



Acquisition of ~28 % of Skarv-Idun  
area in the Norwegian Sea

August 2007

E.ON acquired 28% in the Skarv-Idun area located in one of E.ON's core upstream areas in the North Sea

### Skarv-Idun transaction - key data

#### Investment (28.08%):

- Purchase price: USD 892.5 mm
- Development CAPEX: USD ~ 1,400 mm<sup>1</sup>

#### Seller:

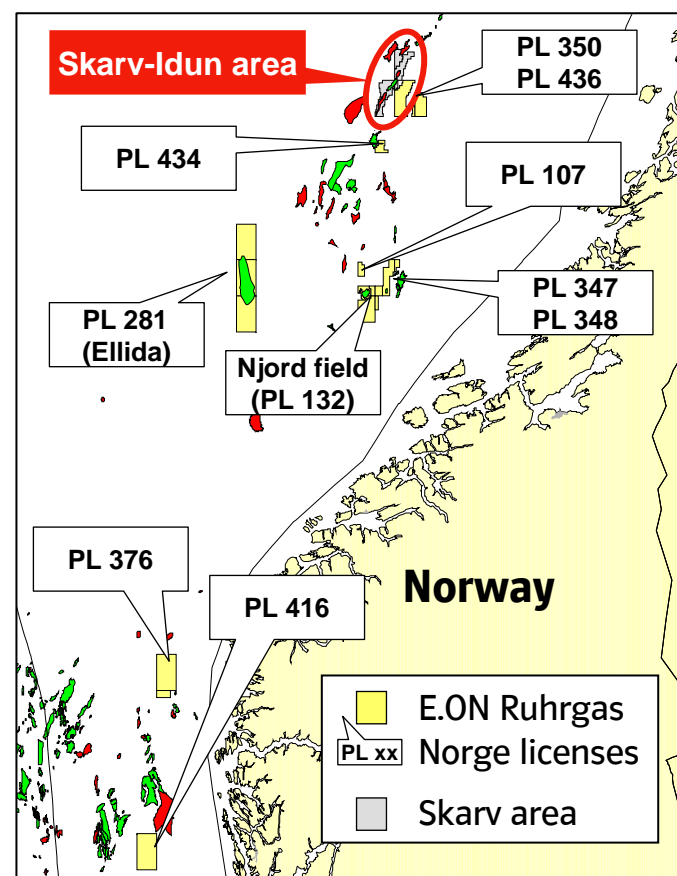
A/S Norske Shell

#### Recoverable reserves - PDO<sup>2</sup>:

- 100%: ~ 65.6 MSm<sup>3</sup>oe
  - thereof rich gas<sup>3</sup>: ~ 48.3 bcm
- E.ON-share (28.08%): ~18.4 MSm<sup>3</sup>oe
  - thereof rich gas<sup>34</sup>: ~ 13.6 bcm

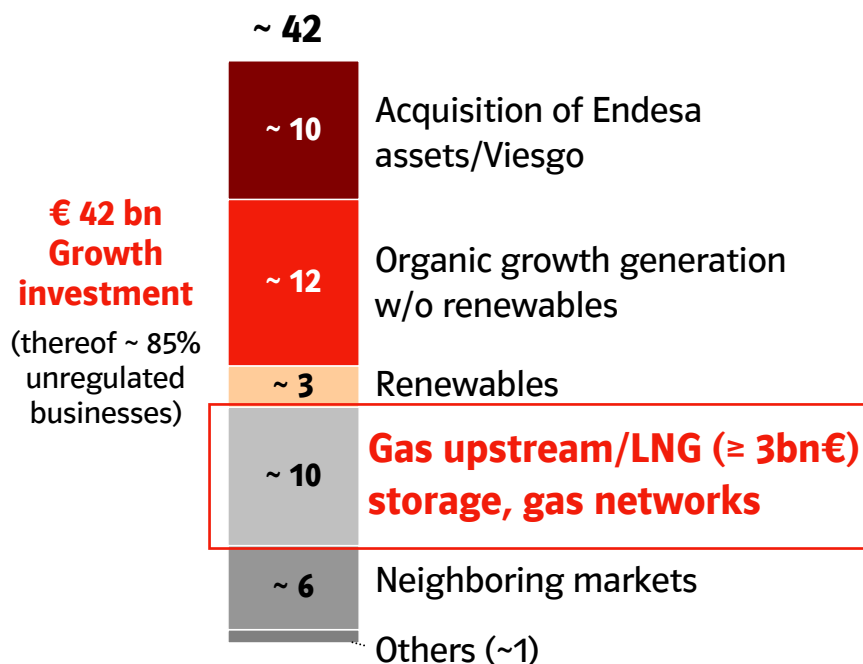
#### Significant potential from near field exploration

1. For development of Skarv/Idun: 100 % CAPEX Skarv/Idun USD ~ 5,000 mm  
 2. PDO: Plan for Development and Operation  
 3. Rich gas: Dry gas and Natural Gas Liquids (NGL)  
 4. Without Snadd



Skarv-Idun purchase price and the development Capex are included in E.ON's existing 2007-2010 investment plan

**E.ON Growth investment initiated between 2007 - 2010 (bn €)**



- Largest share of Skarv development CAPEX being spent until 2010

**Investments:**

- Purchase price: ~ 0.7 bn€<sup>1</sup>
- Development CAPEX: ~ 1.0 bn€<sup>1</sup>

**Total investment: ~ 1.7 bn €**

1. Depending on EUR/USD exchange rate - stated value calculated with EUR/USD 1,3460

Skarv-Idun is E.ON's largest upstream acquisition so far contributing significantly to E.ON's strategic upstream target

### E.ON's upstream target

#### E.ON's objective:

- Extend gas production to  $\geq 10$  bcm p.a.
- Target regions:
  - North Sea, Russia
  - Africa, Middle East as new supply sources

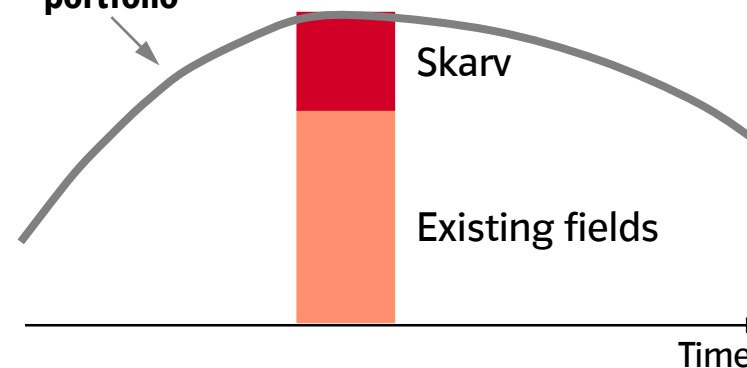
#### Skarv:

- Estimated average gas production of  $\sim 1.4$  bcm for E.ON over 10 years
- Expected production start 2011
- Planned Skarv production complements the production profile and exploration potential of E.ON's existing asset base
- Strengthening of E.ON's upstream position in the North Sea and on the Norwegian Continental Shelf

### E.ON's gas production over time

Target:  $\geq 10$  bcm p.a.

Schematic profile  
E.ON upstream  
portfolio



E.ON regards Skarv-Idun fields as one of the largest and most attractive discoveries in Norway yet to be developed

### Skarv-Idun area

#### Discovery:

- Discovered 1998
- One of the largest discoveries in Norway to be developed
- Several reservoirs and structures

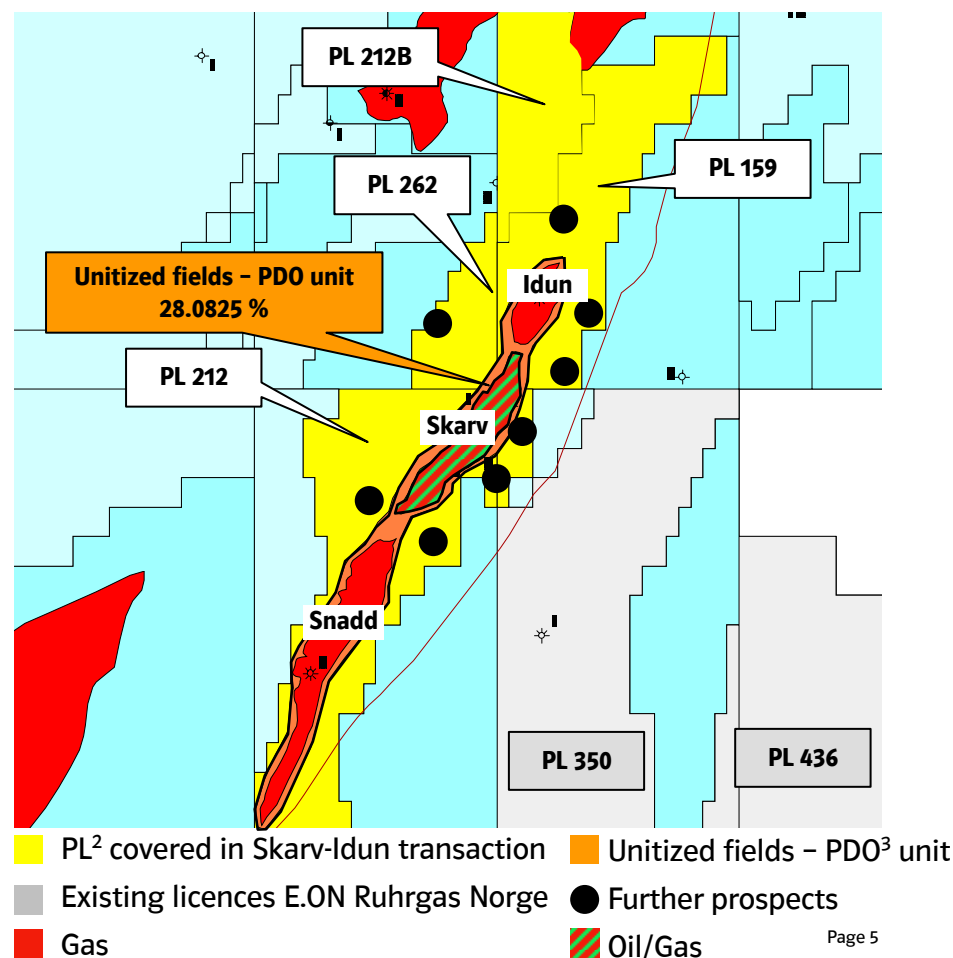
#### Licence holders (unitized interest):

- Statoil ~ 34%
- Shell – sold to E.ON<sup>1</sup> ~ 28%
- BP Norge (Operator) ~ 24%
- ExxonMobil – sold to PGNiG<sup>1</sup> ~ 12%
- Hydro ~ 2%

#### License interests transferred to E.ON:

- 40% of PL 159
- 25% of PL 212, PL 212B, PL 262

1. Closing pending  
 2. PL: production license  
 3. PDO: Plan for Development and Operation



The produced gas will be exported through a tie in to the existing Norwegian transport system

## Development and transport

### Status of development:

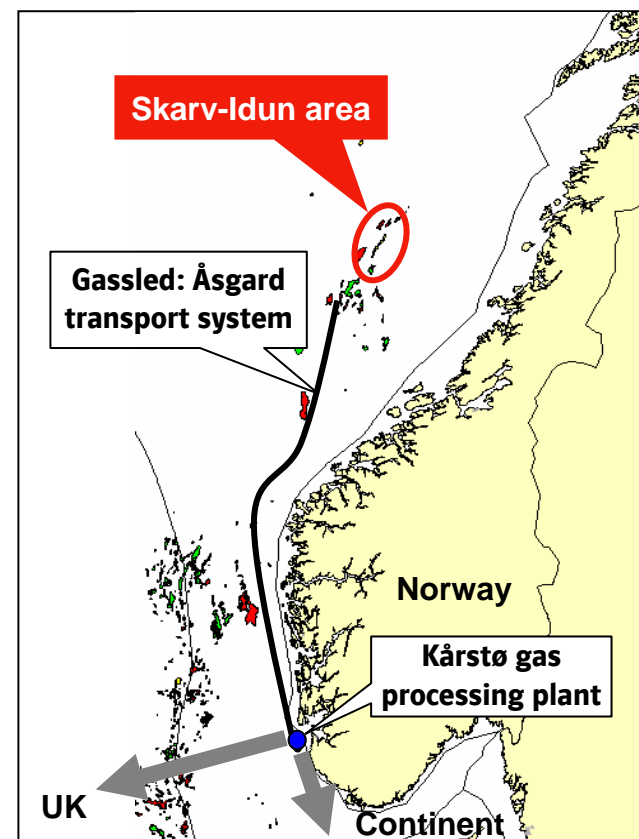
- PDO<sup>1</sup> submitted: 29 June 2007
- Planned production start: end of 2011
- Expected field life: ~ 20 years

### Development concept:

- Phase 1: Development of Skarv and Idun using a floating production, storage and offloading vessel (FPSO) - water depth 350m and 450m, ~16 wells
- Additional exploration resources to be developed as tie backs to the Skarv-Idun FPSO

### Gas/oil export:

- Gas export via existing Norwegian infrastructure (Gassled): tie-in of Skarv-Idun to existing Åsgard transport system (~ 80 km)
- Oil export via shuttle tanker



The Skarv-Idun area offers significant additional value creation potential from discoveries and exploration

### Development and exploration potential

- Development of Snadd discovery (phase 2) post Skarv-Idun development (phase 1)
- Several exploration prospects identified – E.ON’s assessment is that the key prospects have above average geological probability of discovery
- Additional reserve upside from:
  - New discoveries
  - Enhanced recovery

