

Third Quarter Highlights

- Strong results driven by higher E&P volumes, strong LNG performance and higher prices
- Group total operating profit up 106% to £1 383 million
- Earnings per share up 113% to 23.2p
- Further material exploration success in pre-salt Brazilian Santos Basin
- Majority control of Queensland Gas Company Limited (QGC) now obtained

BG Group's Chief Executive, Frank Chapman said:

"BG Group delivered another excellent result in the third quarter. The outlook for the business remains strong and we have confirmed our 2009 E&P volume target as 680 000 barrels of oil equivalent per day. We have also confirmed our 2012 E&P volume target and have lifted our LNG profit guidance for both 2008 and 2009."

"The material growth in BG Group's reserves and resources in 2008 gives greater confidence in the potential of the portfolio to sustain a 6-8% compound annual growth rate in E&P production from 2005 out to 2020."

BG Group has issued an interim strategy update in conjunction with today's Q3 statement. This is available online at: www.bg-group.com

| Third Quarter | | | Business Performance ⁽ⁱ⁾⁽ⁱⁱ⁾ | Nine Months | | |
|---|------------|-------|--|--------------|------------|------|
| 2008 £m | 2007 £m | | | 2008 £m | 2007 £m | |
| 1 383 | 672 | +106% | Total operating profit including share of pre-tax operating results from joint ventures and associates | 4 216 | 2 242 | +88% |
| 777 | 368 | +111% | Earnings for the period | 2 373 | 1 225 | +94% |
| 23.2p | 10.9p | +113% | Earnings per share | 70.9p | 36.1p | +96% |
| Total results for the period (including disposals, re-measurements and impairments)⁽ⁱⁱ⁾ | | | | | | |
| 1 460 | 587 | +149% | Operating profit before share of results from joint ventures and associates | 4 039 | 2 051 | +97% |
| 1 519 | 650 | +134% | Total operating profit including share of pre-tax operating results from joint ventures and associates | 4 217 | 2 232 | +89% |
| 857 | 357 | +140% | Earnings for the period | 2 371 | 1 260 | +88% |
| 25.6p | 10.6p | +142% | Earnings per share | 70.9p | 37.2p | +91% |

i) 'Business Performance' excludes disposals, certain re-measurements and impairments 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 7, note 1, page 14 and note 3, page 16. Unless otherwise stated, the results discussed in this release relate to BG Group's Business Performance.

ii) The principal difference between Business Performance and Total Results is due to the non-cash mark-to-market movements on certain long-term UK gas contracts.

Business Review

Group

| Business Performance | Third Quarter | | |
|--|---------------|------------|-------|
| | 2008 £m | 2007 £m | |
| Revenue and other operating income | 3 291 | 1 850 | +78% |
| Total operating profit including share of pre-tax results from joint ventures and associates | | | |
| Exploration and Production | 917 | 433 | +112% |
| Liquefied Natural Gas | 367 | 149 | +146% |
| Transmission and Distribution | 80 | 67 | +19% |
| Power Generation | 19 | 29 | -34% |
| Other activities | – | (6) | – |
| | 1 383 | 672 | +106% |
| Net finance income/(costs) | 11 | (8) | – |
| Taxation for the period | (600) | (281) | +114% |
| Earnings for the period | 777 | 368 | +111% |
| Earnings per share | 23.2p | 10.9p | +113% |
| Capital investment | 730 | 504 | +45% |

Third quarter

Revenue and other operating income increased by 78% to £3 291 million, reflecting higher commodity prices and E&P volumes and the translation effect of a stronger US\$.

Total operating profit increased by 106% to £1 383 million primarily due to higher E&P volumes, continued strong performance in LNG and higher commodity prices. At constant US\$/UK£ exchange rates and upstream prices, underlying total operating profit would have increased by 36%.

Net finance income was £19 million higher due to increased cash balances and the translation effect of the US\$/UK£ exchange rate on US\$ cash balances.

The Group's effective tax rate (including BG Group's share of joint ventures and associates tax) was 43% for the quarter.

Cash generated by operations increased by £425 million to £1 198 million.

Capital investment in the quarter of £730 million comprised investment in Africa, Middle East and Asia (£329 million), Europe and Central Asia (£211 million) and Americas and Global LNG (£190 million).

Third quarter business highlights

In October, BG Group and QGC announced that they had agreed the terms of a recommended transaction under which BG Group will acquire all the issued shares in QGC at AUD\$5.75 per share by means of an unconditional on-market offer. BG Group's consideration to increase its ownership of QGC to 100% will total some AUD\$5.2 billion (£2.0 billion).

The acquisition of QGC enhances BG Group's global gas strategy, builds on existing Australian domestic and export interests and provides both material Asia Pacific gas resources and Pacific Basin LNG supply. Based on success in proving up reserves, and anticipated on-going progress with reserves, BG Group now expects to sanction a 7.5 mtpa, two-train, first phase to the LNG project in 2010. Since the start of the year, QGC's 3P reserves⁽ⁱ⁾ have more than doubled to 8 200 PJ (ca. 7.5 tcf), including Sunshine Gas and Roma Petroleum.

As at the end of trading on ASX on 4 November 2008, BG Group had obtained majority control of QGC, with a relevant interest⁽ⁱⁱ⁾ in more than 490 million shares representing at least 51.7% per cent of the issued share capital of the company.

Separately, BG Group and AGL Energy Limited (AGL) have entered into an option agreement under which AGL has the right to acquire certain QGC assets subject to BG Group acquiring at least 50.1% of QGC's issued share capital:

- 100% of the Lacerta gas field and a 15% interest in the Polaris gas exploration licence for consideration payable to BG Group of AUD\$856 million plus capex and working capital adjustments;
- The 140 MW Condamine combined cycle power station project currently under construction, together with an associated gas supply contract. The exercise price will be the higher of the total costs paid up to completion or the fair market value to be determined by an independent expert.

In September, BG Group's offer to acquire all of the issued shares in Origin Energy Limited lapsed.

i) QGC categorises its reserves in accordance with the Society of Petroleum Engineers. For further information, please refer to BG Group's press release dated 28 October 2008.

ii) For the purposes of this announcement, "relevant interest" means the aggregate of BG Group's existing stake in QGC, QGC shares acquired by or on behalf of BG Group on ASX since 28 October 2008 and QGC shares that are the subject of pre-bid agreements and which have not yet been tendered into BG Group's offer.

Exploration and Production (E&P)

| Business Performance | Third Quarter | | |
|------------------------------------|---------------|------------|-------|
| | 2008 £m | 2007 £m | |
| Production volumes (mmboe) | 54.0 | 48.7 | +11% |
| Revenue and other operating income | 1 462 | 829 | +76% |
| Total operating profit | 917 | 433 | +112% |
| Capital investment | 615 | 413 | +49% |

Additional operating and financial data is given on page 22.

Third quarter

E&P total operating profit increased by 112% to £917 million reflecting higher commodity prices, increased production volumes and the translation effect of a stronger US\$.

Production volumes increased by 11% against 2007 when production was reduced by the temporary closure of the CATS pipeline.

Unit operating expenditure increased by 86 pence to £3.59 (\$6.91) per boe principally due to the impact of commodity prices on royalty costs and transportation tariffs.

The exploration charge of £115 million is £13 million higher than 2007.

For the UK gas year ending 30 September 2008, BG Group realised an average contract price on North Sea gas production of 34 pence per therm, in line with expectations. Following the cessation of a number of legacy contracts, for the current UK gas year, BG Group expects to sell around 60% of North Sea gas production under contracts at an average price of approximately 55 pence per therm.

Capital investment of £615 million included expenditure in Tunisia (£138 million), Egypt (£128 million), UK (£105 million), Kazakhstan (£77 million), Trinidad and Tobago (£40 million), Brazil (£27 million), India (£22 million), Canada (£19 million), Norway (£17 million) and Oman (£15 million).

Third quarter business highlights

In August, BG Group announced a material new oil discovery in the pre-salt Santos Basin, offshore Brazil. The exploration well, known as Iara, discovered oil within the BM-S-11 concession area (BG Group 25%). Gross recoverable volumes are currently estimated to be between 3 and 4 billion boe. This well is BG Group's sixth consecutive drilling success in the deep water, pre-salt Santos Basin since BG Group and its partners began their drilling programme in 2005. BG Group and its partners have submitted an Evaluation Plan to the National Petroleum Agency with future appraisal and investment plans for Iara.

In September, following the drilling of an appraisal well, a significant increase in the potential of the West Franklin field (BG Group 14.11%) in the UK was discovered. Gross reserves are now estimated at close to 200 mmboe with additional drilling.

In Norway, the Jordbaer (BG Group 45% and operator) exploration well was a discovery. Technical analysis of well results continues. This discovery is regarded as a strategic play opener, given a number of analogous prospects in the vicinity.

In September, BG Group signed an agreement, with the Egyptian Government to increase the domestic gas pricing for production from the Rosetta and West Delta Deep Marine offshore concessions.

Liquefied Natural Gas (LNG)

| Business Performance | Third Quarter | | |
|------------------------------------|---------------|------------|-------|
| | 2008 £m | 2007 £m | |
| Revenue and other operating income | 1 390 | 704 | +97% |
| Total operating profit | | | |
| Shipping and marketing | 351 | 130 | +170% |
| Liquefaction | 36 | 33 | +9% |
| Business development and other | (20) | (14) | +43% |
| | 367 | 149 | +146% |
| Capital investment | 58 | 54 | +7% |

Additional operating and financial data is given on page 22.

Third quarter

LNG total operating profit increased by £218 million to £367 million.

Shipping and marketing performed strongly with total operating profit increasing by £221 million to £351 million. The market for LNG remained strong and BG Group utilised its flexible portfolio to access high value markets.

BG Group's share of operating profit from liquefaction activities increased by £3 million to £36 million principally due to the impact of increased market prices.

Capital investment in the quarter included £32 million in Chile and £16 million relating to LNG vessels.

Transmission and Distribution (T&D)

| Business Performance | Third Quarter | | |
|------------------------------------|---------------|------------|------|
| | 2008 £m | 2007 £m | |
| Revenue and other operating income | | | |
| Comgas | 362 | 220 | +65% |
| Other | 44 | 38 | +16% |
| | 406 | 258 | +57% |
| Total operating profit | | | |
| Comgas | 69 | 59 | +17% |
| Other | 11 | 8 | +38% |
| | 80 | 67 | +19% |
| Capital investment | 37 | 30 | +23% |

Third quarter

T&D total operating profit for the quarter increased by £13 million to £80 million.

At Comgas, in Brazil, total operating profit increased by £10 million to £69 million reflecting the strong growth in residential and cogeneration sales, as well as the favourable Brazilian Real exchange rate partially offset by increased gas costs which will be recovered in future periods.

During the period, the cost of gas balance to be recovered in future periods increased by £15 million to £77 million, following a favourable regulatory ruling on the recoverability of gas costs incurred in prior periods.

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

Power Generation

| Business Performance | Third Quarter | | |
|------------------------------------|---------------|------------|-------|
| | 2008 £m | 2007 £m | |
| Revenue and other operating income | 157 | 140 | +12% |
| Total operating profit | | | |
| Power Generation | 22 | 33 | -33% |
| Business development and other | (3) | (4) | -25% |
| | 19 | 29 | -34% |
| Capital investment | 20 | 3 | +567% |

Third quarter

Total operating profit for the quarter was down £10 million to £19 million reflecting increased maintenance and the re-phasing of contractual income at Seabank Power in the UK. Operating profit from the Group's US power business reflected low demand in key north eastern markets.

Presentation of Non-GAAP measures

Business Performance

'Business Performance' excludes disposals, certain re-measurements and impairments (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, certain re-measurements and impairments

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 and are disclosed separately as 'disposals, re-measurements and impairments'.

BG Group also uses commodity instruments to manage certain price exposures in respect of optimising the timing and location of its physical gas and LNG sales commitments. These instruments are also required to be measured at fair value at the balance sheet date under IAS 39. However, IAS 39 does not always allow the matching of these fair values to the economically hedged value of the related commodity, resulting in unrealised movements in fair value being recorded in the income statement. These movements in fair value are disclosed separately as 'disposals, re-measurements and impairments'.

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 and disclosed separately as 'disposals, re-measurements and impairments'.

Realised gains and losses relating to the instruments referred to above 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, and impairments of non-current assets as they 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, re-measurements and impairments, see the consolidated income statements, pages 9 and 10 and note 3, page 16.

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, page 16.

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

Certain statements included in these results contain forward-looking information concerning BG Group's strategy, operations, financial performance or condition, outlook, growth opportunities or circumstances in the countries, sectors or markets in which BG Group operates. By their nature, forward-looking statements involve uncertainty because they depend on future circumstances, and relate to events, not all of which are within BG Group's control or can be predicted by BG Group. Although BG Group 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. Actual results could differ materially from those set out in the forward-looking statements. For a detailed analysis of the factors that may affect our business, financial performance or results of operations, we urge you to look at the 'Risk Factors' included in BG Group plc's Annual Report and Accounts 2007. 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. BG Group undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.

Consolidated Income Statement
Third Quarter

| | | 2008 | | | 2007 | | |
|---|-------|---|---|-----------------------|---|---|-----------------------|
| | Notes | Business Performance (⁽ⁱ⁾) £m | Disposals, re-measure- ments and impairments (Note 2) ⁽ⁱⁱ⁾ £m | Total Result £m | Business Performance (⁽ⁱ⁾) £m | Disposals, re-measure- ments and impairments (Note 2) ⁽ⁱⁱ⁾ £m | Total Result £m |
| Group revenue | | 3 299 | – | 3 299 | 1 866 | – | 1 866 |
| Other operating income | 2 | (8) | 132 | 124 | (16) | (22) | (38) |
| Group revenue and other operating income | 3 | 3 291 | 132 | 3 423 | 1 850 | (22) | 1 828 |
| Operating costs | | (1 967) | – | (1 967) | (1 241) | – | (1 241) |
| Profits and losses on disposal of non-current assets and impairments | 2 | – | 4 | 4 | – | – | – |
| Operating profit/(loss)⁽ⁱⁱⁱ⁾ | 3 | 1 324 | 136 | 1 460 | 609 | (22) | 587 |
| Finance income | 2, 4 | 58 | 18 | 76 | 35 | 5 | 40 |
| Finance costs | 2, 4 | (36) | (10) | (46) | (29) | (5) | (34) |
| Share of post-tax results from joint ventures and associates | 3 | 38 | – | 38 | 39 | – | 39 |
| Profit/(loss) before tax | | 1 384 | 144 | 1 528 | 654 | (22) | 632 |
| Taxation | 2, 5 | (590) | (64) | (654) | (271) | 11 | (260) |
| Profit/(loss) for the period | | 794 | 80 | 874 | 383 | (11) | 372 |
| Attributable to: | | | | | | | |
| BG Group shareholders (earnings) | | 777 | 80 | 857 | 368 | (11) | 357 |
| Minority interest | | 17 | – | 17 | 15 | – | 15 |
| | | 794 | 80 | 874 | 383 | (11) | 372 |
| Earnings per share – basic | 6 | 23.2p | 2.4p | 25.6p | 10.9p | (0.3p) | 10.6p |
| Earnings per share – diluted | 6 | 22.9p | 2.4p | 25.3p | 10.8p | (0.3p) | 10.5p |
| Total operating profit including share of pre-tax operating results from joint ventures and associates⁽ⁱⁱⁱ⁾ | 3 | 1 383 | 136 | 1 519 | 672 | (22) | 650 |

i) See Presentation of Non-GAAP measures, page 7, for an explanation of results excluding disposals, certain re-measurements and impairments and presentation of the results of joint ventures and associates.

ii) Operating profit/(loss) is before share of results from 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

| | | 2008 | | 2007 | | | |
|---|-------|--------------------------------------|---|-----------------------|--------------------------------------|---|-----------------------|
| | Notes | Business Performance (i) £m | Disposals, re-measure- ments and impairments (Note 2) ⁽ⁱⁱ⁾ £m | Total Result £m | Business Performance (i) £m | Disposals, re-measure- ments and impairments (Note 2) ⁽ⁱⁱ⁾ £m | Total Result £m |
| Group revenue | | 9 611 | – | 9 611 | 5 964 | – | 5 964 |
| Other operating income | 2 | 2 | 19 | 21 | 28 | (28) | – |
| Group revenue and other operating income | 3 | 9 613 | 19 | 9 632 | 5 992 | (28) | 5 964 |
| Operating costs | | (5 575) | – | (5 575) | (3 931) | – | (3 931) |
| Profits and losses on disposal of non-current assets and impairments | 2 | – | (18) | (18) | – | 18 | 18 |
| Operating profit/(loss)⁽ⁱⁱⁱ⁾ | 3 | 4 038 | 1 | 4 039 | 2 061 | (10) | 2 051 |
| Finance income | 2, 4 | 150 | 19 | 169 | 102 | 10 | 112 |
| Finance costs | 2, 4 | (113) | (15) | (128) | (84) | (11) | (95) |
| Share of post-tax results from joint ventures and associates | 3 | 118 | – | 118 | 121 | – | 121 |
| Profit/(loss) before tax | | 4 193 | 5 | 4 198 | 2 200 | (11) | 2 189 |
| Taxation | 2, 5 | (1 788) | (9) | (1 797) | (935) | 46 | (889) |
| Profit/(loss) for the period | | 2 405 | (4) | 2 401 | 1 265 | 35 | 1 300 |
| Attributable to: | | | | | | | |
| BG Group shareholders (earnings) | | 2 373 | (2) | 2 371 | 1 225 | 35 | 1 260 |
| Minority interest | | 32 | (2) | 30 | 40 | – | 40 |
| | | 2 405 | (4) | 2 401 | 1 265 | 35 | 1 300 |
| Earnings per share – basic | 6 | 70.9p | – | 70.9p | 36.1p | 1.1p | 37.2p |
| Earnings per share – diluted | 6 | 70.2p | – | 70.2p | 35.8p | 1.0p | 36.8p |
| Total operating profit including share of pre-tax operating results from joint ventures and associates⁽ⁱⁱⁱ⁾ | 3 | 4 216 | 1 | 4 217 | 2 242 | (10) | 2 232 |

i) See Presentation of Non-GAAP measures, page 7, for an explanation of results excluding disposals, certain re-measurements and impairments and presentation of the results of joint ventures and associates.

ii) Operating profit/(loss) is before share of results from 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 2008 £m | As at 31 Dec 2007 £m | As at 30 Sept 2007 £m |
|--|--------------------------------|-------------------------------|--------------------------------|
| Assets | | | |
| Non-current assets | | | |
| Goodwill | 419 | 385 | 366 |
| Other intangible assets | 1 233 | 823 | 721 |
| Property, plant and equipment | 8 739 | 7 426 | 6 968 |
| Investments | 1 533 | 1 157 | 1 116 |
| Deferred tax assets | 86 | 86 | 75 |
| Trade and other receivables | 70 | 70 | 49 |
| Commodity contracts and other derivative financial instruments | 320 | 378 | 338 |
| | 12 400 | 10 325 | 9 633 |
| Current assets | | | |
| Inventories | 428 | 382 | 327 |
| Trade and other receivables | 2 833 | 2 261 | 1 854 |
| Current tax receivable | 132 | 52 | – |
| Commodity contracts and other derivative financial instruments | 917 | 489 | 376 |
| Cash and cash equivalents | 2 198 | 1 881 | 1 704 |
| | 6 508 | 5 065 | 4 261 |
| Total assets | 18 908 | 15 390 | 13 894 |
| Liabilities | | | |
| Current liabilities | | | |
| Borrowings | (137) | (275) | (294) |
| Trade and other payables | (2 262) | (2 251) | (1 696) |
| Current tax liabilities | (1 054) | (554) | (507) |
| Commodity contracts and other derivative financial instruments | (1 280) | (804) | (565) |
| | (4 733) | (3 884) | (3 062) |
| Non-current liabilities | | | |
| Borrowings | (1 652) | (1 668) | (1 543) |
| Trade and other payables | (32) | (30) | (22) |
| Commodity contracts and other derivative financial instruments | (467) | (366) | (207) |
| Deferred income tax liabilities | (1 458) | (1 258) | (1 228) |
| Retirement benefit obligations | (174) | (165) | (160) |
| Provisions for other liabilities and charges | (722) | (662) | (579) |
| | (4 505) | (4 149) | (3 739) |
| Total liabilities | (9 238) | (8 033) | (6 801) |
| Net assets | 9 670 | 7 357 | 7 093 |
| Equity | | | |
| Total shareholders' equity | 9 535 | 7 225 | 6 967 |
| Minority interest in equity | 135 | 132 | 126 |
| Total equity | 9 670 | 7 357 | 7 093 |

BG Group plc – 2008 Third Quarter Results

Consolidated Statement of Recognised Income and Expense

| Third Quarter | | | Nine Months | |
|-------------------------|------|---|--------------|-------|
| 2008 | 2007 | | 2008 | 2007 |
| £m | £m | | £m | £m |
| 874 | 372 | Profit for the period | 2 401 | 1 300 |
| 41 | (20) | Hedge adjustments net of tax | (125) | 4 |
| (41) | – | Fair value movements on 'available-for-sale' assets net of tax ⁽ⁱ⁾ | 30 | – |
| 213 | (9) | Currency translation adjustments | 328 | (17) |
| 213 | (29) | Net gains/(losses) recognised directly in equity | 233 | (13) |
| 1 087 | 343 | Total recognised income for the period | 2 634 | 1 287 |
| Attributable to: | | | | |
| 1 075 | 325 | BG Group shareholders | 2 602 | 1 238 |
| 12 | 18 | Minority interest | 32 | 49 |
| 1 087 | 343 | | 2 634 | 1 287 |

i) BG Group's 9.9% stake in Queensland Gas Company is classified as an 'available-for-sale' financial asset under IAS 39.

Consolidated Cash Flow Statement

| Third Quarter | | | Nine Months | |
|---|-------|---|----------------|---------|
| 2008 | 2007 | | 2008 | 2007 |
| £m | £m | | £m | £m |
| Cash flows from operating activities | | | | |
| 1 528 | 632 | Profit before tax | 4 198 | 2 189 |
| (38) | (39) | Share of post-tax results from joint ventures and associates | (118) | (121) |
| 207 | 153 | Depreciation and impairments of property, plant and equipment and amortisation of intangible assets | 629 | 487 |
| (178) | 11 | Fair value movements in commodity based contracts | (58) | 56 |
| (4) | – | (Profits) and losses on disposal of non-current assets and impairments | 18 | (18) |
| 54 | 37 | Unsuccessful exploration expenditure written off | 150 | 63 |
| 1 | 5 | (Decrease)/increase in provisions | (9) | (18) |
| (76) | (40) | Finance income | (169) | (112) |
| 46 | 34 | Finance costs | 128 | 95 |
| 9 | 8 | Share-based payments | 23 | 22 |
| (351) | (28) | (Increase)/decrease in working capital | (440) | 45 |
| 1 198 | 773 | Cash generated by operations | 4 352 | 2 688 |
| (592) | (287) | Income taxes paid | (1 228) | (661) |
| 606 | 486 | Net cash inflow from operating activities | 3 124 | 2 027 |
| Cash flows from investing activities | | | | |
| 34 | 31 | Dividends received from joint ventures and associates | 77 | 68 |
| 14 | – | Proceeds from disposal of subsidiary undertakings and investments | 15 | 461 |
| – | 1 | Proceeds from disposal of property, plant and equipment and intangible assets | 2 | 1 |
| (623) | (405) | Purchase of property, plant and equipment and intangible assets | (1 934) | (1 185) |
| (43) | (39) | Loans to joint ventures and associates | (84) | (46) |
| (2) | (3) | Business combinations and investments | (176) | (486) |
| (620) | (415) | Net cash outflow from investing activities | (2 100) | (1 187) |
| Cash flows from financing activities | | | | |
| 3 | 5 | Net interest received/(paid) ⁽ⁱ⁾ | (5) | (4) |
| (155) | (119) | Dividends paid | (346) | (260) |
| (9) | (12) | Dividends paid to minority | (28) | (25) |
| 10 | 37 | Net proceeds from issue of new borrowings | 164 | 329 |
| (10) | (32) | Repayment of borrowings | (337) | (227) |
| 8 | 19 | Issue of shares | 15 | 34 |
| – | (236) | Purchase of own shares | (197) | (447) |
| (153) | (338) | Net cash outflow from financing activities | (734) | (600) |
| (167) | (267) | Net (decrease)/increase in cash and cash equivalents | 290 | 240 |
| 2 350 | 1 971 | Cash and cash equivalents at beginning of period | 1 881 | 1 463 |
| 15 | – | Effect of foreign exchange rate changes | 27 | 1 |
| 2 198 | 1 704 | Cash and cash equivalents at end of period⁽ⁱⁱ⁾ | 2 198 | 1 704 |

i) Includes capitalised interest for the third quarter of £4 million (2007 £8 million), and for the nine months of £17 million (2007 £28 million).

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

Notes

1. Basis of preparation

These primary statements are the unaudited interim consolidated financial statements of BG Group plc for the quarter ended 30 September 2008. 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 2007 which have been prepared in accordance with IFRSs as adopted by the EU, as they provide an update of previously reported information. The latest statutory accounts delivered to the registrar were for the year ended 31 December 2007, were audited by BG Group's statutory auditors PricewaterhouseCoopers LLP and on which the Auditors' Report was unqualified and did not contain statements under 237(2) or 237(3) of the UK Companies Act 1985. These financial statements are Interim Management Statements and have been prepared in accordance with the requirements of the Disclosure and Transparency Rules issued by the Financial Services Authority and the accounting policies set out in the 2007 Annual Report and Accounts.

The preparation of the 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 financial statements. If in the future such estimates and assumptions, which are based on management's best judgement at the date of the 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.

Presentation of results

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

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

These items, which are detailed in note 2 to the financial statements, page 15, 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 page 7). 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. The tables in note 3 provide a reconciliation between the Total Result and Business Performance and operating profit including and excluding the results of joint ventures and associates.

3. Segmental analysis

Profit for the period

Analysed by operating segment

| Third Quarter | Business Performance | | Disposals, re-measurements and impairments | | Total Result | |
|---|----------------------|--------------|--|-------------|--------------|--------------|
| | 2008 £m | 2007 £m | 2008 £m | 2007 £m | 2008 £m | 2007 £m |
| Group revenue | | | | | | |
| Exploration and Production | 1 494 | 855 | – | – | 1 494 | 855 |
| Liquefied Natural Gas | 1 365 | 694 | – | – | 1 365 | 694 |
| Transmission and Distribution | 406 | 258 | – | – | 406 | 258 |
| Power Generation | 158 | 140 | – | – | 158 | 140 |
| Other activities | 1 | 2 | – | – | 1 | 2 |
| Less: intra-group sales | (125) | (83) | – | – | (125) | (83) |
| Group revenue | 3 299 | 1 866 | – | – | 3 299 | 1 866 |
| Other operating income ⁽ⁱ⁾ | (8) | (16) | 132 | (22) | 124 | (38) |
| Group revenue and other operating income | 3 291 | 1 850 | 132 | (22) | 3 423 | 1 828 |
| Operating profit/(loss) before share of results from joint ventures and associates | | | | | | |
| Exploration and Production | 917 | 433 | 132 | (22) | 1 049 | 411 |
| Liquefied Natural Gas | 333 | 116 | – | – | 333 | 116 |
| Transmission and Distribution | 72 | 61 | (1) | – | 71 | 61 |
| Power Generation | 2 | 5 | – | – | 2 | 5 |
| Other activities | – | (6) | 5 | – | 5 | (6) |
| | 1 324 | 609 | 136 | (22) | 1 460 | 587 |
| Pre-tax share of operating results of joint ventures and associates | | | | | | |
| Liquefied Natural Gas | 34 | 33 | – | – | 34 | 33 |
| Transmission and Distribution | 8 | 6 | – | – | 8 | 6 |
| Power Generation | 17 | 24 | – | – | 17 | 24 |
| | 59 | 63 | – | – | 59 | 63 |
| Total operating profit/(loss) | | | | | | |
| Exploration and Production | 917 | 433 | 132 | (22) | 1 049 | 411 |
| Liquefied Natural Gas | 367 | 149 | – | – | 367 | 149 |
| Transmission and Distribution | 80 | 67 | (1) | – | 79 | 67 |
| Power Generation | 19 | 29 | – | – | 19 | 29 |
| Other activities | – | (6) | 5 | – | 5 | (6) |
| | 1 383 | 672 | 136 | (22) | 1 519 | 650 |
| Net finance costs | | | | | | |
| Finance income | 58 | 35 | 18 | 5 | 76 | 40 |
| Finance costs | (36) | (29) | (10) | (5) | (46) | (34) |
| Share of joint ventures and associates | (11) | (14) | – | – | (11) | (14) |
| | 11 | (8) | 8 | – | 19 | (8) |
| Taxation | | | | | | |
| Taxation | (590) | (271) | (64) | 11 | (654) | (260) |
| Share of joint ventures and associates | (10) | (10) | – | – | (10) | (10) |
| | (600) | (281) | (64) | 11 | (664) | (270) |
| Profit for the period | 794 | 383 | 80 | (11) | 874 | 372 |

i) Business Performance Other operating income is attributable to segments as follows: E&P £(32) million (2007 £(26) million), LNG £25 million (2007 £10 million) and Power £(1) million (2007 £nil).

3. Segmental analysis (continued)

| Nine Months | Business Performance | | Disposals, re-measurements and impairments | | Total Result | |
|---|----------------------|--------------|--|-------------|----------------|--------------|
| | 2008 £m | 2007 £m | 2008 £m | 2007 £m | 2008 £m | 2007 £m |
| Group revenue | | | | | | |
| Exploration and Production | 4 421 | 2 814 | – | – | 4 421 | 2 814 |
| Liquefied Natural Gas | 4 096 | 2 267 | – | – | 4 096 | 2 267 |
| Transmission and Distribution | 1 022 | 712 | – | – | 1 022 | 712 |
| Power Generation | 451 | 378 | – | – | 451 | 378 |
| Other activities | 4 | 5 | – | – | 4 | 5 |
| Less: intra-group sales | (383) | (212) | – | – | (383) | (212) |
| Group revenue | 9 611 | 5 964 | – | – | 9 611 | 5 964 |
| Other operating income ⁽ⁱ⁾ | 2 | 28 | 19 | (28) | 21 | – |
| Group revenue and other operating income | 9 613 | 5 992 | 19 | (28) | 9 632 | 5 964 |
| Operating profit/(loss) before share of results from joint ventures and associates | | | | | | |
| Exploration and Production | 2 835 | 1 624 | 19 | (11) | 2 854 | 1 613 |
| Liquefied Natural Gas | 1 034 | 269 | – | – | 1 034 | 269 |
| Transmission and Distribution | 145 | 160 | (2) | 1 | 143 | 161 |
| Power Generation | 35 | 33 | – | – | 35 | 33 |
| Other activities | (11) | (25) | (16) | – | (27) | (25) |
| | 4 038 | 2 061 | 1 | (10) | 4 039 | 2 051 |
| Pre-tax share of operating results of joint ventures and associates | | | | | | |
| Liquefied Natural Gas | 95 | 89 | – | – | 95 | 89 |
| Transmission and Distribution | 21 | 27 | – | – | 21 | 27 |
| Power Generation | 62 | 65 | – | – | 62 | 65 |
| | 178 | 181 | – | – | 178 | 181 |
| Total operating profit/(loss) | | | | | | |
| Exploration and Production | 2 835 | 1 624 | 19 | (11) | 2 854 | 1 613 |
| Liquefied Natural Gas | 1 129 | 358 | – | – | 1 129 | 358 |
| Transmission and Distribution | 166 | 187 | (2) | 1 | 164 | 188 |
| Power Generation | 97 | 98 | – | – | 97 | 98 |
| Other activities | (11) | (25) | (16) | – | (27) | (25) |
| | 4 216 | 2 242 | 1 | (10) | 4 217 | 2 232 |
| Net finance costs | | | | | | |
| Finance income | 150 | 102 | 19 | 10 | 169 | 112 |
| Finance costs | (113) | (84) | (15) | (11) | (128) | (95) |
| Share of joint ventures and associates | (33) | (41) | – | – | (33) | (41) |
| | 4 | (23) | 4 | (1) | 8 | (24) |
| Taxation | | | | | | |
| Taxation | (1 788) | (935) | (9) | 46 | (1 797) | (889) |
| Share of joint ventures and associates | (27) | (19) | – | – | (27) | (19) |
| | (1 815) | (954) | (9) | 46 | (1 824) | (908) |
| Profit for the period | 2 405 | 1 265 | (4) | 35 | 2 401 | 1 300 |

i) Business Performance Other operating income is attributable to segments as follows: E&P £(28) million (2007 £(16) million), LNG £25 million (2007 £44 million) and Power £5 million (2007 £nil).

BG Group plc – 2008 Third Quarter Results

3. Segmental analysis (continued)

| Total Result | Operating profit before share of results from joint ventures and associates⁽ⁱ⁾ | | Share of results in joint ventures and associates⁽ⁱ⁾ | | Total Result | |
|-------------------------------|--|-------------|--|-------------|---------------------|-------------|
| | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| Third Quarter | £m | £m | £m | £m | £m | £m |
| Exploration and Production | 1 049 | 411 | – | – | 1 049 | 411 |
| Liquefied Natural Gas | 333 | 116 | 23 | 19 | 356 | 135 |
| Transmission and Distribution | 71 | 61 | 6 | 5 | 77 | 66 |
| Power Generation | 2 | 5 | 9 | 15 | 11 | 20 |
| Other activities | 5 | (6) | – | – | 5 | (6) |
| | 1 460 | 587 | 38 | 39 | 1 498 | 626 |
| Net finance income | | | | | 30 | 6 |
| Profit before tax | | | | | 1 528 | 632 |
| Taxation | | | | | (654) | (260) |
| Profit for the period | | | | | 874 | 372 |

| Total Result | Operating profit before share of results from joint ventures and associates⁽ⁱ⁾ | | Share of results in joint ventures and associates⁽ⁱ⁾ | | Total Result | |
|-------------------------------|--|-------------|--|-------------|---------------------|-------------|
| | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| Nine Months | £m | £m | £m | £m | £m | £m |
| Exploration and Production | 2 854 | 1 613 | – | – | 2 854 | 1 613 |
| Liquefied Natural Gas | 1 034 | 269 | 66 | 54 | 1 100 | 323 |
| Transmission and Distribution | 143 | 161 | 15 | 24 | 158 | 185 |
| Power Generation | 35 | 33 | 37 | 43 | 72 | 76 |
| Other activities | (27) | (25) | – | – | (27) | (25) |
| | 4 039 | 2 051 | 118 | 121 | 4 157 | 2 172 |
| Net finance income | | | | | 41 | 17 |
| Profit before tax | | | | | 4 198 | 2 189 |
| Taxation | | | | | (1 797) | (889) |
| Profit for the period | | | | | 2 401 | 1 300 |

i) Including disposals, re-measurements and impairments.

4. Net finance income

| Third Quarter | | | Nine Months | |
|---------------|------|---|-------------|------|
| 2008 | 2007 | | 2008 | 2007 |
| £m | £m | | £m | £m |
| (20) | (16) | Interest payable | (66) | (55) |
| (13) | (14) | Interest on obligations under finance leases | (41) | (40) |
| 4 | 8 | Interest capitalised | 17 | 28 |
| (7) | (7) | Unwinding of discount on provisions ⁽ⁱ⁾ | (23) | (17) |
| (10) | (5) | Disposals, re-measurements and impairments (Note 2) | (15) | (11) |
| (46) | (34) | Finance costs | (128) | (95) |
| 58 | 35 | Interest receivable | 150 | 102 |
| 18 | 5 | Disposals, re-measurements and impairments (Note 2) | 19 | 10 |
| 76 | 40 | Finance income | 169 | 112 |
| 30 | 6 | Net finance income ⁽ⁱⁱ⁾ | 41 | 17 |

i) Relates to the unwinding of the discount on provisions and amounts in respect of pension obligations which represent the unwinding of discount on the plans' liabilities offset by the expected return on the plans' assets.

ii) Excludes Group share of net finance costs from joint ventures and associates for the quarter of £11 million (2007 £14 million), and for the nine months of £33 million (2007 £41 million).

5. Taxation

The taxation charge for the third quarter before disposals, re-measurements and impairments was £590 million (2007 £271 million) and the taxation charge including disposals, re-measurements and impairments was £654 million (2007 £260 million).

For the nine months, the taxation charge before disposals, re-measurements and impairments was £1 788 million (2007 £935 million) and the taxation charge including disposals, re-measurements and impairments was £1 797 million (2007 £889 million).

The Group share of taxation from joint ventures and associates for the third quarter was £10 million (2007 £10 million) and for the nine months was £27 million (2007 £19 million).

6. Earnings per ordinary share

| Third Quarter | | | | | Nine Months | | | |
|---------------|-----------------|------|-----------------|--|-------------|-----------------|-------|-----------------|
| 2008 | | 2007 | | | 2008 | | 2007 | |
| £m | Pence per share | £m | Pence per share | | £m | Pence per share | £m | Pence per share |
| 857 | 25.6 | 357 | 10.6 | Earnings | 2 371 | 70.9 | 1 260 | 37.2 |
| (80) | (2.4) | 11 | 0.3 | Disposals, re-measurements and impairments (after tax and minority interest) | 2 | – | (35) | (1.1) |
| 777 | 23.2 | 368 | 10.9 | Earnings – excluding disposals, re-measurements and impairments | 2 373 | 70.9 | 1 225 | 36.1 |

Basic earnings per share calculations in 2008 are based on the weighted average number of shares in issue of 3 349 million for the quarter and 3 346 million for the nine months.

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 3 382 million for the quarter and 3 381 million for the nine months, being the weighted average number of ordinary shares in issue during the period as adjusted for dilutive equity instruments.

7. Reconciliation of net borrowings/funds⁽ⁱ⁾ – Nine Months

| | £m |
|---|-------------|
| Net funds as at 31 December 2007 | 25 |
| Net increase in cash and cash equivalents | 290 |
| Net repayment of borrowings | 173 |
| Foreign exchange and other re-measurements | (17) |
| Net funds as at 30 September 2008 ^{(i) (ii)} | 471 |

Net borrowings attributable to Comgas were £412 million (31 December 2007 £318 million).

As at 30 September 2008, BG Group's share of the net borrowings in joint ventures and associates amounted to approximately £1.1 billion, including BG Group shareholder loans of approximately £0.8 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 24.

ii) Net borrowings/funds comprise:

| | As at 30 Sept 2008 £m | As at 31 Dec 2007 £m |
|--|--------------------------------|-------------------------------|
| <i>Amounts receivable/(due) within one year</i> | | |
| Cash and cash equivalents | 2 198 | 1 881 |
| Overdrafts, loans and finance leases | (137) | (275) |
| Derivative financial instruments ⁽ⁱⁱⁱ⁾ | (28) | 60 |
| | 2 033 | 1 666 |
| <i>Amounts receivable/(due) after more than one year</i> | | |
| Loans and finance leases | (1 652) | (1 668) |
| Derivative financial instruments ⁽ⁱⁱⁱ⁾ | 90 | 27 |
| | (1 562) | (1 641) |
| Net funds | 471 | 25 |

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

8. Capital investment: geographical analysis

| Third Quarter | | | Nine Months | |
|---------------|------------|------------------------------|--------------|--------------|
| 2008 £m | 2007 £m | | 2008 £m | 2007 £m |
| 211 | 126 | Europe and Central Asia | 607 | 538 |
| 190 | 168 | Americas and Global LNG | 830 | 816 |
| 329 | 210 | Africa, Middle East and Asia | 890 | 515 |
| 730 | 504 | | 2 327 | 1 869 |

9. Quarterly information: earnings and earnings per share

| | 2008 £m | 2007 £m | 2008 pence | 2007 pence |
|--|------------|------------|---------------|---------------|
| First quarter | | | | |
| including disposals, re-measurements and impairments | 767 | 432 | 22.9 | 12.7 |
| excluding disposals, re-measurements and impairments | 789 | 448 | 23.6 | 13.1 |
| Second quarter | | | | |
| including disposals, re-measurements and impairments | 747 | 471 | 22.3 | 13.9 |
| excluding disposals, re-measurements and impairments | 807 | 409 | 24.1 | 12.0 |
| Third quarter | | | | |
| including disposals, re-measurements and impairments | 857 | 357 | 25.6 | 10.6 |
| excluding disposals, re-measurements and impairments | 777 | 368 | 23.2 | 10.9 |
| Fourth quarter | | | | |
| including disposals, re-measurements and impairments | | 486 | | 14.4 |
| excluding disposals, re-measurements and impairments | | 558 | | 16.6 |
| Full year | | | | |
| including disposals, re-measurements and impairments | | 1 746 | | 51.6 |
| excluding disposals, re-measurements and impairments | | 1 783 | | 52.7 |

Supplementary information: Operating and financial data

| Third Quarter 2008 | | Second Quarter 2008 | | Nine Months 2008 | | 2007 | |
|---|-----------|---------------------------|---|---------------------|-----------|------|--|
| Production volumes (mmboe) | | | | | | | |
| 7.5 | 6.6 | 7.2 | – oil | 22.6 | 20.5 | | |
| 8.1 | 8.2 | 9.2 | – liquids | 26.6 | 26.7 | | |
| 38.4 | 33.9 | 38.3 | – gas | 120.2 | 113.4 | | |
| 54.0 | 48.7 | 54.7 | – total | 169.4 | 160.6 | | |
| Production volumes (boed in thousands) | | | | | | | |
| 82 | 72 | 79 | – oil | 82 | 75 | | |
| 88 | 89 | 101 | – liquids | 97 | 98 | | |
| 417 | 368 | 421 | – gas | 439 | 415 | | |
| 587 | 529 | 601 | – total | 618 | 588 | | |
| £59.81 | £37.89 | £60.61 | Average realised oil price per barrel | £56.54 | £34.13 | | |
| (\$115.26) | (\$76.47) | (\$120.93) | | (\$111.28) | (\$67.88) | | |
| £47.43 | £30.35 | £48.97 | Average realised liquids price per barrel | £45.74 | £27.33 | | |
| (\$91.41) | (\$61.26) | (\$97.69) | | (\$90.02) | (\$54.34) | | |
| 35.63p | 29.46p | 32.79p | Average realised UK gas price per produced therm | 35.99p | 31.07p | | |
| 23.83p | 14.54p | 20.43p | Average realised International gas price per produced therm | 21.25p | 15.35p | | |
| 25.62p | 16.62p | 22.94p | Average realised gas price per produced therm | 24.12p | 18.59p | | |
| £2.13 | £1.78 | £1.87 | Lifting costs per boe | £1.84 | £1.67 | | |
| (\$4.10) | (\$3.60) | (\$3.72) | | (\$3.63) | (\$3.32) | | |
| £3.59 | £2.73 | £3.24 | Operating expenditure per boe | £3.19 | £2.65 | | |
| (\$6.91) | (\$5.50) | (\$6.47) | | (\$6.29) | (\$5.26) | | |
| 447 | 310 | 406 | Development expenditure (£m) | 1 260 | 902 | | |
| Gross exploration expenditure (£m) | | | | | | | |
| 134 | 83 | 180 | – capitalised expenditure (excluding acquisitions) | 460 | 188 | | |
| 61 | 65 | 54 | – other expenditure | 156 | 167 | | |
| 195 | 148 | 234 | – gross expenditure | 616 | 355 | | |
| Exploration expenditure charge (£m) | | | | | | | |
| 54 | 37 | 40 | – capitalised expenditure written off | 150 | 63 | | |
| 61 | 65 | 54 | – other expenditure | 156 | 167 | | |
| 115 | 102 | 94 | – exploration charge | 306 | 230 | | |
| LNG cargoes | | | | | | | |
| 20 | 43 | 17 | – delivered to US | 43 | 142 | | |
| 37 | 17 | 46 | – delivered to global markets | 135 | 41 | | |
| 57 | 60 | 63 | – total | 178 | 183 | | |
| 185.5 | 172.4 | 186.0 | LNG managed volumes (Tbtu) | 549.3 | 526.0 | | |

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) 2008 operating profit over the full year 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 2008, other factors being constant, a 10 cent strengthening (or weakening) in the US Dollar would increase (or decrease) operating profit over the full year by approximately £250 million to £300 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 |
| boe | barrels of oil equivalent |
| boed | barrels of oil equivalent per day |
| bopd | barrels of oil per day |
| CAGR | compound annual growth rate |
| CCGT | combined cycle gas turbine |
| DCQ | daily contracted quantity |
| E&P | Exploration and Production |
| EBITDA | earnings before interest, tax, depreciation and amortisation |
| EPC | engineering, procurement and construction |
| EPIC | engineering, procurement, installation and commissioning |
| FEED | front end engineering design |
| FERC | Federal Energy Regulatory Commission |
| Gearing ratio | 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 |
| kboed | thousand barrels of oil equivalent per day |
| LNG | Liquefied Natural Gas |
| Managed volumes | Comprises all LNG volumes contracted for purchase and having related revenue and other operating income recognised in the applicable period |
| 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 |
| PJ | Petajoules |
| PSA | production sharing agreement |
| SEC | US Securities and Exchange Commission |
| T&D | Transmission and Distribution |
| Tbtu | trillion british thermal units |
| Total operating profit | Group operating profit plus share of pre-tax operating results of joint ventures and associates |
| UKCS | United Kingdom Continental Shelf |
| Unit operating expenditure per boe | Production costs and royalties incurred over the period divided by the net production for the period. Production costs and royalties (other operating costs) for the period are disclosed under 'results of operations' in the Supplementary information – Oil and Gas disclosures in BG Group's Annual Report & Accounts for the period. This measure does not include the impact of depreciation and amortisation costs and exploration costs as they are not considered to be costs associated with the operation of producing assets. |
| Unit lifting costs per boe | 'Unit operating expenditure' as defined above, excluding royalty, tariff and insurance costs incurred over the period divided by the net production for the period. |

Enquiries

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

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High resolution images are available at www.vismedia.co.uk

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Financial Calendar

Announcement of 2008 fourth quarter and full year results and annual strategy presentation

5 February 2009

Announcement of 2009 first quarter results

29 April 2009

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