



أرامكو السعودية
Saudi Aramco



Saudi Aramco Downstream Investment Strategy

Asian Energy Forum

Downstream Vision



Saudi Aramco is one of the major players in key oil products and petrochemical markets, driven by commercial and national interests

Strategies:

- Take a lead to help overcome product demand
- We will continue optimizing our downstream portfolio
- Grow our downstream business by selective partnering

Energy Market Overview

Saudi Aramco Strengths



Outline

- Energy Market Overview
- Saudi Aramco Strengths
- Downstream Strategy
- Closing

Energy Market Overview

Available Crude – Becoming Heavier



Need for Refinery Upgrades

Wt% Sulfur

1.25

1.2

1.15

1.0

1995

2000

2005

2010

2015

API Gravity

33.5

33

32.5

32

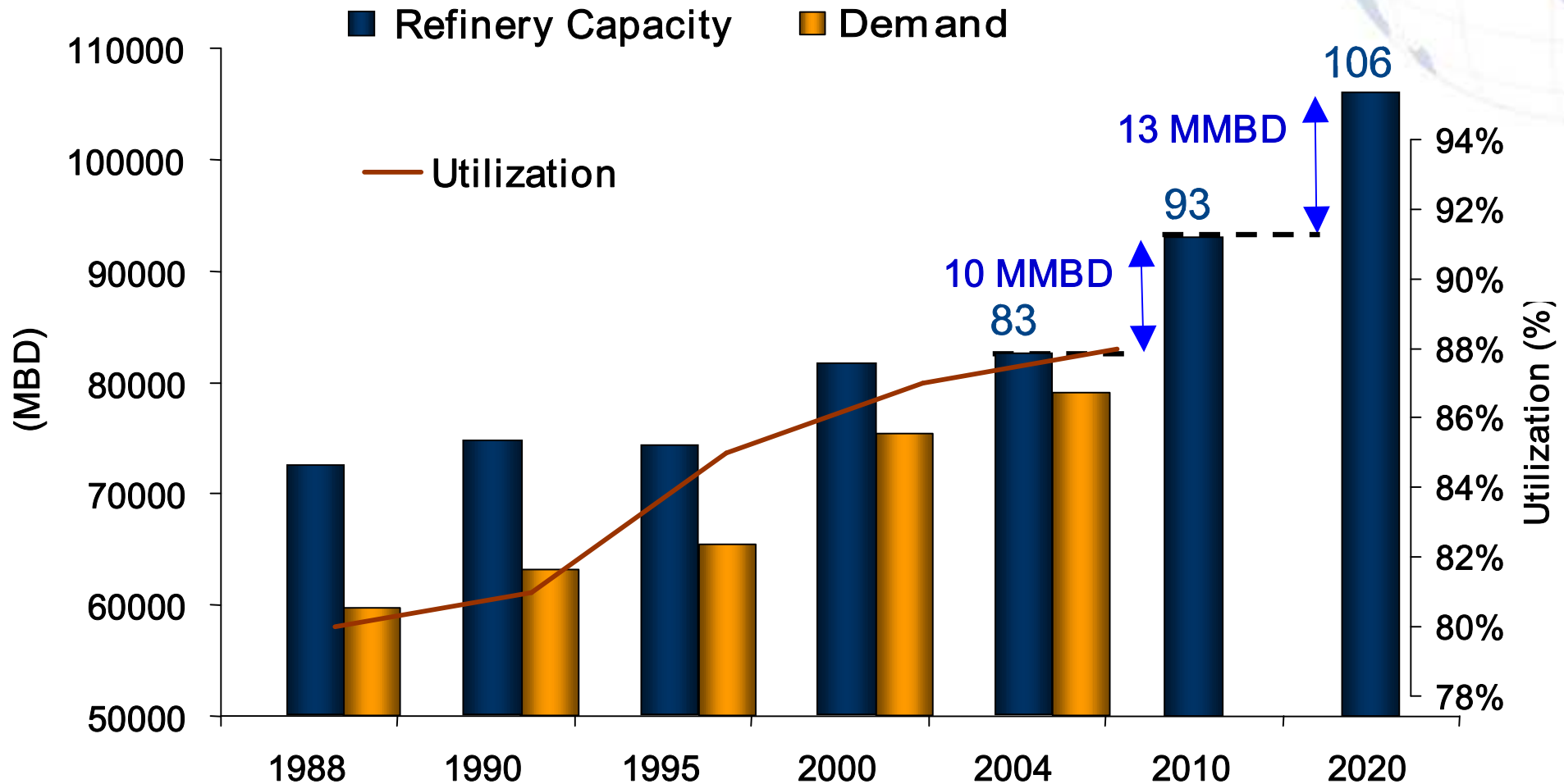


Energy Market Overview

Refining Capacity vs. Demand



Spare Refining Capacity Erosion



Energy Market Overview



Demand – Refining Shortfall

- ➔ Need for refineries upgrade and additional capacity to meet growing demand
- ➔ Industry is reluctant to invest in new projects

Opportunity for growth in downstream business





Saudi Aramco Strengths

- Access to Hydrocarbon Resources
- Corporate Governance
- Management and Organization
- Access to Global Markets



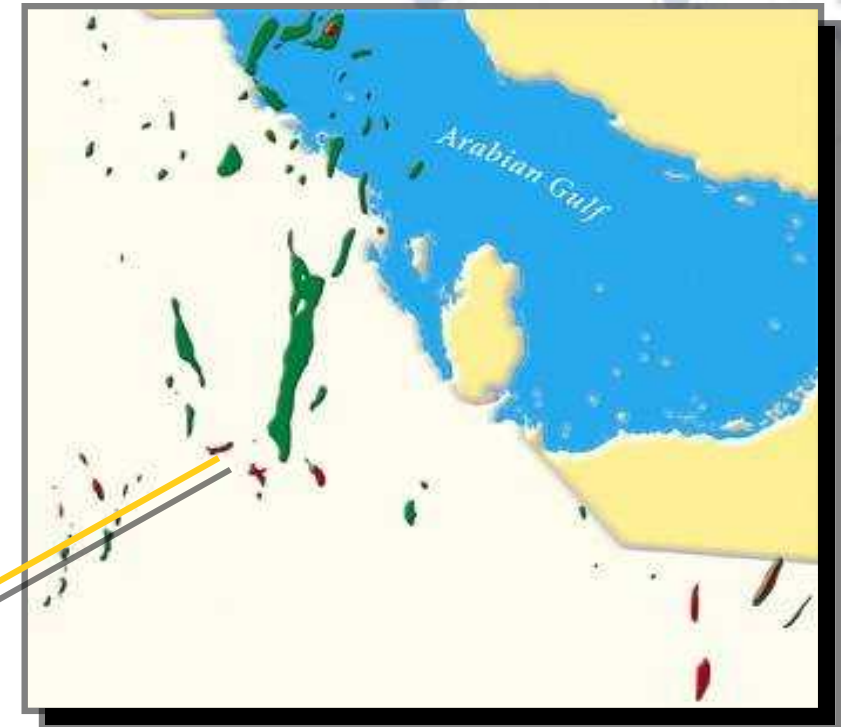
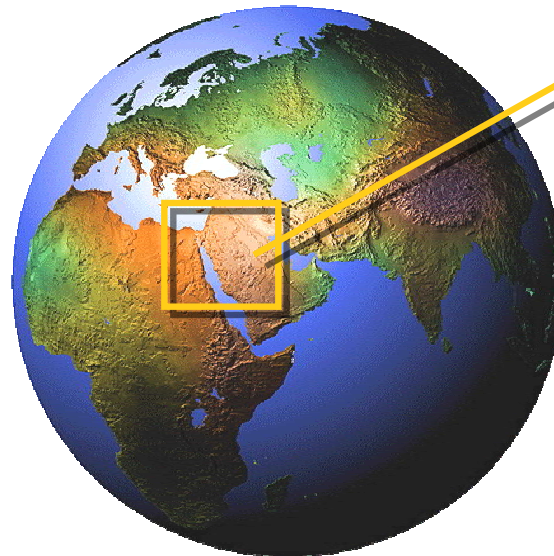
Saudi Aramco Strengths

Access to Hydrocarbon Resources

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Saudi Aramco



- 260 billion barrels proved oil reserves
- 85 fields and 320 reservoirs
- Five grades of crude oil (from API 27 through 50)
- Sustainable capacity – 12 MMBD by 2009
- Significant areas at the Kingdom offer large additional potential
- Master gas delivery system
- Gas exploration through Joint Ventures



Saudi Aramco Strengths

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Saudi Aramco

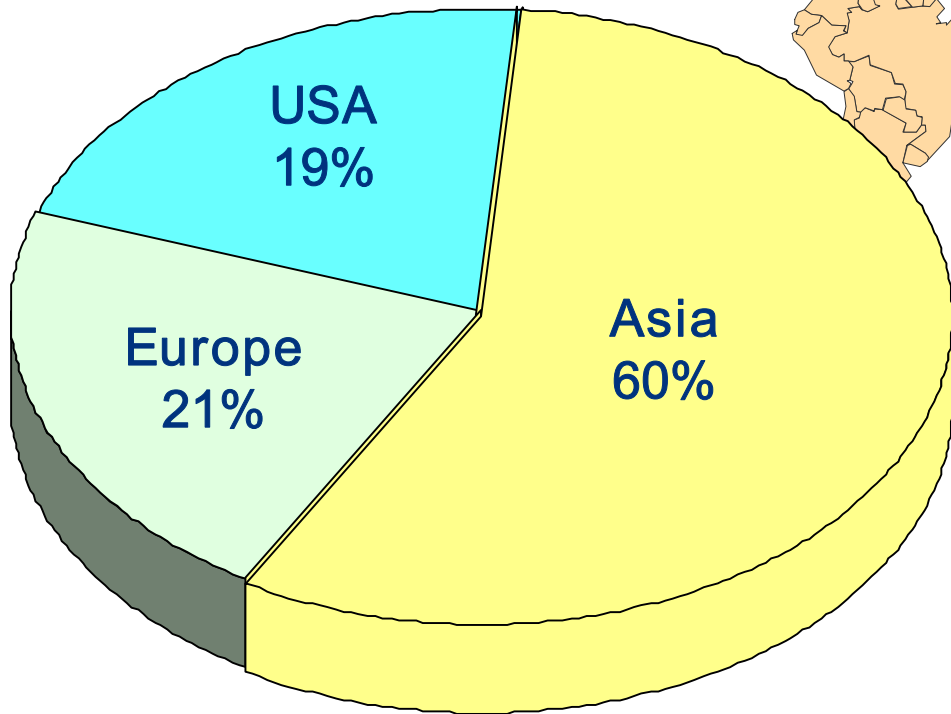
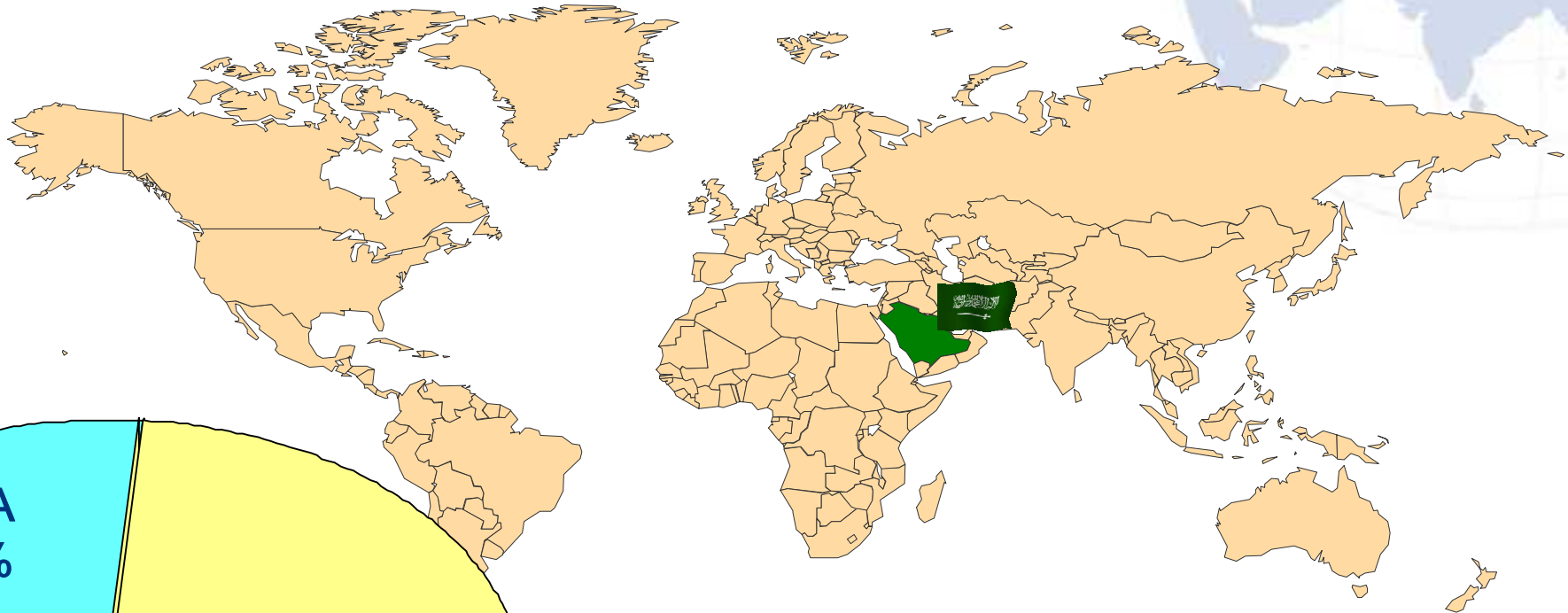


- Access to Hydrocarbon Resources
- Corporate Governance
- Management and Organization
- Access to Global Markets



Access to Global Markets

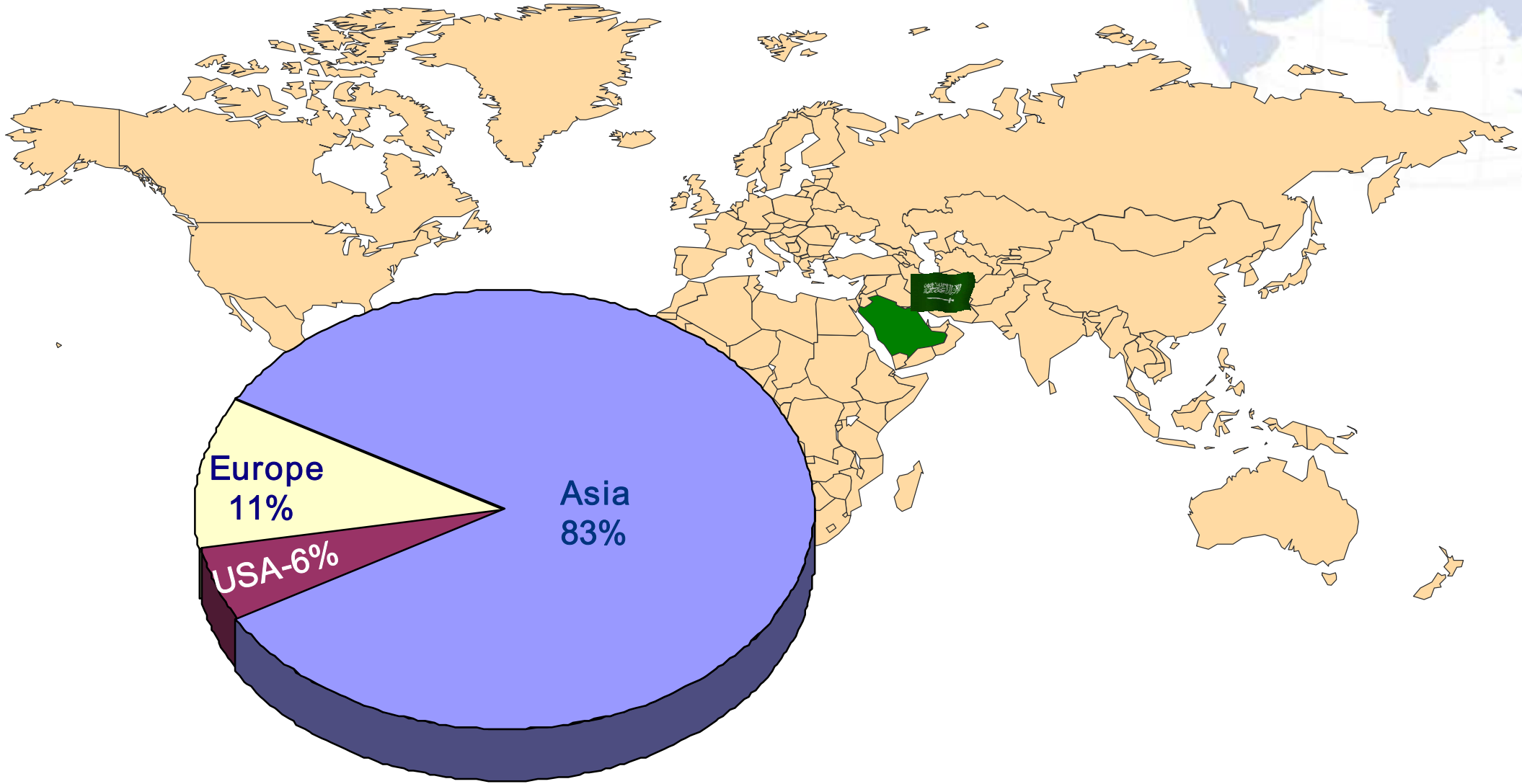
Crude Exports



Access to Global Markets

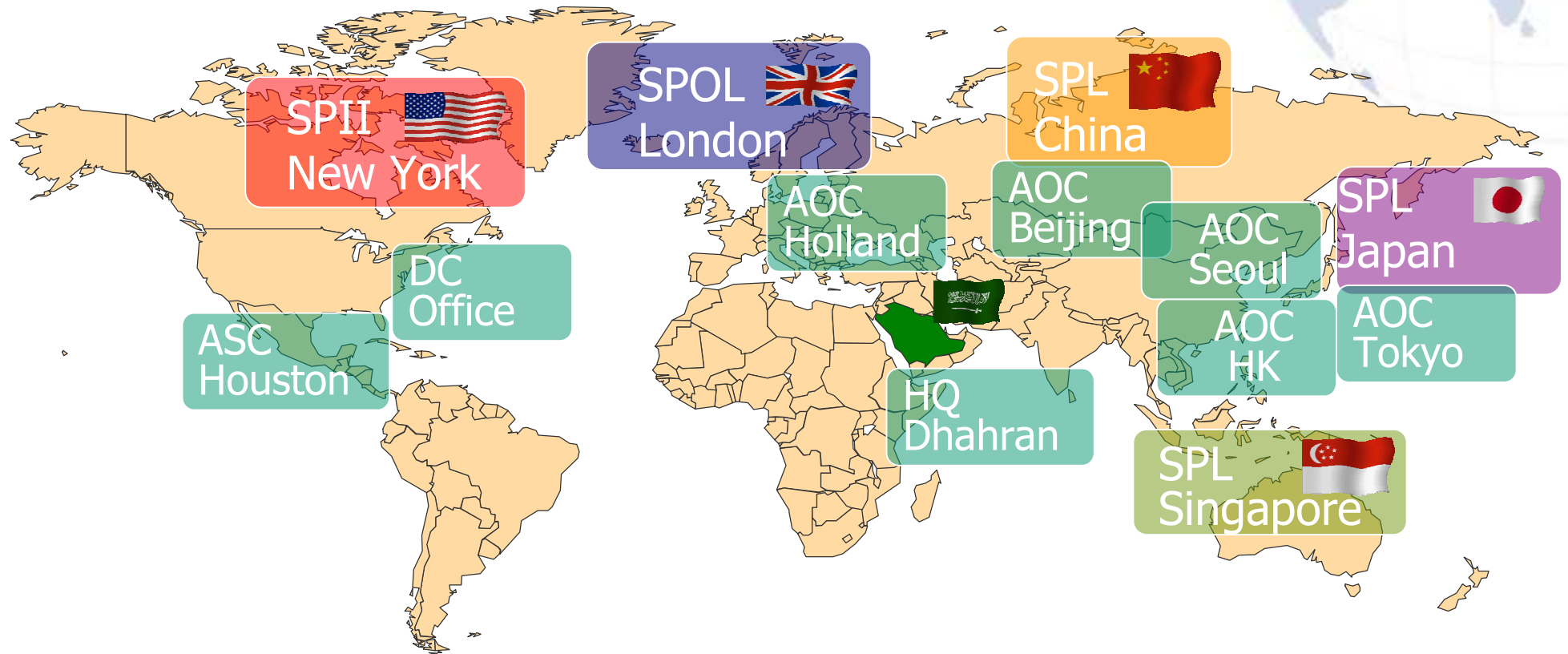


Refined Product Exports (31.2 MMT)



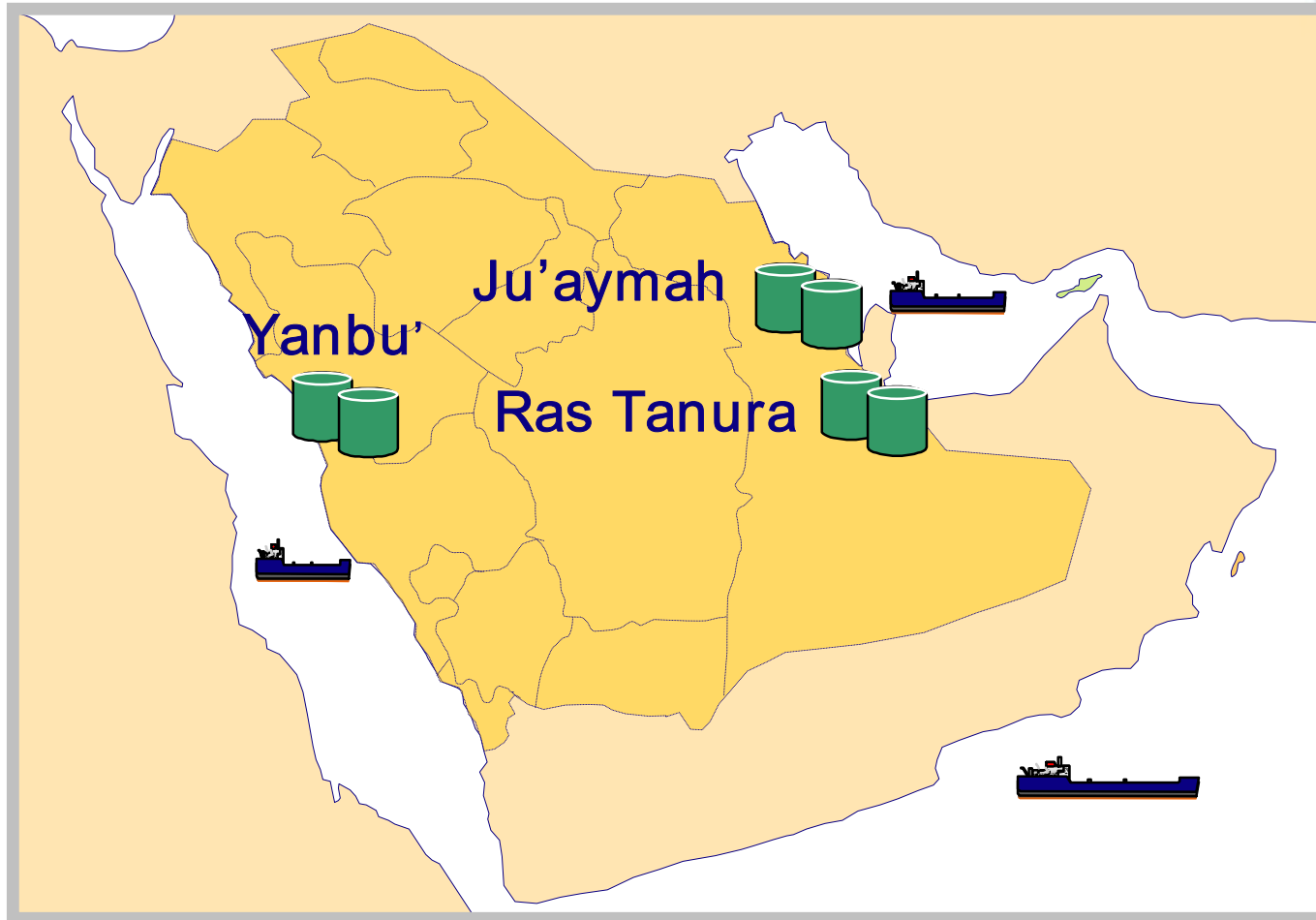
Access to Global Markets

International Marketing & Liaison Offices



Access to Global Markets

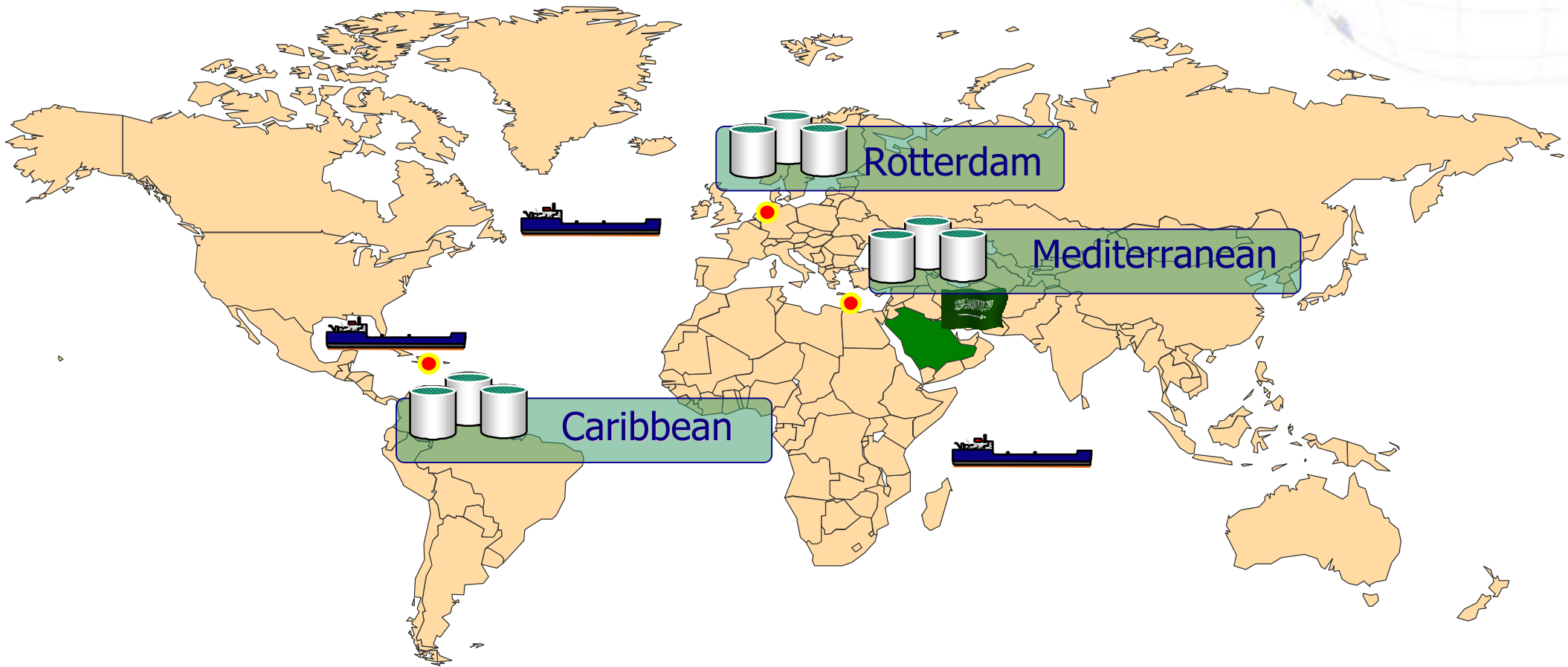
Terminals in Saudi Arabia



Access to Global Markets

International Logistics Terminals

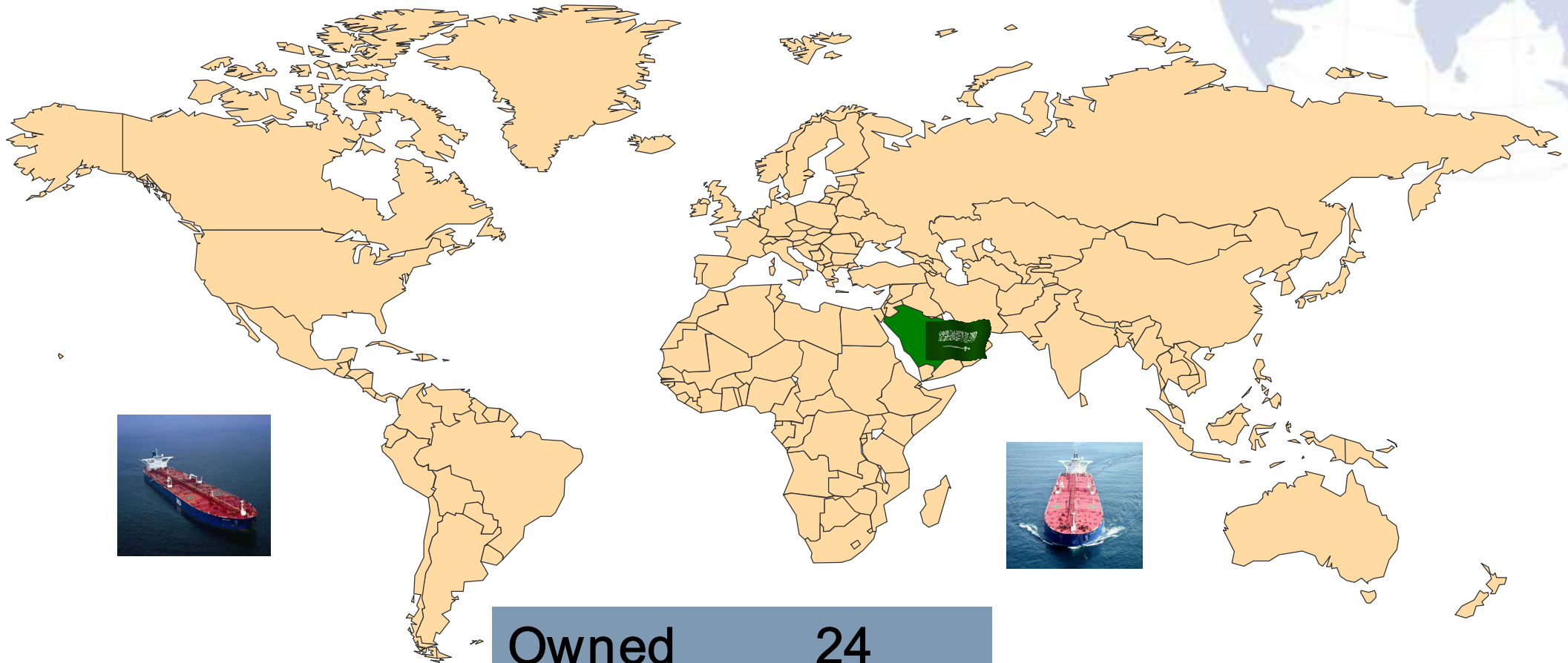
Mediterranean, Rotterdam, Caribbean





Access to Global Markets

Vela's Fleet

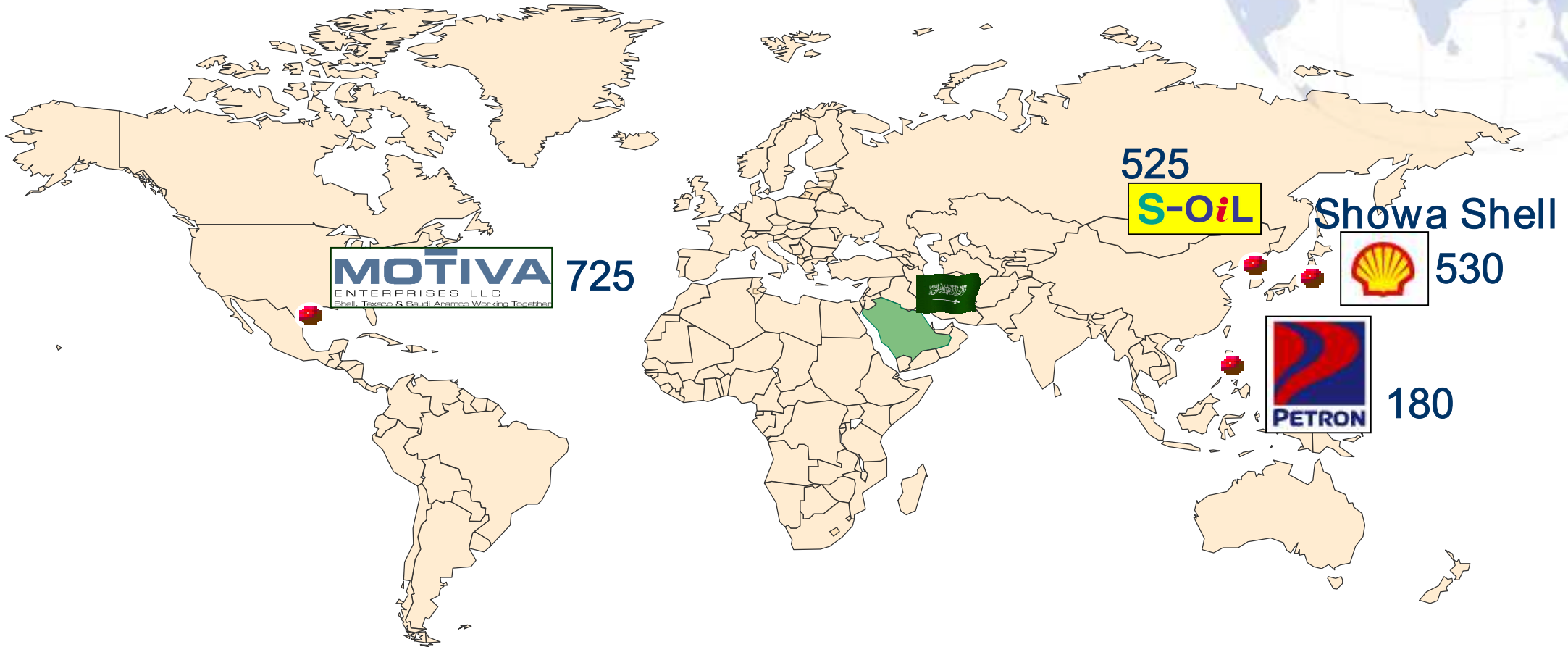


Owned	24
Charter	24
	48

Access to Global Markets

Current Refining Portfolio

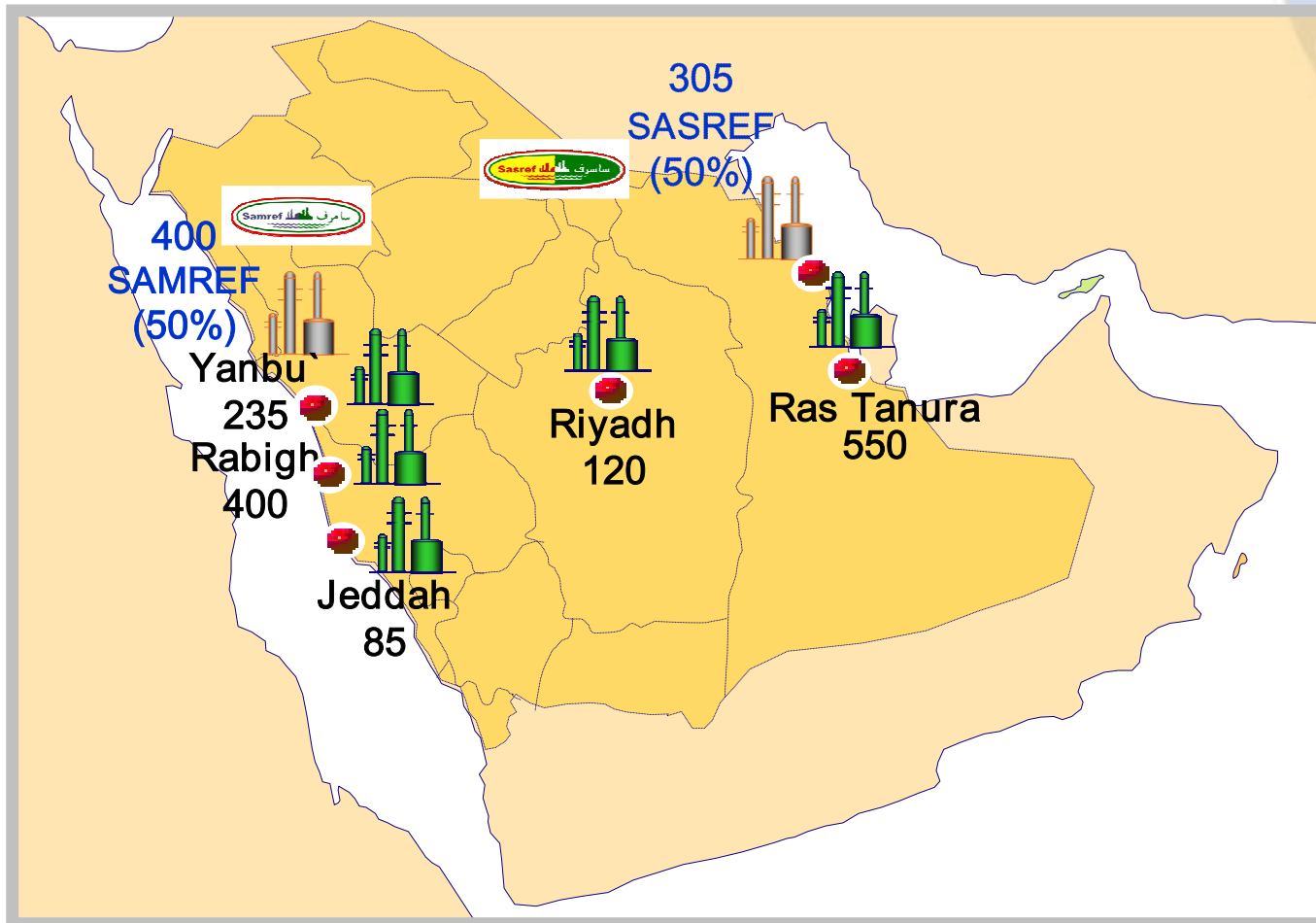
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Access to Global Markets

Current Refining Portfolio

In-Kingdom Refining System



Saudi Aramco Shell Refinery Co (SASREF)



Saudi Aramco Mobile Refinery Co (SAMREF)

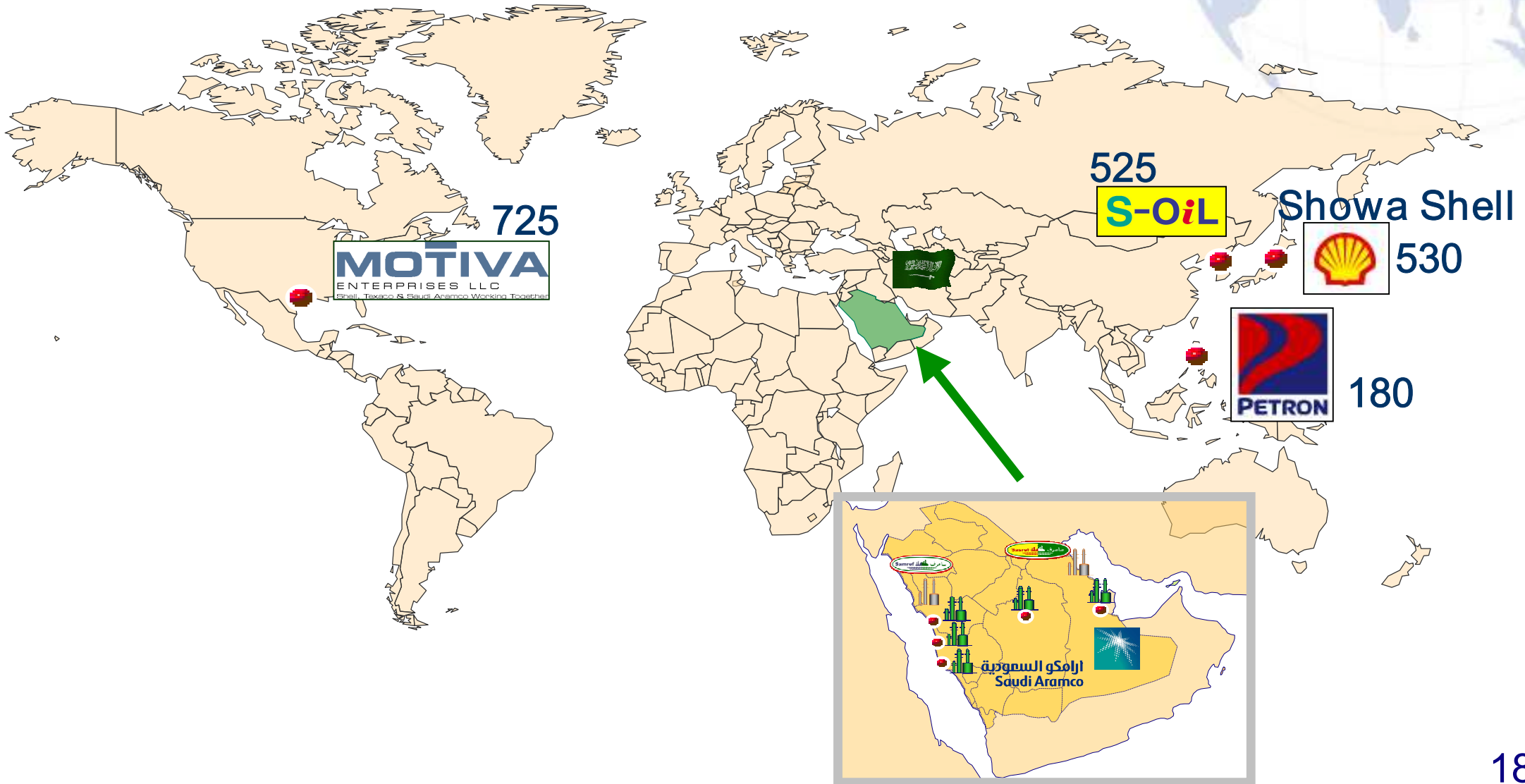
Access to Global Markets

Current Refining Portfolio

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Saudi Aramco Crude Processed > 3 MMBD



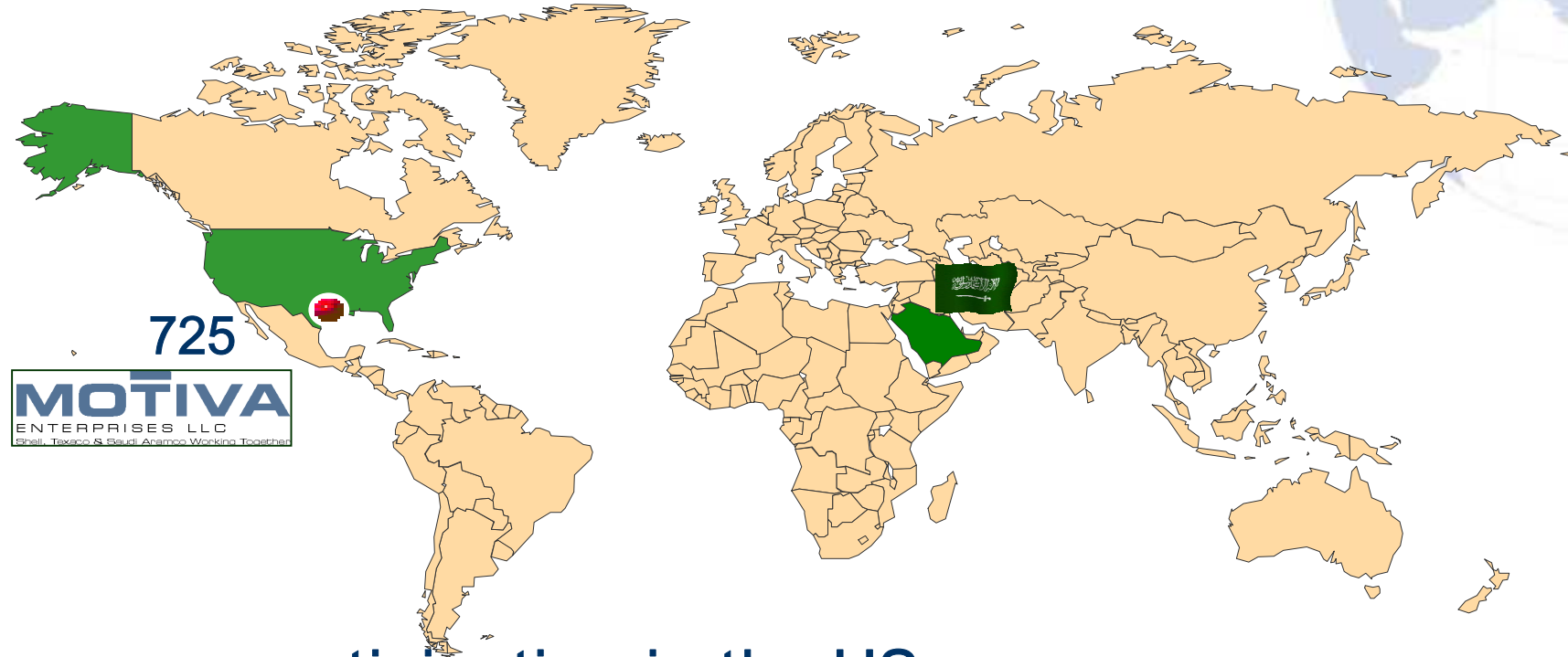


Outline

- Energy Market Overview
- Saudi Aramco Strengths
- Downstream Strategy



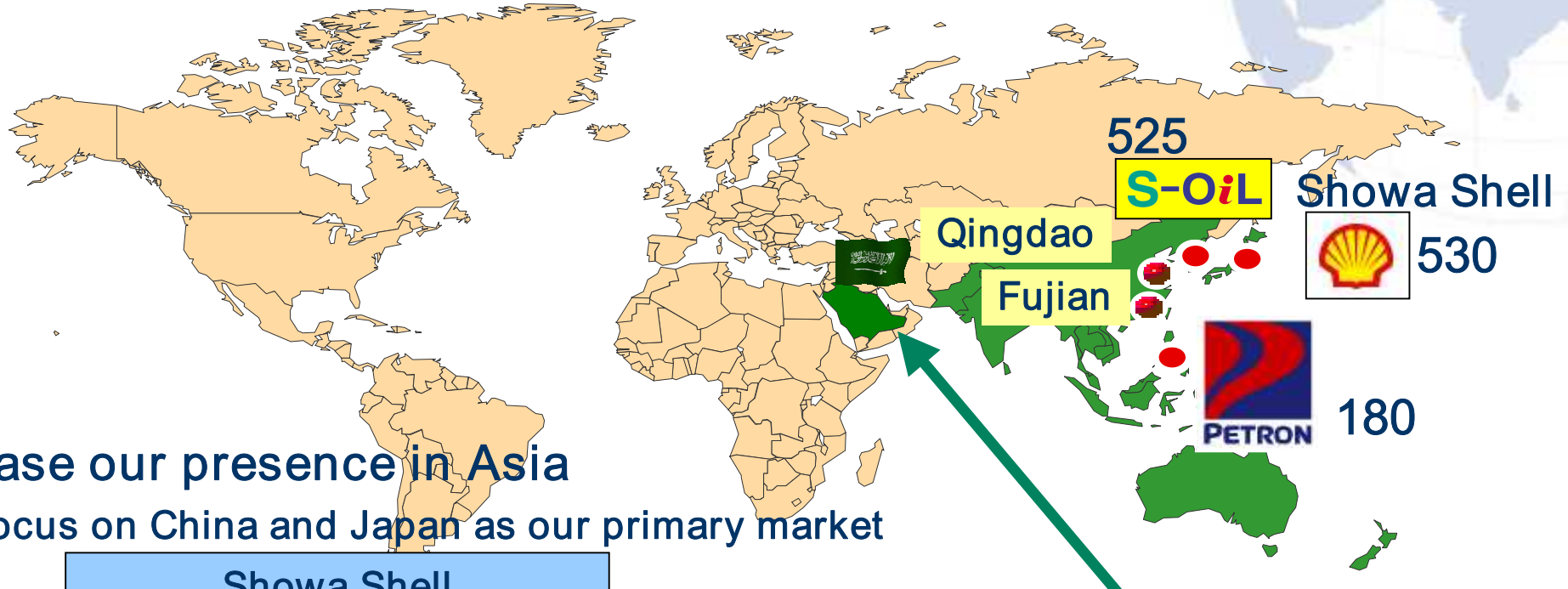
Downstream Strategy – USA



- Increase participation in the US
 - Expand Motiva capacity to process additional volumes of Arab Heavy Crude
 - Seeking additional opportunities



Downstream Strategy – Asia



- Increase our presence in Asia

- Focus on China and Japan as our primary market

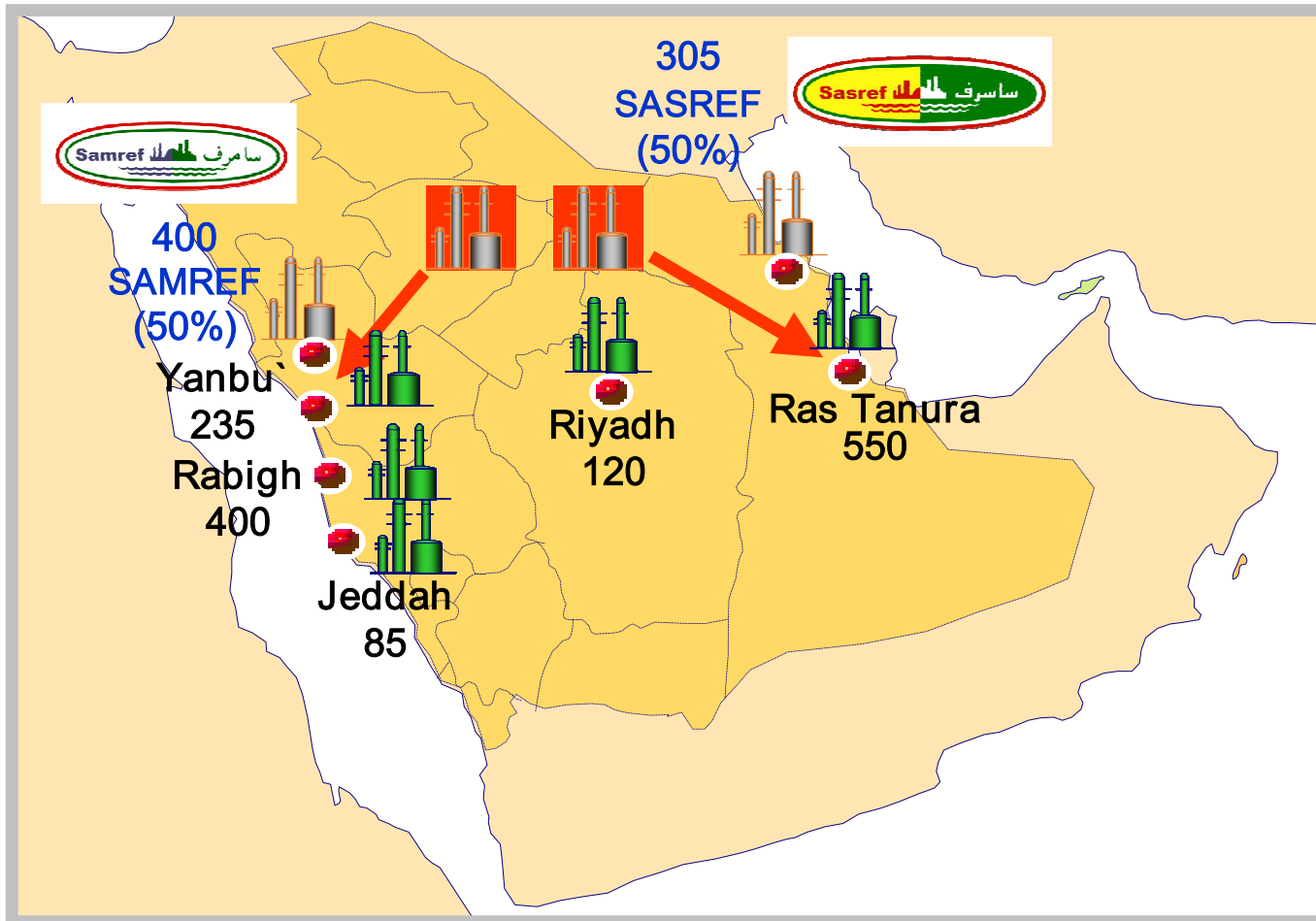
Showa Shell
Fujian
Qingdao

- Closely monitor India's rapidly growing market for potential opportunities





Downstream Strategy – Saudi Arabia



- Increase in Kingdom refining capacity to accommodate growing domestic and international demand

Two new export refineries

- Participate in the petrochemical growth opportunities

Rabigh expansion with Sumitomo

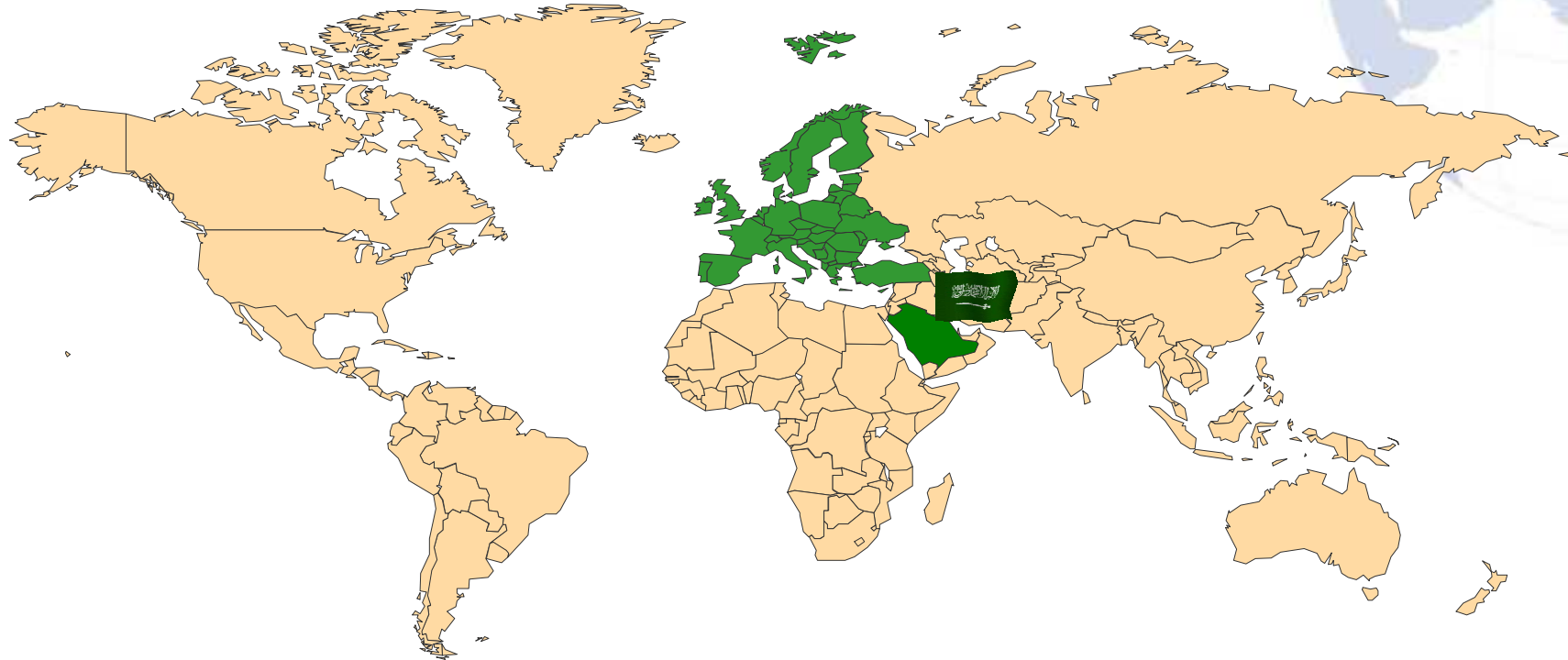
Ras Tanura

Saudi Aramco

Joint Venture

Export Refineries

Downstream Strategy – Europe



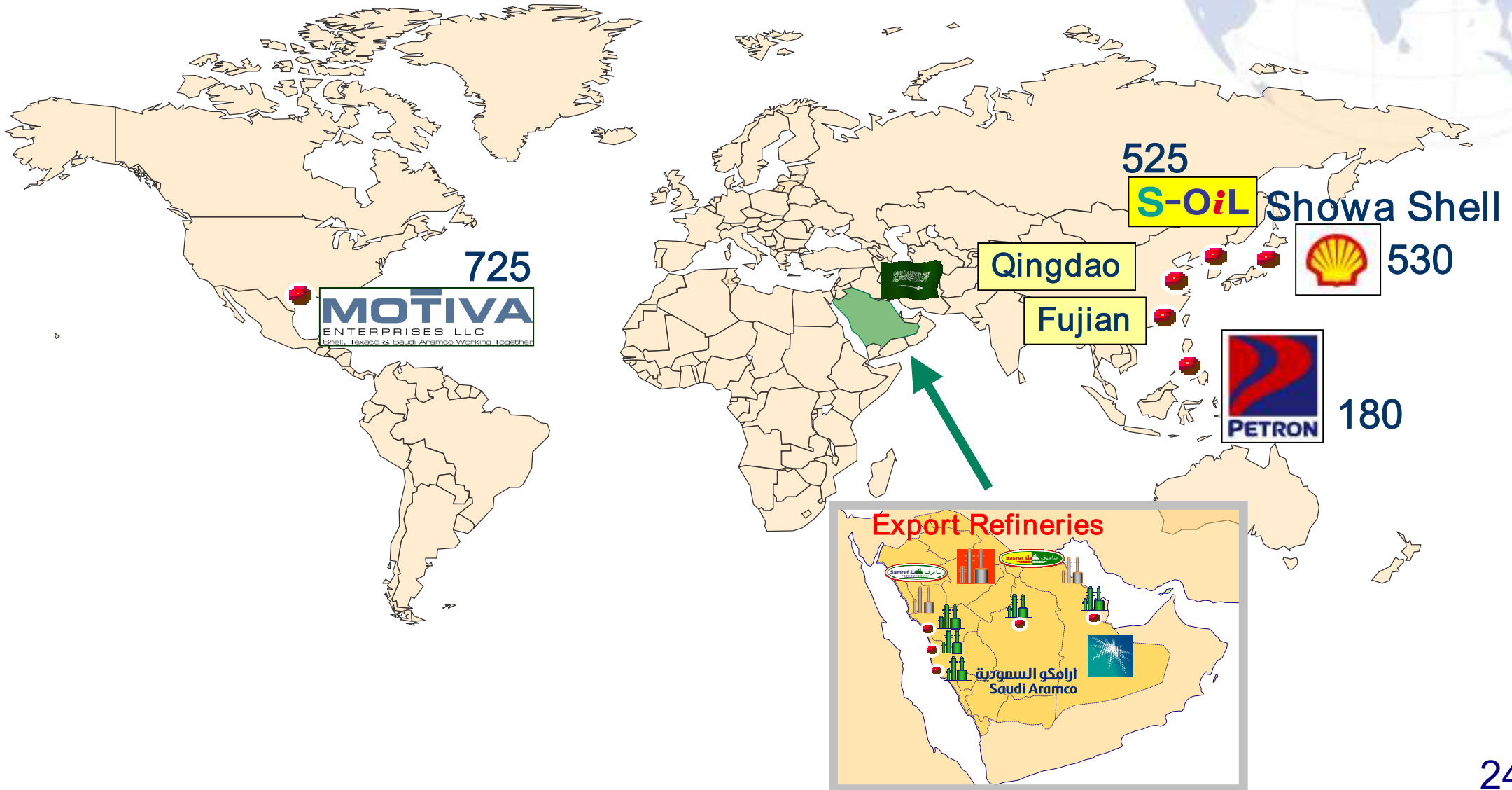
- Supply required incremental products from Saudi Arabia's refining system
- Monitor market development for potential investment opportunities

Downstream Strategy

Future Refining Portfolio



Saudi Aramco Crude Processed > 6 MMBD





Closing

Saudi Aramco is one of the major players in key oil products and petrochemical markets, driven by commercial and national interests

Challenges  Opportunities

- Access to Hydrocarbons
- Corporate Governance
- Strong Management & Organization
- Downstream Presence

Saudi Aramco is the Preferred Partner for Investing in the Downstream Business

1945



Thank You

2005

