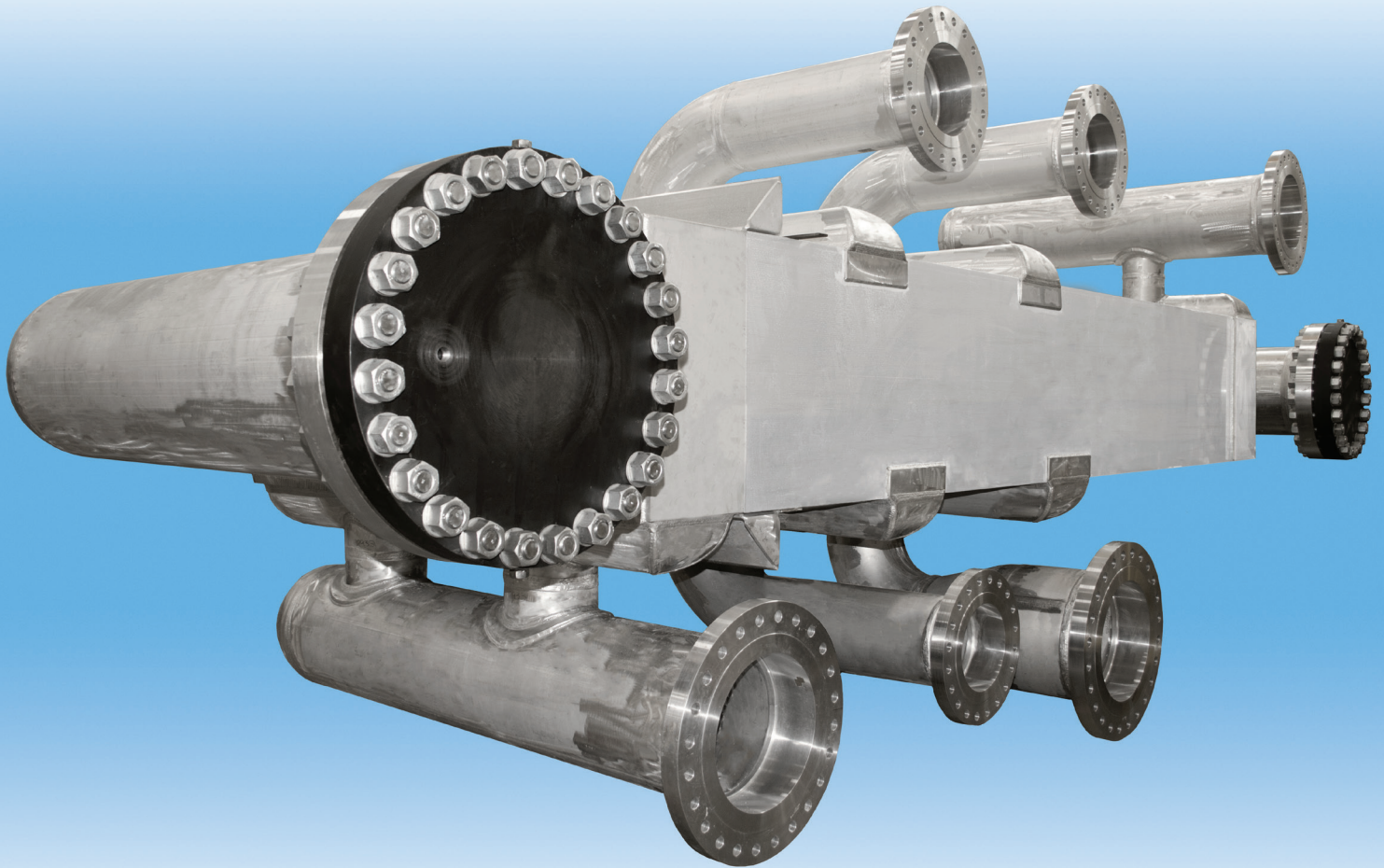


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NEWS NUDGES

Teekay move on small ships

Teekay LNG Partners, the US-listed affiliate of Teekay LNG, has established a division called the "Teekay Multigas Pool" for in-house commercial management of small-scale liquefied natural gas carriers and ethylene-capable liquefied petroleum gas (LPG) vessels. "The pool fleet is expected to reach at least 12 vessels by the end of 2017, including third-party partner vessels," said Teekay. The company said the seven directly-owned ethylene-capable LPG carriers have been part of the Norgas fleet operated by I.M. Skaugen and the transition of these vessels into the Teekay Multigas Pool will start immediately.

Spanish LNG imports

Spanish net liquefied natural gas imports rose to 22 cargoes in October, led by Nigerian shipments as domestic demand increased for industrial users and for gas-fired power generation. The Barcelona regasification facility in the northeast of Spain received eight out of the total of 22 shipments imported. The Huelva terminal in the southwest of the country was the second busiest in October and handled six cargoes.

Statoil fined by CFTC

Norwegian energy company Statoil, operator of Europe's only baseload LNG plant, was fined \$4 million by the US Commodity Futures Trading Commission for attempting to manipulate an Asian-priced gas market in 2011. Statoil was found by the Commission to have tried to influence the price of propane gas between October and November 2011 to benefit its positions after it suffered losses in its gasliquids unit.

London-listed firm makes second gas find in Morocco amid LNG plans

Our Europe editor

SDX Energy, the UK-listed exploration and production company, has made a second natural gas discovery in Morocco as its operations "build real momentum" in the North African kingdom that is a net importer of energy and is preparing to join the ranks of global LNG importers.

Morocco does produce some amounts of its own oil and natural gas, though these volumes are not sufficient to cover its needs.

Onshore

SDX said it made its Moroccan discovery at its onshore KSR-15 well following an earlier find at the KSR-14 development within the Sebou permit in which it has a 75 percent interest.

"The KSR-15 well was drilled to a total depth of 1,774 metres and encountered 17.2 metres of net conventional natural gas reservoir section across 4 intervals," said SDX.

"Once the drilling rig has left the location, the company expects that the well will be connected to



SDX listed on Alternative Investments Market a year ago

the existing infrastructure and on production in early December," the company added.

SDX explained that the previously drilled KSR-14 well has been connected to the infrastructure and it is anticipated that testing will commence from between mid-November and the end of the month.

Paul Welch, President and Chief Executive of SDX, said he was pleased to be announcing another successful result from the Moroccan drilling campaign.

"We continue to build real momentum with this programme," said Welch.

"It is also very encouraging to

have connected the first well and I look forward to reporting on the test results in due course.

"These first two successful wells keep moving us closer to achieving our target of increasing local gas sales volumes in Morocco by up to 50 percent in 2018," stated Welch.

The discovery is part of a 135 square kilometres concession located in the Rharb Basin between the coastal cities of Tangier and the capital Rabat.

SDX's latest Moroccan find followed the company's recent oil discovery at its West Gharib Concession in Egypt.

UK's Calor spends on infrastructure to foster more use of LNG fuel

Calor, the UK retail and wholesale gas distribution company, said it was investing to help deliver supply infrastructure needed to secure liquefied natural gas as a nationwide trucking fuel of the future.

The UK company said it was spending 3.5 million pounds (\$4.5M) to make sure a larger proportion of heavy goods vehicles (HGVs) forecast to be gas-fuelled will use LNG.

"As an increasing number of leading truck manufacturers prepare to bring dedicated LNG vehicles to the market, Calor's investment in LNG's refuelling and supply network will help ensure the fuel offers a cost-effective so-

lution to customers, improving its accessibility," said Calor.

Calor currently operates seven sites in total across the country, covering Lockerbie in the Scottish borders, Castleford in West Yorkshire, Lymm in Lancashire, Grantham in Lincolnshire, Castle Donington in the East Midlands, Wolverhampton in the Midlands and Bristol in the southwest, with plans for developing more LNG refuelling stations.

A key aspect of Calor's investment in LNG's supply infrastructure is its refuelling network, which is the largest publicly-accessible one in the UK.

The company currently oper-

ates seven sites in total across the country.

It is the largest publicly-accessible one in the UK., covering Lockerbie, Castleford in West Yorkshire, Lymm in Warrington, Grantham, Donnington, Wolverhampton and Bristol, with plans for developing more LNG refuelling stations already in the pipeline.

"The fuel is currently supplied in the UK from the Isle of Grain import terminal," said Calor.

"Calor is also instrumental in the development of new LNG terminals across the UK, as a key partner of the Caledonia LNG project," it added.

LNG exporter Qatar joins forces with Italy's Eni in exploration licence venture for offshore Oman

Our Middle East editor

Italian energy company Eni, which in recent years has made huge natural gas discoveries offshore Egypt and Mozambique that will impact LNG markets, has entered into an exploration and production sharing agreement for Block 52 offshore Oman and has brought Qatar Petroleum in as a licence stakeholder.

The licence covers an under-explored area with potential located offshore the Arabian Peninsula in the southern region of Oman.

Ceremony

The signing ceremony took place in the capital Muscat, assigning 85 percent of the licence rights of the 90,000 square kilometres area to Eni as the operator of the block and 15 percent to state-owned Oman Oil Company Exploration and Production.

During the same event, Eni and Qatar Petroleum, owner of the world's largest LNG-producing complex at Ras Laffan in Qatar, signed an agreement for the assignment of 30 percent of



Eni CEO Descalzi signs Oman in presence of his hosts

Eni's interest in Block 52 to the Qataris.

"We wish to establish with the Sultanate of Oman, which is a historical oil and gas producer in the region, a long-lasting relationship in the best tradition of Eni," said Chief Executive Claudio Descalzi.

"It is also remarkable that, the same day, we are welcoming Qatar Petroleum as a partner in Block 52, to join our efforts with such a strong partner that is currently leading the LNG business worldwide," added the Eni CEO.

Block 52 was awarded to Eni

and the Oman state energy company in an international bidding round held in October 2016.

The signing ceremony for the licence stakes was attended by the Eni CEO as well as the Minister of Oil and Gas of Oman, Mohammed bin Hamad Al Rumhi, Oman Oil CEO Islam Al Zadjali and Qatar Petroleum's President and CEO Saad Sherida Al-Kaabi.

LNG producer Oman is preparing to upgrade its liquefaction plant at Sur in the south to be able to process more feed-gas under a contract awarded to US

energy engineering company KBR Inc.

The KBR contract coincides with a boost in Oman's natural gas resource position that will lead to a longer life span for the liquefaction and export plant.

BP of the UK in September 2017 started production at the giant Khazzan tight gas field, helping the nation to overcome domestic gas shortages that had led to a re-think on the future of LNG production.

Production company Oman LNG has capacity to process additional volumes as it is currently operating at 82 percent of total capacity of 10.4 million tonnes per annum of LNG.

The plant last year exported a total of 8.12 million tonnes of LNG compared with 7.56MT in the previous year.

Concern over meeting rising domestic consumption prompted Oman LNG to announce in 2015 that it would have to divert all its exported volumes of natural gas away from foreign markets and toward domestic consumers unless more gas was found.

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OLT tender for Italian peak-shaving LNG volumes

OLT Offshore LNG Toscana, the Italian owner of the import facility deployed off the Mediterranean coast, will again provide peak-shaving services for the natural gas network and has launched a cargo tender that closes on November 22.

OLT offshore operates the "FSRU Toscana", moored 22 kilometres off the coast between the cities of Livorno and Pisa and connected to the Italian national gas transmission grid through a 36.5km pipeline from the shore to the mainland operated by Snam Rete Gas.

"The winner of the tender will need to supply an LNG carrier with a volume between 80,000 cubic metres and 125,000 cubic metres for unloading at the OLT terminal in the period of December 1st 2017 to December 31st 2017," said OLT Offshore.

"A part of the volumes, equal to 15,000 cubic metres, will be purchased by OLT for the operational requirement of the Terminal," it added.

Tenders can be lodged through documents available to all qualified companies.

The peak-shaving service is one of the emergency measures expected of OLT Offshore through a decree from the Ministry of the Economic Development if unfavourable events compromise the national gas system during the coming winter through early 2018.

OLT Offshore is providing the peak-shaving service for the fifth consecutive year.

The Italian import facility is jointly owned by Italy's Iren group, Germany's Uniper and a small stake held by Golar LNG of Norway.

GTT to supply dual-purpose carrier tanks amid revival in sector orders

Our Europe editor

Gaztransport and Technigaz (GTT), the French LNG maritime storage tank firm, has received an order from the Chinese shipyard Hudong-Zhonghua Shipbuilding for its technology for two ships to operate as conventional LNG carriers as well as floating storage and regasification units.

GTT said the two carrier-FSRUs vessels would be built at the yard in the Chinese port of Shanghai for European-based LNG fleet owner Dynagas.

Activity

This is the second major order given to GTT in recent weeks, signalling a revival of the LNG shipbuilding and equipment sectors.

The delivery of the purpose-built LNG ships is scheduled for 2021.

GTT will design the LNG tanks of both units and each will have a capacity of 174,000 cubic metres.

The French company said it would use its membrane cryogenic



Hudong-Zhonghua increases cooperation with French firm

containment system called No. 96 GW, with glass wool insulation.

Currently, 14 vessels in operation and 42 on order use this technology.

"We are pleased to once again accompany the ship-owner Dynagas in its continued development in the LNG industry and to contribute to the very first FSRUs built by our Chinese partner Hudong-Zhonghua," said Philippe Berterottiere, Chairman and Chief Executive of GTT.

"This new order highlights the trusting relationships GTT maintains with this shipyard, which is part of the biggest shipbuilding group

in China," added Berterottiere.

This is GTT's second large order confirmed in November 2017 from China's Hudong-Zhonghua after it was chosen to design cryogenic fuel tanks for nine LNG-fuelled container ships.

The shipowner that ordered the vessels is another French company, the container line CMA CGM.

The deliveries of the nine vessels will take place between the end of 2019 and 2020. GTT said it was planning LNG fuel tanks, which represent 18,600 cubic metres capacity per ship.

Mitsui enters FSRU business with stake in BW ship for Pakistan

BW Group of Singapore and Japanese trading house Mitsui & Co. have formed an ownership joint venture for the floating storage and regasification unit "BW Integrity", the second floating import facility deployed for Pakistan and giving Mitsui an entry into the FSRU business.

BW said that Mitsui had purchased a 49 percent share in the FSRU while BW continued to own a 51 percent share and to be commercial and technical manager of the ship. The companies declined to give financial details of the transaction.

The "BW Integrity" is currently in Port Qasim, near Karachi, on a 15-year charter to PGP Consortium Limited (PGPC), to provide LNG regasification services as

Pakistan's second import terminal.

"Mitsui and BW have enjoyed a good relationship for many years in various shipping areas," said Takeshi Setozaki, Mitsui's Chief Operating Officer for the Integrated Transportation Systems business.

"The opportunity for us to enter the FSRU business is a very big step forward for our future business strategy.

"As an LNG receiving/regasification base project is an extension of the LNG shipping business area, it is important to acquire know-how of the FSRU business and to maintain effective relationships with partners like BW," explained Setozaki.

"I am convinced that this partnership will also greatly contribute to Mitsui & Co.'s gas sales strategy.

I would like to continue to expand this business area in the future," added the Japanese executive.

BW currently has 21 LNG carriers and FSRUs in its fleet, including newbuilds. BW's first FSRU, the "BW Singapore", is based at the Egyptian port of Ain Sokhna in the Gulf of Suez as an import facility.

"BW and Mitsui have a history of close cooperation in many business areas and having Mitsui as a JV partner is a special relationship on which we hope to build," said BW Group's Chief Executive Carsten Mortensen.

"It is our privilege to have such a well-established name in the energy and maritime investment spheres take an interest in one of our vessels," added Mortensen.

US LNG equipment company Air Products extends contract of CEO Seifi Ghasemi through 2022

Our North America editor in New York

Air Products, the leading LNG liquefaction technology company, said it had extended the employment contract of its Chairman, President and Chief Executive Seifi Ghasemi through September 2022.

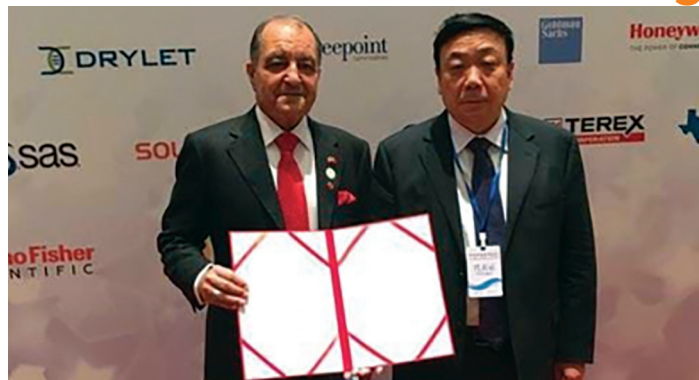
Iranian-born Ghasemi, aged 72, was named to his posts in 2014 and has led the company through a transformation over the past three years.

Overhaul

In the restructuring he has spun-off and sold subsidiaries to concentrate on the core business of industrial gases.

One of the main pieces of equipment made by Air Products are heat exchanger units produced at its Florida manufacturing facility and supplied to liquefaction plants in the US and around the world.

"Seifi is an extraordinary leader and strategist who has built strong relationships with customers, investors and employees



CEO of Air Products Seifi Ghasemi (left) with agreement signed in Beijing with Yankuang Group Chairman Li Xiyong

based on his track record of consistently delivering on commitments," said Air Products board member Chad Deaton.

"The board is taking this action now to assure Air Products' stakeholders that the company will have strong and stable leadership to continue the transformation that has been underway and deploy the company's significant investment capacity arising from its recent divestitures and strong cash flow," added Deaton.

Ghasemi said it had been an honour to lead Air Products over

the past three years. "I am excited about the opportunity to continue to work with this great team to secure Air Products' place as the safest, most diverse and most profitable industrial gas company in the world," stated the CEO.

Ghasemi was born in the Iranian city of Mashhad and first came to the US as a graduate student at Stanford University, where he received his master's degree in mechanical engineering and worked in the steel industry in Iran.

He later fled from Iran with his

family in 1978 when Islamic revolutionaries overthrew the Shah and he eventually settled in the US.

Ghasemi worked with Airco, a company which was taken over by industrial gases group BOC, where he became President of BOC's Americas unit.

He then moved to British aerospace and auto parts maker GKN before joining private equity firm Kohlberg Kravis Roberts & Co. in 2001 to build its Rockwood Holdings unit into a multinational chemicals company.

Ghasemi was invited to join the Air Products board in 2013 and in 2014 he became CEO.

Ghasemi accompanied the recent US trade mission to China led by President Donald Trump and Air Products signed an investment cooperation agreement with Yankuang Group for a \$3.5 billion coal-to-syngas production facility in China.

The facility will be built in Yulin City in China's Shaanxi Province.

US LNG exporter Cheniere stuck in net loss zone even after shipping 200 cargoes since start-up

Cheniere Energy, owner of the Sabine Pass plant in Louisiana and developer of the Corpus Christi facility in Texas, reported a third-quarter net loss even as revenues from LNG for the first nine months of the year reached \$3.85 billion.

Cheniere posted a wider net loss of \$289M in the quarter compared with a \$101M loss in the prior-year quarter.

The Houston-based company also posted a loss of \$520M for the nine months to the end of September versus a net loss of \$720M for the same period of 2016.

Cheniere said the wider quarterly net loss was because of increased expenses, including interest payments and derivative losses, partially offset by rising

income from operations. During the three and nine months periods Sabine Pass sent out 44 and 135 LNG cargoes respectively.

Cheniere has shipped more than 200 from the Sabine plant since February 2016 and supplied 25 different countries worldwide.

Revenues amounted to \$1.40 billion for the three months and \$3.85Bln for the first nine months of 2017, versus \$465M and \$711M for the same periods of 2016 when there were fewer processing Trains than the four now operating.

The four Trains at the Louisiana facility have a nameplate capacity of 18 million tonnes per annum.

The Sabine Pass Train 4 became operational in October 2017, Train 5 is under construction and Train 6

is being commercialized and has all necessary regulatory approvals in place.

Cheniere said consolidated adjusted gross earnings for the three-month and nine-month periods amounted to \$442M and \$1.3Bln compared with \$67M and \$19M for the comparable 2016 periods.

"I'm pleased to report our strong third-quarter results, which are a product of continued execution and operational excellence across the company," said Jack Fusco, President and Chief Executive.

"The third quarter was highlighted by the commencement of our long-term contract with Gas Natural Fenosa (Spain) and the successful commissioning of Train 4 at Sabine Pass," noted Fusco.

"We are revising our 2017 guidance upward as operating results continue to exceed earlier expectations, and we have greater certainty on results as we approach the end of the year," the CEO added.

The Houston-based company also recently opened offices in Tokyo and Beijing and established an in-country presence in Thailand to build expertise and local relationships.

Cheniere is also developing a second natural gas liquefaction and export facility at the Corpus Christi LNG terminal, which is on nearly 2,000 acres of land at the Texas port with an associated pipeline venture.