

BG GROUP PLC

2006 THIRD QUARTER RESULTS

BG Group's Chief Executive, Frank Chapman said:

"These results reflect a strong operating performance. In addition, our key projects continued to make good progress, we saw significant exploration success and we continued to strengthen the portfolio of future opportunities."

HIGHLIGHTS

Third Quarter		Business Performance ⁽ⁱⁱ⁾	Nine Months			
2006 £m	2005 ⁽ⁱ⁾ £m		2006 £m	2005 ⁽ⁱ⁾ £m		
1 647	1 339	+23%	Revenue and other operating income	5 373	3 566	+51%
			Total operating profit including share of pre-tax operating results from joint ventures and associates			
633	551	+15%		2 343	1 529	+53%
342	307	+11%	Earnings for the period	1 268	851	+49%
-	-	-	Prior period taxation ⁽ⁱⁱⁱ⁾	(38)	-	-
342	307	+11%	Earnings after prior period taxation	1 230	851	+45%
10.0p	8.6p	+16%	Earnings per share	35.3p	24.0p	+47%
Total results for the period (including disposals and re-measurements)						
1 751	1 360	+29%	Revenue and other operating income	5 586	3 429	+63%
			Operating profit before share of results from joint ventures and associates			
685	512	+34%		2 370	1 653	+43%
			Total operating profit including share of pre-tax operating results from joint ventures and associates			
737	572	+29%		2 548	1 821	+40%
394	320	+23%	Earnings for the period	1 367	1 063	+29%
-	-	-	Prior period taxation ^(iv)	23	-	-
394	320	+23%	Earnings after prior period taxation	1 390	1 063	+31%
11.5p	9.0p	+28%	Earnings per share	39.9p	30.0p	+33%

For notes i) to iv) see footnotes on page 2

HIGHLIGHTS

- Excluding re-measurements and disposals, total operating profit for the third quarter increased 15% to £633 million and Earnings per share rose by 16%.
- E&P volumes for the quarter rose 23%, helped by increased Egypt and Trinidad and Tobago volumes and the start-up of production at Atlantic/Cromarty (UK) and Dolphin Deep (Trinidad and Tobago).
- Completion of £1 billion share buyback programme.
- Average UK contracted gas price is expected to be approximately 31 pence per therm for the gas year 2006/2007.
- Buzzard is on schedule to produce first oil in the fourth quarter.
- Discovery of the Jasmine gas condensate field in the UK central North Sea, with gross estimated recoverable reserves of up to 275 million barrels. This near infrastructure field lends itself to early development.
- Play-opening oil discoveries on the Parati and Tupi prospects in the Santos Basin, Brazil.
- Acquired operatorship of discovered reserves and exploration acreage in Algeria.
- Purchased the 170MW, gas-fired, Dighton power plant located in Massachusetts, USA.

- 2005 comparatives have been restated on the application of IFRIC 4 and amendments to IAS 39. See Note 1, page 19.*
- 'Business Performance' excludes disposals and certain re-measurements as exclusion of these items provides a clear and consistent presentation of the underlying operating performance of the Group's ongoing business. For further explanation of Business Performance and the presentation of results from joint ventures and associates, see Presentation of Non-GAAP measures, page 11 and Results Presentation, page 3. Unless otherwise stated, the results discussed in this release relate to BG Group's Business Performance.*
- Prior period taxation is as a result of the increase in North Sea taxation and includes an additional charge of £38 million in respect of the restatement of deferred tax balances at 1 January 2006.*
- In addition to (iii) above, prior period taxation includes a £61 million credit relating to the impact of the increase in North Sea taxation on re-measurement balances.*

RESULTS PRESENTATION

The presentation of BG Group's results under IFRS separately identifies the effect of:

- The re-measurement of certain financial instruments.
- Profits and losses on the disposal and associated impairment of non-current assets and businesses.

These items are excluded from Business Performance in order to provide readers with a clear and consistent presentation of the underlying operating performance of the Group's ongoing businesses.

Under IFRS the results of joint ventures and associates are presented net of finance costs and tax (see pages 13 and 14). Given the relevance of these businesses within BG Group, the results of joint ventures and associates are presented both before interest and tax, and after tax. The pre-interest and tax result is included in Business Performance discussed on pages 4 to 10. The table below sets out the amounts related to joint ventures and associates, re-measurements under IAS 39 and profits on disposal and impairment of non-current assets and businesses.

Third Quarter	Business Performance		Disposals and re-measurements ⁽ⁱ⁾		Total Result	
	2006	2005	2006	2005	2006	2005
	£m	£m	£m	£m	£m	£m
Operating profit before share of results from joint ventures and associates	581	491	104	21	685	512
Pre-tax share of operating results of joint ventures and associates	52	60	-	-	52	60
Total operating profit	633	551	104	21	737	572
Net finance costs						
Finance income	25	21	1	6	26	27
Finance costs	(21)	(24)	(1)	(5)	(22)	(29)
Share of joint ventures and associates	(17)	(11)	-	-	(17)	(11)
	(13)	(14)	-	1	(13)	(13)
Taxation						
Taxation	(265)	(207)	(52)	(11)	(317)	(218)
Share of joint ventures and associates	(1)	(8)	-	-	(1)	(8)
	(266)	(215)	(52)	(11)	(318)	(226)
Profit for the period	354	322	52	11	406	333
Profit attributable to:						
Shareholders (earnings)	342	307	52	13	394	320
Minority interest	12	15	-	(2)	12	13
	354	322	52	11	406	333

i) Re-measurements excluded from Business Performance

The IAS 39 re-measurements reflect movements in external market prices and exchange rates. Financial instruments include certain long-term UK gas contracts which are classified as derivatives under IAS 39 due to the nature of the contract terms and are therefore required to be marked-to-market. This treatment has no impact on the ongoing cashflows of the business and these unrealised mark-to-market movements are best presented separately from underlying business performance. For an explanation of Non-GAAP measures see page 11.

BUSINESS REVIEW

The results discussed in this Business Review (pages 4 to 10) relate to BG Group's performance excluding disposals and re-measurements. For the impact and a description of these items, see the consolidated income statements (pages 13 and 14) and Note 2 of the accounts (page 20). Results at constant US\$/UK£ exchange rates and upstream prices are also quoted. See Presentation of Non-GAAP measures (page 11) for an explanation of these metrics.

GROUP

Business Performance	Third Quarter		
	2006	2005	
	£m	£m	
Revenue and other operating income	1 647	1 339	+23%
Total operating profit including share of pre-tax results from joint ventures and associates			
Exploration and Production	509	419	+21%
Liquefied Natural Gas	65	54	+20%
Transmission and Distribution	56	64	-13%
Power Generation	16	21	-24%
Other activities	(13)	(7)	+86%
	633	551	+15%
Net finance costs	(13)	(14)	-7%
Taxation	(266)	(215)	+24%
Earnings	342	307	+11%
Earnings per share	10.0p	8.6p	+16%
Capital investment	511	457	+12%

Third quarter

Revenue and other operating income increased 23% to £1 647 million. This reflected a £182 million increase in E&P and a £162 million increase in LNG.

Total operating profit increased by 15% to £633 million reflecting the step-up in E&P production, strong growth in the LNG business and at Comgas, partially offset by an increase in exploration costs and the deconsolidation of MetroGAS.

At constant US\$/UK£ exchange rates and upstream prices, total operating profit increased by 9%.

Net finance costs were £1 million lower and included interest receivable of £7 million in respect of taxation. The effective tax rate (including the BG Group share of tax attributable to joint ventures and associates) was approximately 44% for the nine months (prior year 40%). This includes the impact in the current year of the increase in North Sea taxation but excludes the effect of a one-off charge of £38 million to restate deferred tax balances at 1 January 2006.

Earnings increased by 11% to £342 million.

Cash generated by operations increased by £32 million to £730 million, primarily due to higher operating profit.

Capital investment in the quarter of £511 million comprised continuing investment in Europe and Central Asia (£157 million), Mediterranean Basin and Africa (£85 million), North America and the Caribbean (£198 million), South America (£40 million) and Asia Pacific (£31 million).

As at 30 September 2006, the Group had completed the share repurchase programme announced in November 2005, purchasing 149 million shares at an average price of £6.71 per share, returning £1 billion to shareholders. At the end of the quarter, net borrowings were £358 million and the Group's gearing ratio was 5.3%.

EXPLORATION AND PRODUCTION

Business Performance	Third Quarter		
	2006 £m	2005 £m	
Production volumes (mmboe)	50.6 ⁽ⁱ⁾	41.2	+23%
Revenue and other operating income	870	688	+26%
Total operating profit	509	419	+21%
Capital investment	297	207	+43%
<i>(i) Includes fuel gas for the quarter of 0.98 mmboe</i>			
<i>Additional operating and financial data are given on page 29.</i>			

Third quarter

E&P total operating profit increased by 21% to £509 million principally due to higher production volumes, partially offset by higher exploration costs.

Production volumes increased by 23%, driven by West Delta Deep Marine (Egypt) and the Dolphin field (Trinidad and Tobago), following the continued build-up of production at Egyptian LNG Trains 1 and 2 and Atlantic LNG Train 4. The start-up of the Dolphin Deep field (Trinidad and Tobago) and the ramp-up of Atlantic/Cromarty (UK) fields in the quarter also contributed to the increase in volumes.

Unit operating expenditure at £2.36 (\$4.39) per boe was down 20 pence (18 cents) per barrel of oil equivalent principally due to a higher proportion of production coming from lower cost fields.

The exploration charge of £86 million is £44 million higher than 2005 reflecting the increased exploration activities across the Group.

For the UK gas year starting 1 October 2006, BG Group expects to realise an average contracted price of approximately 31 pence per therm on North Sea gas production. This compares to 26 pence per therm in the prior gas year.

Capital investment of £297 million included expenditure in the UK (£94 million), Egypt (£40 million), Kazakhstan (£26 million), Trinidad and Tobago (£25 million), India (£24 million) and Tunisia (£24 million).

Third quarter business highlights

In Trinidad and Tobago, on 29 September, BG Group completed the NCMA 3a project (BG Group 45.88%), feeding Atlantic LNG Trains 2, 3 and 4. Negotiations for further ECMA (BG Group 50%) domestic gas sales of 220 mmscfd are ongoing, with an agreement expected to be finalised before year-end. Following expiry of its exploration licence, BG Group signed a new Central Block (BG Group 65%) E&P licence in September and exploration drilling commenced on the Block with the spudding of the Baraka East-1 well.

On 1 September, BG Group announced the discovery of a gas condensate field, Jasmine, in the central North Sea. The discovery straddles Blocks 30/6 and 30/7a (BG Group 30.5%). BG Group estimates gross recoverable reserves to be between 100 and 275 million barrels. This near infrastructure field lends itself to early development.

During the quarter, BG Group and partners made two oil discoveries in the Santos Basin, Brazil. The first well was drilled in Block BMS-10 (BG Group 25%) on the Parati prospect, and the second well in Block BMS-11 (BG Group 25%) discovering the more significant Tupi field. BG Group has interests in four large blocks in this new Santos Basin pre-salt play.

In August, BG Group entered Algeria, acquiring a 36.75% interest and operatorship of the onshore Hassi Ba Hamou Perimeter, consisting of the Hassi Ba Hamou gas discovery and five blocks covering approximately 18 380 sq km.

Since May 2006, BG Group and its partners have been engaged in negotiations with the Government of Bolivia regarding the contracts governing investment in, and operation of, hydrocarbon assets in Bolivia. On 28 October 2006, BG Group signed new contracts with the Government of Bolivia. These contracts are required to be ratified by the national congress.

LIQUEFIED NATURAL GAS

Business Performance	Third Quarter		
	2006 £m	2005 £m	
Revenue and other operating income	566	404	+40%
Total operating profit			
Shipping and marketing	58	31	+87%
Liquefaction	25	30	-17%
Business development and other	(18)	(7)	+157%
	65	54	+20%
Capital investment	178	207	-14%

Additional operating and financial data are given on page 29.

Third quarter

LNG total operating profit increased by £11 million to £65 million reflecting higher volumes in the shipping and marketing business, partially offset by increased business development costs.

In shipping and marketing, total operating profit increased by £27 million to £58 million reflecting an increase in long-term contract supply, and the optimisation of that supply through global diversions and downstream marketing, underscoring the value of the Group's marketing capability and flexible portfolio

BG Group's share of operating profit from liquefaction activities decreased by £5 million to £25 million, principally due to more profit being recognised in the E&P segment as the contract at Egyptian LNG Train 1 entered its commercial phase.

Increased business development and other costs reflects the development of liquefaction, supply and regasification opportunities across the portfolio.

Capital investment includes £69 million in relation to three LNG vessels delivered this year and four due for delivery in 2007, £40 million investment in Atlantic LNG and £43 million in relation to the Lake Charles Phase 2 expansion.

Third quarter business highlights

In August, BG Group took delivery of the 145 000m³ LNG carrier, the Methane Lydon Volney.

On 29 September, BG Group signed the Project Development Agreement (PDA) for the construction and supply of a 2.5 mtpa LNG regasification terminal at Quintero Bay, Chile. The PDA sets out the framework for negotiating fully-termed contracts.

TRANSMISSION AND DISTRIBUTION

Business Performance	Third Quarter		
	2006 £m	2005 £m	
Revenue and other operating income			
Comgas	193	141	+37%
MetroGAS	-	53	-
Other	31	30	+3%
	224	224	-
Total operating profit			
Comgas	49	43	+14%
MetroGAS	-	11	-
Other	7	10	-30%
	56	64	-13%
Capital investment	32	39	-18%

Third quarter

T&D total operating profit of £56 million was £8 million lower than 2005. Excluding the results of MetroGAS in 2005, total operating profit increased by £3 million.

At Comgas, in Brazil, operating profit increased by £6 million to £49 million, primarily due to a 12% increase in volumes and a favourable Brazilian Real exchange rate. Operating profit includes the net cost (£3 million) of passing back to customers the reduced gas costs experienced in earlier periods. A further £11 million is expected to be passed back in future periods.

Capital investment mainly represents the development of the Comgas pipeline network.

Third quarter business highlights

On 2 October, Interconnector (UK) Ltd (BG Group 25%) completed its second phase enhancement of reverse flow capacity two months early. The Interconnector now offers flexibility for shippers to nominate up to 20 billion cubic metres of gas per annum (bcma) in UK export mode and/or up to 23.5 bcma in UK import mode.

POWER GENERATION

Business Performance	Third Quarter		
	2006 £m	2005 £m	
Revenue and other operating income	42	47	-11%
Total operating profit	16	21	-24%
Capital investment	3	-	-

Third quarter

Operating profit of £16 million was £5 million lower than the same period last year, principally due to maintenance activity at Premier Power in Northern Ireland.

Third quarter business highlights

On 1 October, BG Group purchased the 170MW, gas-fired, Dighton power plant located in Bristol County, Massachusetts, USA for \$90.2 million.

Presentation of Non-GAAP measures

Business Performance

'Business Performance' excludes certain disposals and re-measurements (see below) as exclusion of these items provides a clear and consistent presentation of the underlying operating performance of the Group's ongoing business.

BG Group uses commodity instruments to manage price exposures associated with its marketing and optimisation activity in the UK and US. This activity enables the Group to take advantage of commodity price movements. It is considered more appropriate to include both unrealised and realised gains and losses arising from the mark-to-market of derivatives associated with this activity in 'Business Performance'.

Disposals and re-measurements

BG Group's commercial arrangements for marketing gas include the use of long-term gas sales contracts. Whilst the activity surrounding these contracts involves the physical delivery of gas, certain UK gas sales contracts are classified as derivatives under the rules of IAS 39 and are required to be measured at fair value at the balance sheet date. Unrealised gains and losses on these contracts reflect the comparison between current market gas prices and the actual prices to be realised under the gas sales contract.

BG Group also uses commodity instruments to manage certain price exposures in respect of optimising the timing of its gas sales associated with contracted UK storage and pipeline capacity. These instruments are also required to be measured at fair value at the balance sheet date under IAS 39. However, IAS 39 does not allow the matching of these fair values to the economically hedged value of the related gas in storage (taking account of gas prices based on the forward curve or expected delivery destination and the associated storage and capacity costs).

BG Group also uses financial instruments, including derivatives, to manage foreign exchange and interest rate exposure. These instruments are required to be recognised at fair value or amortised cost on the balance sheet in accordance with IAS 39. Most of these instruments have been designated either as hedges of foreign exchange movements associated with the Group's net investments in foreign operations, or as hedges of interest rate risk. Where these instruments cannot be designated as hedges under IAS 39, unrealised movements in fair value are recorded in the income statement.

Unrealised gains and losses in respect of long-term gas sales contracts and derivatives associated with gas in UK storage and pipeline facilities and interest rate and foreign exchange exposure in respect of financial instruments which cannot be designated as hedges under IAS 39 are disclosed separately as 'disposals and re-measurements'. Realised gains and losses relating to these instruments are included in Business Performance. This presentation best reflects the underlying performance of the business since it distinguishes between the temporary timing differences associated with re-measurements under IAS 39 rules and actual realised gains and losses.

BG Group has also separately identified profits and losses associated with the disposal of non-current assets as they are items which require separate disclosure in order to provide a clearer understanding of the results for the period.

For a reconciliation between the overall results and Business Performance and details of disposals and re-measurements, see the consolidated income statements, pages 13 and 14 and Note 2 to the accounts, page 20.

Joint ventures and associates

Under IFRS the results from jointly controlled entities (joint ventures) and associates, accounted for under the equity method, are required to be presented net of finance costs and tax on the face of the income statement. Given the relevance of these businesses within BG Group, the results of joint ventures and associates are presented before interest and tax, and after tax. This approach provides additional information on the source of BG Group's operating profits. For a reconciliation between operating profit and earnings including and excluding the results of joint ventures and associates, see Note 3 to the accounts, page 21.

Exchange rates and prices

BG Group also discloses certain information, as indicated, at constant US\$/UK£ exchange rates and upstream prices. The presentation of results in this manner is intended to provide additional information to explain further the underlying trends in the business.

Net borrowings/funds

BG Group provides a reconciliation of net borrowings/funds and an analysis of the amounts included within net borrowings/funds as this is an important liquidity measure for the Group.

LEGAL NOTICE

These results include "forward-looking information" within the meaning of Section 27A of the US Securities Act of 1933, as amended and Section 21E of the US Securities Exchange Act of 1934, as amended. Certain statements included in these results, including without limitation, those concerning (i) strategies, outlook and growth opportunities, (ii) positioning to deliver future plans and to realise potential for growth, (iii) delivery of the performance required to achieve the revised 2006 targets and growth programme, (iv) development of new markets, (v) the development and commencement of commercial operations of new projects, (vi) liquidity and capital resources, (vii) plans for capital and investment expenditure and (viii) statements preceded by "expected", "scheduled", "targeted", "planned", "proposed", "intended" or similar statements, contain certain forward-looking statements concerning operations, economic performance and financial condition. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, (i) changes in economic, market and competitive conditions, including oil and gas prices, (ii) success in implementing business and operating initiatives, (iii) changes in the regulatory environment and other government actions, including UK and international corporation tax rates, (iv) a major recession or significant upheaval in the major markets in which BG Group operates, (v) the failure to ensure the safe operation of assets worldwide, (vi) implementation risk, being the challenges associated with delivering capital intensive projects on time and on budget, including the need to retain and motivate staff, (vii) commodity risk, being the risk of a significant fluctuation in oil and/or gas prices from those assumed, (viii) fluctuations in exchange rates, in particular the US\$/UK£ exchange rate being significantly different to that assumed, (ix) risks encountered in the gas and oil exploration and production sector in general, (x) business risk management and (xi) the Risk Factors included in BG Group's Annual Report and Accounts 2005. BG Group undertakes no obligation to update any forward-looking statements.

No part of these results constitutes or shall be taken to constitute an invitation or inducement to invest in BG Group plc or any other entity and must not be relied upon in any way in connection with any investment decision.

Cautionary note to US investors

The United States Securities and Exchange Commission (SEC) permits oil and gas companies, in their filings with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. We use certain terms in this presentation such as "estimated recoverable reserves" and "discovered reserves" that the SEC's guidelines strictly prohibit us from including in filings with the SEC. US investors are urged to consider closely the disclosure in our Form 20-F, File No. 1-09337, available from us at BG Group, 100 Thames Valley Park Drive, Reading RG6 1PT, Attention: Company Secretary. You may read and copy this information at the SEC's public reference room, located at 100F Street NE., Room 1580 Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. This filing is also available at the internet website maintained by SEC at <http://www.sec.gov>.

**CONSOLIDATED INCOME STATEMENT
THIRD QUARTER**

	Notes	2006			2005 restated ⁽ⁱ⁾		
		Busi- ness Perfor- mance ⁽ⁱⁱ⁾ £m	Disposals and re- measure- ments (Note 2) ⁽ⁱⁱⁱ⁾ £m	Total Result £m	Busi- ness Perfor- mance ⁽ⁱⁱ⁾ £m	Disposals and re- measure- ments (Note 2) ⁽ⁱⁱⁱ⁾ £m	Total Result £m
Group revenue		1 621	-	1 621	1 352	-	1 352
Other operating income	2	26	104	130	(13)	21	8
Group revenue and other operating income	3	1 647	104	1 751	1 339	21	1 360
Operating costs		(1 066)	-	(1 066)	(848)	-	(848)
Profits and losses on disposal of non-current assets	2	-	-	-	-	-	-
Operating profit/(loss) before share of results from joint ventures and associates	3	581	104	685	491	21	512
Finance income	2, 4	25	1	26	21	6	27
Finance costs	2, 4	(21)	(1)	(22)	(24)	(5)	(29)
Share of post-tax results from joint ventures and associates	3	34	-	34	41	-	41
Profit/(loss) before tax		619	104	723	529	22	551
Taxation	2, 5	(265)	(52)	(317)	(207)	(11)	(218)
Profit for the period		354	52	406	322	11	333
Attributable to:							
BG Group shareholders (earnings)		342	52	394	307	13	320
Minority interest		12	-	12	15	(2)	13
		354	52	406	322	11	333
Earnings per share – basic	6	10.0p	1.5p	11.5p	8.6p	0.4p	9.0p
Earnings per share – diluted	6	9.8p	1.5p	11.3p	8.6p	0.4p	9.0p
Total operating profit including share of pre-tax operating results from joint ventures and associates⁽ⁱⁱⁱ⁾	3	633	104	737	551	21	572

i) 2005 comparatives have been restated on the application of IFRIC 4 and amendments to IAS 39. See Note 1, page 19.

ii) See Presentation of Non-GAAP measures, page 11, for an explanation of results excluding disposals and re-measurements and presentation of the results of joint ventures and associates.

iii) This measurement is shown by BG Group as it is used as a means of measuring the underlying performance of the business.

**CONSOLIDATED INCOME STATEMENT
NINE MONTHS**

	Notes	2006			2005 restated ⁽ⁱ⁾		
		Busi- ness Perfor- mance ⁽ⁱⁱ⁾ £m	Disposals and re- measure- ments (Note 2) ⁽ⁱⁱⁱ⁾ £m	Total Result £m	Busi- ness Perfor- mance ⁽ⁱⁱ⁾ £m	Disposals and re- measure- ments (Note 2) ⁽ⁱⁱ⁾ £m	Total Result £m
Group revenue		5 305	-	5 305	3 556	-	3 556
Other operating income	2	68	213	281	10	(137)	(127)
Group revenue and other operating income	3	5 373	213	5 586	3 566	(137)	3 429
Operating costs		(3 208)	-	(3 208)	(2 205)	-	(2 205)
Profits and losses on disposal of non-current assets	2	-	(8)	(8)	-	429	429
Operating profit/(loss) before share of results from joint ventures and associates	3	2 165	205	2 370	1 361	292	1 653
Finance income	2, 4	82	8	90	51	35	86
Finance costs	2, 4	(57)	(9)	(66)	(70)	(24)	(94)
Share of post-tax results from joint ventures and associates	3	101	-	101	118	-	118
Profit/(loss) before tax		2 291	204	2 495	1 460	303	1 763
Taxation	2, 5	(1 025)	(45)	(1 070)	(572)	(85)	(657)
Profit/(loss) for the period		1 266	159	1 425	888	218	1 106
Attributable to:							
BG Group shareholders (earnings)		1 230	160	1 390	851	212	1 063
Minority interest		36	(1)	35	37	6	43
		1 266	159	1 425	888	218	1 106
Earnings per share – basic	6	35.3p	4.6p	39.9p	24.0p	6.0p	30.0p
Earnings per share – diluted	6	35.1p	4.5p	39.6p	23.9p	6.0p	29.9p
Total operating profit including share of pre-tax operating results from joint ventures and associates⁽ⁱⁱⁱ⁾	3	2 343	205	2 548	1 529	292	1 821

i) 2005 comparatives have been restated on the application of IFRIC 4 and amendments to IAS 39. See Note 1, page 19.

ii) See Presentation of Non-GAAP measures, page 11, for an explanation of results excluding disposals and re-measurements and presentation of the results of joint ventures and associates.

iii) This measurement is shown by BG Group as it is used as a means of measuring the underlying performance of the business.

CONSOLIDATED BALANCE SHEET

	As at		
	30 Sept 2006	31 Dec 2005 restated	30 Sept 2005 restated
	£m	£m	£m
Assets			
Non-current assets			
Goodwill	331	342	349
Other intangible assets	815	682	712
Property, plant and equipment	5 927	5 830	5 662
Investments	1 113	1 129	1 100
Deferred tax assets	97	91	83
Trade and other receivables	44	52	54
Derivative financial instruments	138	84	115
	8 465	8 210	8 075
Current assets			
Inventories	206	185	144
Trade and other receivables	1 565	1 674	1 243
Commodity contracts and other derivative financial instruments	81	10	16
Cash and cash equivalents	1 191	1 516	1 335
	3 043	3 385	2 738
Assets classified as held for sale	-	10	-
Total assets	11 508	11 605	10 813
Liabilities			
Current liabilities			
Borrowings	(77)	(81)	(341)
Trade and other payables	(1 283)	(1 308)	(1 031)
Current tax liabilities	(386)	(409)	(340)
Commodity contracts and other derivative financial instruments	(453)	(711)	(619)
	(2 199)	(2 509)	(2 331)
Non-current liabilities			
Borrowings	(1 592)	(1 497)	(1 454)
Trade and other payables	(15)	(68)	(85)
Derivative financial instruments	(1)	(2)	(1)
Deferred income tax liabilities	(1 011)	(733)	(805)
Retirement benefit obligations	(160)	(154)	(152)
Provisions for other liabilities and charges	(357)	(372)	(355)
	(3 136)	(2 826)	(2 852)
Liabilities associated with assets classified as held for sale	-	(3)	-
Total liabilities	(5 335)	(5 338)	(5 183)
Net assets	6 173	6 267	5 630
Attributable to:			
BG Group equity shareholders	6 063	6 169	5 582
Minority interest	110	98	48
Total equity	6 173	6 267	5 630

STATEMENT OF CHANGES IN EQUITY

Third Quarter			Nine Months	
2006	2005		2006	2005
£m	restated		£m	restated
	£m			£m
Equity as at start of period				
6 266	5 185	BG Group shareholders' funds	6 182	4 567
102	43	Minority interest	98	20
6 368	5 228	Equity as at start of period as reported	6 280	4 587
-	-	Effect of adoption of IFRIC 4 (see Note 1)	(13)	(8)
-	-	Effect of adoption of IAS 39 ⁽ⁱ⁾	-	(238)
6 368	5 228	Equity as at start of period as restated	6 267	4 341
406	333	Profit for the financial period	1 425	1 106
4	14	Issue of shares	13	28
(357)	(2)	Purchase of own shares ⁽ⁱⁱ⁾	(949)	(4)
(7)	3	Adjustment in respect of employee share schemes	1	11
(4)	-	Tax in respect of share schemes	9	-
(103)	(68)	Dividends on ordinary shares	(247)	(142)
(1)	(9)	Dividends paid to minority interest	(18)	(23)
(133)	131	Currency translation and hedge adjustments net of tax	(328)	313
(195)	402	Net changes in equity for the financial period	(94)	1 289
Equity as at 30 September				
6 063	5 582	BG Group shareholders' funds	6 063	5 582
110	48	Minority interest	110	48
6 173	5 630		6 173	5 630

i) BG Group adopted IAS 39 from 1 January 2005.

ii) 2006 includes £2 million of transaction costs in the quarter and £5 million in the nine months.

CONSOLIDATED CASH FLOW STATEMENT

Third Quarter			Nine Months	
2006	2005 restated		2006	2005 restated
£m	£m		£m	£m
Cash flows from operating activities				
723	551	Profit before taxation	2 495	1 763
(34)	(41)	Share of post-tax results from joint ventures and associates	(101)	(118)
150	119	Depreciation of property, plant and equipment and amortisation of intangible assets	448	357
(93)	(21)	Fair value movements in commodity contracts	(226)	137
-	-	Profit and losses on disposal of non-current assets and impairments	8	(429)
48	11	Unsuccessful exploration expenditure written off	77	32
(7)	(13)	(Decrease)/increase in provisions	-	-
(26)	(27)	Finance income	(90)	(86)
22	29	Finance costs	66	94
7	3	Share-based payments	18	11
(60)	87	(Increase)/decrease in working capital	(139)	39
730	698	Cash generated by operations	2 556	1 800
(269)	(229)	Income taxes paid	(752)	(543)
461	469	Net cash inflow from operating activities	1 804	1 257
Cash flows from investing activities				
34	22	Dividends received from joint ventures and associates	127	60
-	-	Proceeds from disposal of subsidiary undertakings and investments	5	26
-	13	Proceeds from disposal of property, plant and equipment and intangible assets	-	949
(311)	(365)	Purchase of property, plant and equipment and intangible assets	(910)	(893)
(49)	60	Loans (to)/from joint ventures and associates	(53)	6
(18)	(1)	Purchase of subsidiary undertakings and investments ⁽ⁱ⁾	(20)	(13)
(344)	(271)	Net cash (outflow)/inflow from investing activities	(851)	135
Cash flows from financing activities				
3	(6)	Net interest received/(paid) ⁽ⁱⁱ⁾	5	(28)
(100)	(68)	Dividends paid	(243)	(142)
(1)	(9)	Dividends paid to minority	(18)	(23)
47	111	Net proceeds from issue of new borrowings	105	(256)
(60)	(138)	Repayment of borrowings	(141)	(513)
5	14	Issue of shares	13	28
-	-	Issue of shares to minority shareholder	1	-
(365)	(2)	Purchase of own shares	(958)	(4)
(471)	(98)	Net cash (outflow)/inflow from financing activities	(1 236)	(426)
(354)	100	Net increase/(decrease) in cash and cash equivalents	(283)	966
1 567	1 223	Cash and cash equivalents at beginning of period	1 516	340
(22)	12	Effect of foreign exchange rate changes	(42)	29
1 191	1 335	Cash and cash equivalents at end of period⁽ⁱⁱⁱ⁾	1 191	1 335

i) Includes cash acquired of nil (2005 £18 million) on the purchase of a subsidiary undertaking.

ii) Includes capitalised interest for the third quarter of £12 million (2005 £9 million), and for the nine months of £43 million (2005 £19 million).

iii) Cash and cash equivalents comprise cash and short-term liquid investments that are readily convertible to cash.

RECONCILIATION OF NET BORROWINGS/FUNDS⁽ⁱ⁾ – NINE MONTHS

	£m
Net funds as at 31 December 2005 as reported	253
Adoption of IFRIC 4 (See Note 1)	(283)
Net borrowings as at 31 December 2005 restated^{(i) (ii)}	(30)
Net decrease in cash and cash equivalents	(283)
Cash outflow from changes in gross borrowings	36
Inception of finance leases	(199)
Foreign exchange and other re-measurements	118
Net borrowings as at 30 September 2006^{(i) (ii)}	(358)

Net borrowings attributable to Comgas were £210 million (31 December 2005 £189 million).

As at 30 September 2006, BG Group's share of the net borrowings in joint ventures and associates amounted to approximately £1 billion, including BG Group shareholder loans of approximately £0.6 billion. These net borrowings are included in BG Group's share of the net assets in joint ventures and associates which are consolidated in BG Group's accounts.

- i) *Net borrowings/funds are defined on page 31.*
ii) *Net borrowings/funds comprise:*

	As at	
	30 Sept 2006	31 Dec 2005
	£m	£m
<i>Amounts receivable/(due) within one year</i>		
Cash and cash equivalents	1 191	1 516
Overdrafts, loans and finance leases	(77)	(81)
Derivative financial instruments ⁽ⁱⁱⁱ⁾	(17)	(50)
	1 097	1 385
<i>Amounts receivable/(due) after more than one year</i>		
Loans and finance leases	(1 592)	(1 497)
Derivative financial instruments	137	82
	(1 455)	(1 415)
Net borrowings	(358)	(30)

- iii) *These items are included within commodity contracts and other derivative financial instrument balances on the balance sheet.*

Notes

1. Basis of preparation

These primary statements are the unaudited interim consolidated financial statements of BG Group plc for both the quarter ended and the nine months ended 30 September 2006. The financial information does not comprise statutory accounts within the meaning of Section 240 of the Companies Act 1985, and should be read in conjunction with the Annual Report and Accounts for the year ended 31 December 2005, as they provide an update of previously reported information.

The preparation of the interim financial statements requires management to make estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities at the date of the interim financial statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the interim financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change.

IFRIC Interpretation 4 'Determining whether an Arrangement contains a Lease'

IFRIC 4 requires companies to determine whether they have any arrangements which are or contain leases based on an assessment of whether specific assets are required to fulfil each arrangement or whether each arrangement conveys a right of use of the asset. If an arrangement contains a lease, the requirements of IAS 17, 'Leases', should be applied to the lease element of the arrangement.

BG Group has applied IFRIC 4 from 1 January 2006 and has concluded that the contract for the provision of capacity at Lake Charles contains a finance lease. Comparative information has been amended to reflect this arrangement. As at 1 January 2006, borrowings have increased by £283 million, property, plant and equipment has increased by £263 million, deferred tax assets have increased by £7 million and retained earnings have decreased by £13 million to reflect this arrangement; comparative information has also been restated. The effect of this restatement on 2005 operating profit is a £3 million increase in the quarter and a £7 million increase in the nine months and an increase in finance costs of £4 million in the quarter and £10 million in the nine months. The tax effect was a £1 million decrease in the nine months, resulting in a £1 million decrease in earnings in the quarter and a £2 million decrease in the nine months.

IAS 39 'Financial Guarantee Contracts and Credit Insurance'

In August 2005, the IASB issued an amendment to IAS 39 which covers the accounting required for financial guarantee contracts that provide payment to be made if a debtor fails to make a payment when due. These contracts should be initially measured at fair value and subsequently re-measured using the higher of the provision set out in IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' or the initial amount less cumulative amortisation in accordance with IAS 18, 'Revenue'. This amendment is mandatory for periods beginning on or after 1 January 2006 and BG Group has adopted it from that date. As at 1 January 2006, investments have been increased by £5 million and provisions for other liabilities and charges have been increased by £5 million; comparative information has also been restated. The effect of this restatement on operating profit is nil for both quarter and nine months. There is a decrease of £1 million in finance costs and a £1 million decrease to the pre-tax share of operating results of joint ventures and associates in the nine months, nil effect in the quarter.

2. Disposals and re-measurements

Third Quarter			Nine Months	
2006	2005		2006	2005
£m	£m		£m	£m
104	21	Revenue and other operating income – re-measurements of commodity contracts	213	(137)
-	-	Profits and losses on disposal of non-current assets	(8)	429
-	1	Finance costs – re-measurements of financial instruments	(1)	11
(52)	(11)	Taxation	(45)	(85)
-	2	Minority interest	1	(6)
52	13	Impact on earnings	160	212

Third quarter and nine months: Revenue and other operating income

Re-measurements included within revenue and other operating income amount to a credit of £104 million for the quarter (2005 £21 million), of which £98 million (2005 £25 million) represents non-cash mark-to-market movements on certain long-term UK gas contracts. For the nine months, £213 million of re-measurements are included within revenue and other operating income, of which £199 million represents non-cash mark-to-market movements on certain long-term UK gas contracts. Whilst the activity surrounding these contracts involves the physical delivery of gas, the contracts fall within the scope of IAS 39 and meet the definition of a derivative instrument.

Net finance costs

Re-measurements presented in net finance costs relate primarily to certain derivatives used to hedge foreign exchange and interest rate risk which have not been designated as hedges under IAS 39, partly offset by foreign exchange movements on certain borrowings in a subsidiary. In 2005, re-measurements included the retranslation of MetroGAS US Dollar and Euro borrowings which could not be designated as hedges under IAS 39. Following the de-consolidation of MetroGAS and GASA in December 2005, these companies made no contribution to the results of BG Group in 2006.

2006 third quarter and nine months: Disposal of non-current assets

During the second quarter, BG Group disposed of its telecoms businesses. This resulted in a loss on disposal of £8 million. No tax arose on the disposal.

2005 third quarter and nine months: Disposal of non-current assets

During the first quarter of 2005, BG Group disposed of its 50% interest in Premier Transmission Limited to Premier Transmission Financing Plc for cash proceeds of £26 million. No tax arose on the disposal.

During the second quarter of 2005, BG Group completed the sale of its 16.67% interest in the North Caspian Sea PSA and received net pre-tax proceeds of approximately \$1.8 billion realising a £416 million pre-tax and £279 million post-tax profit on the sale.

3. Segmental analysis

Group revenue and other operating income	Business Performance	Disposals and re-measurements	Total	Business Performance	Disposals and re-measurements	Total
Third Quarter	2006 £m	2006 £m	2006 £m	2005 £m	2005 £m	2005 £m
Exploration and Production	870	104	974	688	37	725
Liquefied Natural Gas	566	-	566	404	(16)	388
Transmission and Distribution	224	-	224	224	-	224
Power Generation	42	-	42	47	-	47
Other activities	2	-	2	4	-	4
Less: intra-group sales	(57)	-	(57)	(28)	-	(28)
	1 647	104	1 751	1 339	21	1 360

Group revenue and other operating income	Business Performance	Disposals and re-measurements	Total	Business Performance	Disposals and re-measurements	Total
Nine Months	2006 £m	2006 £m	2006 £m	2005 £m	2005 £m	2005 £m
Exploration and Production	2 927	213	3 140	1 981	(121)	1 860
Liquefied Natural Gas	1 767	-	1 767	860	(16)	844
Transmission and Distribution	651	-	651	589	-	589
Power Generation	184	-	184	168	-	168
Other activities	7	-	7	10	-	10
Less: intra-group sales	(163)	-	(163)	(42)	-	(42)
	5 373	213	5 586	3 566	(137)	3 429

3. Segmental analysis (continued)

Third Quarter	Business Performance ⁽ⁱ⁾		Disposals and re-measurements ⁽ⁱ⁾		Total	
	2006 £m	2005 £m	2006 £m	2005 £m	2006 £m	2005 £m
Total operating profit before share of results from joint ventures and associates						
Exploration and Production	509	419	104	37	613	456
Liquefied Natural Gas	40	24	-	(16)	40	8
Transmission and Distribution	46	54	-	-	46	54
Power Generation	(1)	1	-	-	(1)	1
Other activities	(13)	(7)	-	-	(13)	(7)
	581	491	104	21	685	512
Pre-tax share of operating results of joint ventures and associates⁽ⁱⁱ⁾						
Liquefied Natural Gas	25	30	-	-	25	30
Transmission and Distribution	10	10	-	-	10	10
Power Generation	17	20	-	-	17	20
	52	60	-	-	52	60
Total operating profit including share of results from joint ventures and associates						
Exploration and Production	509	419	104	37	613	456
Liquefied Natural Gas	65	54	-	(16)	65	38
Transmission and Distribution	56	64	-	-	56	64
Power Generation	16	21	-	-	16	21
Other activities	(13)	(7)	-	-	(13)	(7)
	633	551	104	21	737	572

For notes i) to ii) see footnotes on page 23

3. Segmental analysis (continued)

Nine Months	Business Performance ⁽ⁱ⁾		Disposals and re-measurements ⁽ⁱ⁾		Total	
	2006 £m	2005 £m	2006 £m	2005 £m	2006 £m	2005 £m
Total operating profit before share of results from joint ventures and associates						
Exploration and Production	1 882	1 213	213	295	2 095	1 508
Liquefied Natural Gas	158	25	-	(16)	158	9
Transmission and Distribution	146	135	-	13	146	148
Power Generation	11	16	-	-	11	16
Other activities	(32)	(28)	(8)	-	(40)	(28)
	2 165	1 361	205	292	2 370	1 653
Pre-tax share of operating results of joint ventures and associates⁽ⁱⁱ⁾						
Liquefied Natural Gas	79	75	-	-	79	75
Transmission and Distribution	32	31	-	-	32	31
Power Generation	67	62	-	-	67	62
	178	168	-	-	178	168
Total operating profit including share of results from joint ventures and associates						
Exploration and Production	1 882	1 213	213	295	2 095	1 508
Liquefied Natural Gas	237	100	-	(16)	237	84
Transmission and Distribution	178	166	-	13	178	179
Power Generation	78	78	-	-	78	78
Other activities	(32)	(28)	(8)	-	(40)	(28)
	2 343	1 529	205	292	2 548	1 821

i) Business Performance excludes certain disposals and re-measurements. See Note 2, page 20 and Presentation of Non-GAAP measures, page 11.

ii) Share of results in joint ventures and associates in the table above is before finance costs and taxation. The share of results after finance costs and taxation for the quarter is £34 million (2005 £41 million), and for the nine months is £101 million (2005 £118 million).

3. Segmental analysis (continued)

Total Result	Operating profit before share of results from joint ventures and associates		Share of results in joint ventures and associates		Total Result	
	2006 £m	2005 £m	2006 £m	2005 £m	2006 £m	2005 £m
Third Quarter						
Exploration and Production	613	456	-	-	613	456
Liquefied Natural Gas	40	8	17	22	57	30
Transmission and Distribution	46	54	6	6	52	60
Power Generation	(1)	1	11	13	10	14
Other activities	(13)	(7)	-	-	(13)	(7)
	685	512	34	41	719	553
Net finance income/(costs)					4	(2)
Taxation					(317)	(218)
Profit for the period					406	333

Total Result	Operating profit before share of results from joint ventures and associates		Share of results in joint ventures and associates		Total Result	
	2006 £m	2005 £m	2006 £m	2005 £m	2006 £m	2005 £m
Nine Months						
Exploration and Production	2 095	1 508	-	-	2 095	1 508
Liquefied Natural Gas	158	9	39	57	197	66
Transmission and Distribution	146	148	19	22	165	170
Power Generation	11	16	43	39	54	55
Other activities	(40)	(28)	-	-	(40)	(28)
	2 370	1 653	101	118	2 471	1 771
Net finance income/(costs)					24	(8)
Taxation					(1 070)	(657)
Profit for the period					1 425	1 106

4. Net finance costs

Third Quarter			Nine Months	
2006	2005		2006	2005
£m	£m		£m	£m
(16)	(21)	Interest payable	(47)	(58)
(13)	(9)	Interest on obligations under finance leases	(43)	(22)
12	9	Interest capitalised	43	19
(4)	(3)	Unwinding of discount on provisions ⁽ⁱ⁾	(10)	(9)
(1)	(5)	Disposals and re-measurements (Note 2)	(9)	(24)
(22)	(29)	Finance costs	(66)	(94)
25	21	Interest receivable	82	51
1	6	Disposals and re-measurements (Note 2)	8	35
26	27	Finance income	90	86
4	(2)	Net finance income/(costs)⁽ⁱⁱ⁾	24	(8)

i) Relates to the unwinding of the discount on provisions in respect of decommissioning and pension obligations, included in the income statement as a financial item within net finance costs.

ii) Excludes Group share of net finance costs from joint ventures and associates for the quarter of £17 million (2005 £11 million), and for the nine months of £51 million (2005 £29 million).

5. Taxation

The taxation charge for the quarter before disposals and re-measurements was £265 million (2005 £207 million), and the taxation charge including disposals and re-measurements was £317 million (2005 £218 million).

For the nine months, the taxation charge before disposals and re-measurements was £1 025 million (2005 £572 million). The taxation charge including disposals and re-measurements was £1 070 million (2005 £657 million).

The Group share of taxation from joint ventures and associates for the quarter was £1 million (2005 £8 million) and for the nine months was £26 million (2005 £21 million).

6. Earnings per ordinary share

Third Quarter					Nine Months			
2006		2005			2006		2005	
£m	Pence per share	£m	Pence per share		£m	Pence per share	£m	Pence per share
394	11.5	320	9.0	Earnings	1 390	39.9	1 063	30.0
(52)	(1.5)	(13)	(0.4)	Re-measurements (after tax and minority interest)	(168)	(4.8)	80	2.3
-	-	-	-	Profits and losses on disposals (after tax)	8	0.2	(292)	(8.3)
342	10.0	307	8.6	Earnings – excluding disposals and re-measurements	1 230	35.3	851	24.0

Basic earnings per share calculations in 2006 are based on shares in issue of 3 424 million for the quarter and 3 481 million for the year to date.

The earnings figure used to calculate diluted earnings per ordinary share is the same as that used to calculate earnings per ordinary share given above, divided by 3 481 million for the quarter and 3 506 million for the year to date, being the weighted average number of ordinary shares in issue during the quarter as adjusted for share options.

7. Results Presentation

Nine Months	Business Performance		Disposals and re-measurements ⁽ⁱ⁾		Total Result	
	2006 £m	2005 £m	2006 £m	2005 £m	2006 £m	2005 £m
Operating profit before disposal of non-current assets	2 165	1 361	213	(137)	2 378	1 224
Profits and losses on disposal of non-current assets ⁽ⁱⁱ⁾	-	-	(8)	429	(8)	429
Operating profit before share of results from joint ventures and associates	2 165	1 361	205	292	2 370	1 653
Pre-tax share of operating results of joint ventures and associates	178	168	-	-	178	168
Total operating profit	2 343	1 529	205	292	2 548	1 821
Net finance costs						
Finance income	82	51	8	35	90	86
Finance costs	(57)	(70)	(9)	(24)	(66)	(94)
Share of joint ventures and associates	(51)	(29)	-	-	(51)	(29)
	(26)	(48)	(1)	11	(27)	(37)
Taxation						
Taxation	(1 025)	(572)	(45)	(85)	(1 070)	(657)
Share of joint ventures and associates	(26)	(21)	-	-	(26)	(21)
	(1 051)	(593)	(45)	(85)	(1 096)	(678)
Profit for the period ⁽ⁱⁱⁱ⁾	1 266	888	159	218	1 425	1 106
Profit attributable to:						
Shareholders (earnings)	1 230	851	160	212	1 390	1 063
Minority interest	36	37	(1)	6	35	43
	1 266	888	159	218	1 425	1 106

i) Re-measurements excluded from Business Performance

The IAS 39 re-measurements reflect movements in external market prices and exchange rates. Financial instruments include certain long-term UK gas contracts which are classified as derivatives under IAS 39 due to the nature of the contract terms and are therefore required to be marked-to-market. This treatment has no impact on the ongoing cashflows of the business and these unrealised mark-to-market movements are best presented separately from underlying business performance. For an explanation of Non-GAAP measures see page 11.

ii) 2005 includes £416 million on disposal of BG Group's interest in the North Caspian PSA.

iii) 2006 includes prior period taxation adjustments following the increase in North Sea taxation.

8. Capital investment: geographical analysis

Third Quarter			Nine Months	
2006	2005		2006	2005
£m	£m		£m	£m
157	112	Europe and Central Asia	370	413
40	46	South America	153	103
31	32	Asia Pacific	84	61
198	223	North America and the Caribbean	479	388
85	44	Mediterranean Basin and Africa	212	222
511	457		1 298	1 187

9. Quarterly information: earnings and earnings per share

	2006	2005	2006	2005
	£m	£m	pence	pence
First quarter				
- including disposals and re-measurements	578	259	16.4	7.3
- excluding disposals and re-measurements	563	269	16.0	7.6
Second quarter				
- including disposals and re-measurements	418	484	12.0	13.7
- excluding disposals and re-measurements	325	275	9.3	7.8
Third quarter				
- including disposals and re-measurements	394	320	11.5	9.0
- excluding disposals and re-measurements	342	307	10.0	8.6
Fourth quarter				
- including disposals and re-measurements		462		13.0
- excluding disposals and re-measurements		503		14.2
Full year				
- including disposals and re-measurements		1 525		43.1
- excluding disposals and re-measurements		1 354		38.3

Supplementary information: Operating and financial data

Third Quarter		Second		Nine Months	
2006	2005	Quarter		2006	2005
		2006			
			Production volumes (mmboe)		
4.3	4.6	5.3	- oil	15.2	13.8
6.9	5.8	7.6	- liquids	21.9	21.9
39.4 ⁽ⁱ⁾	30.8	42.7	- gas	124.9 ⁽ⁱ⁾	93.8
50.6	41.2	55.6	- total	162.0	129.5
			Production volumes (boepd in thousands)		
47	50	58	- oil	56	50
75	63	84	- liquids	80	80
428	335	468	- gas	457	344
550	448	610	- total	593	474
			LNG cargoes		
14	8	22	- delivered to Lake Charles	38	25
16	15	14	- delivered to Elba Island	39	36
13	7	13	- re-marketed	55	18
43	30	49	- total	132	79
£38.48	£35.25	£38.71	Average realised oil price per barrel	£37.54	£29.50
(\$71.43)	(\$63.02)	(\$69.76)		(\$67.68)	(\$54.68)
£31.00	£26.98	£31.51	Average realised liquids price per barrel	£30.42	£20.68
(\$57.56)	(\$48.23)	(\$56.79)		(\$54.84)	(\$38.32)
25.50p	20.10p	26.20p	Average realised UK gas price per produced therm	30.91p	22.72p
16.83p	17.92p	17.05p	Average realised International gas price per produced therm	17.41p	15.39p
18.52p	18.42p	19.09p	Average realised gas price per produced therm	20.47p	17.56p
£1.45	£1.42	£1.21	Lifting costs per boe	£1.28	£1.23
(\$2.69)	(\$2.54)	(\$2.18)		(\$2.30)	(\$2.27)
£2.36	£2.56	£2.07	Operating expenditure per boe	£2.20	£2.22
(\$4.39)	(\$4.57)	(\$3.72)		(\$3.97)	(\$4.11)
229	166	160	Development expenditure (£m)	520	495
			Gross exploration expenditure (£m)		
65	34	66	- capitalised expenditure	267	136
38	31	37	- other expenditure	108	69
103	65	103	- gross expenditure	375	205

i) Includes fuel gas for the third quarter of 0.98 mmboe and 3.20 mmboe for the nine months.

Supplementary information: Operating and financial data (continued)

BG Group's exposure to the oil price varies according to a number of factors including the mix of production and sales. Management estimates that, other factors being constant, a \$1.00 rise (or fall) in the Brent price would increase (or decrease) operating profit in 2006 by approximately £40 million to £50 million.

BG Group's exposure to the US\$/UK£ exchange rate varies according to a number of factors including commodity prices and the timing of US Dollar revenues and costs including capital expenditure. Management estimates that in 2006, other factors being constant, a 10 cent strengthening (or weakening) in the US Dollar would increase (or decrease) operating profit by approximately £120 million to £140 million.

Glossary

In BG Group's results some or all of the following definitions are used:

bcf	billion cubic feet
bcfd	billion cubic feet per day
bcma	billion cubic metres per annum
boe	barrels of oil equivalent
boed	barrels of oil equivalent per day
bopd	barrels of oil per day
CCGT	combined cycle gas turbine
DCQ	daily contracted quantity
E&P	Exploration and Production
EPC	engineering, procurement and construction
EPIC	engineering, procurement, installation and commissioning
FEED	front end engineering design
FERC	Federal Energy Regulatory Commission
Gearing ratio	Gearing ratio represents net borrowings as a percentage of total shareholders' funds (excluding the re-measurement of commodity financial instruments and associated deferred tax) plus net borrowings
GW	gigawatt
IAS 39	International Accounting Standard 39 (Financial Instruments)
IFRS	International Financial Reporting Standards
LNG	Liquefied Natural Gas
m	million
mmboe	million barrels of oil equivalent
mmbtu	million british thermal units
mmcf	million cubic feet per day
mmcmd	million cubic metres per day
mmscfd	million standard cubic feet per day
mmscm	million standard cubic metres
mmscmd	million standard cubic metres per day
MoU	Memorandum of understanding
mtpa	million tonnes per annum
MW	megawatt
Net borrowings/funds	Comprise cash, current asset investments, finance leases, currency and interest rate derivative financial instruments and short- and long-term borrowings
NGL	Natural gas liquids
PSA	production sharing agreement
T&D	Transmission and Distribution
Total operating profit	Group operating profit plus share of pre-tax operating results of joint ventures and associates
UKCS	United Kingdom Continental Shelf
UKCNS	United Kingdom central North Sea
Unit opex	Production Costs and other operating costs (royalties) for the period divided by total net production for that period
Unit lifting costs	Production Costs for the period excluding tariff and insurance costs divided by total net production for that period

Enquiries

Enquiries relating to BG Group's results, business and financial position should be made to:

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BG Group plc
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Tel: 0118 929 3025
e-mail: invrel@bg-group.com

General enquiries about shareholder matters should be made to:

Lloyds TSB Registrars
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BN99 6DA

Tel: 0870 600 3951
e-mail: bg@lloydstsb-registrars.co.uk

Financial Calendar

Announcement of 2006 fourth quarter results and full year results and annual strategy presentation **8 February 2007**

Announcement of 2007 first quarter results **3 May 2007**

BG Group plc website: www.bg-group.com

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