

I. Treasury Transfers to EDL in February 2013

► In February 2013, treasury transfers to EDL reached LL 230.86 billion, as follows:

⇒ Reimbursement of KPC and Sonatrach	LL 221.05 billion
⇒ Debt Service	LL 9.81 billion

Table 1: Monthly Treasury transfers to EDL in Jan-Feb 2013

(LL billion)	Jan	Feb	Total
EDL of which:	204.92	230.86	435.79
Debt service, of which:	9.11	9.81	18.92
• C-Loans and Eurobonds, of which:	1.71	9.81	11.53
- Principal payments	1.02	8.12	9.14
- Interest payments	0.69	1.70	2.39
• BDL Guaranteed Loan payments	7.39	-	7.39
Reimbursement for purchase of gas and fuel	195.81	221.05	416.87
• KPC & SPC	195.81	221.05	416.87

Source: Ministry of Finance

II. Treasury Transfers to EDL in 2013 in comparison with 2012

► Transfers to EDL in Jan-Feb 2013 were LL 108 billion lower than the Jan-Feb 2012 level

Transfers in January-February 2013 were LL 108 billion lower than the amount paid in January-February 2012, which stood at LL 544 billion. This was a result of lower payments to KPC and Sonatrach for fuel oil and gas oil purchases.

Table 2: Treasury Transfers to EDL

(LL billion)	Feb 2012	Feb 2013	Jan- Feb 2012	Jan- Feb 2013	Change	% Change
EDL, of which:	189	230.86	544	435.79	-108	-20%
Debt Service, of which:	14.1	9.81	17.7	18.92	1	7%
• C-Loans and Eurobonds, of which:	14.1	9.81	15.80	11.53	-4	-27%
-Principal Repayments	11.9	8.12	12.89	9.14	-4	-29%
-Interest Payments	2.2	1.70	2.92	2.39	-1	-18%
• BDL-Guaranteed Loan Payments	0	-	1.93	7.39	5	283%
Reimbursement for purchase of gas and fuel	175.1	221.05	526.1	416.87	-109	-21%
• KPC & SPC	175.1	221.05	526.06	416.87	-109	-21%

Source: Ministry of Finance

► Payments to the two oil suppliers in Jan-Feb 2013 were LL 108 billion lower than their level during 2012

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 416.87 billion in Jan-Feb 2013, down from LL 526.1 billion in Jan-Feb 2012. This 21 percent decrease was mainly driven by lower quantity of fuel oil and gas oil purchases.

- From a quantity-effect viewpoint: the quantity of gas oil imported in May-August 2012 (paid in Jan-Feb 2013) is the same as the quantity imported between May-August 2011 (paid in Jan-Feb 2012). In return, fuel oil quantities imported during July-August 2012 (paid in Jan-Feb 2013) decreased by 41 percent, compared to the quantity imported during July-Sept 2011 (paid in Jan-Feb 2012).
- From a price-effect viewpoint: the average oil price according to which the payments of Jan-Feb 2013 were made is 5 percent lower than that pertaining to Jan-Feb 2012. This is due to the fact that Jan-Feb 2013 payments reflect consumption over the

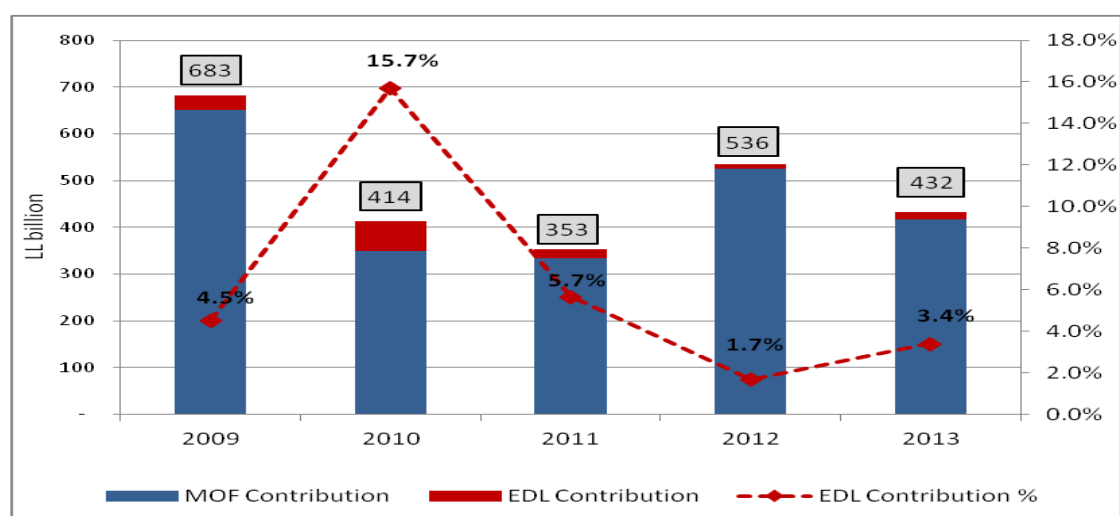
period May-August 2012, where the weighted crude oil average prices were US\$ 109.28 /barrel. The Jan-Feb 2012 payments reflect consumption over the period May-Sept 2011, where crude oil prices averaged US\$ 114.5/barrel.

III. Contribution of EDL out of the total oil bill

► EDL contributed 3.4 percent of the total oil bill in Jan-Feb 2013

With a total oil bill of LL 432 billion paid in Jan-Feb 2013¹, EDL contributed by 3.4 percent to repaying of KPC and Sonatrach. This figure was lower at 1.7% percent in Jan-Feb 2012, out of a larger bill of LL 536 billion. In nominal terms, EDL paid lower contribution in Jan-Feb 2012, amounting to LL 9 billion compared to LL 15 billion during the same period of this year.

Figure 1: Contribution of EDL (Jan-Feb 2009 – Jan-Feb 2013)

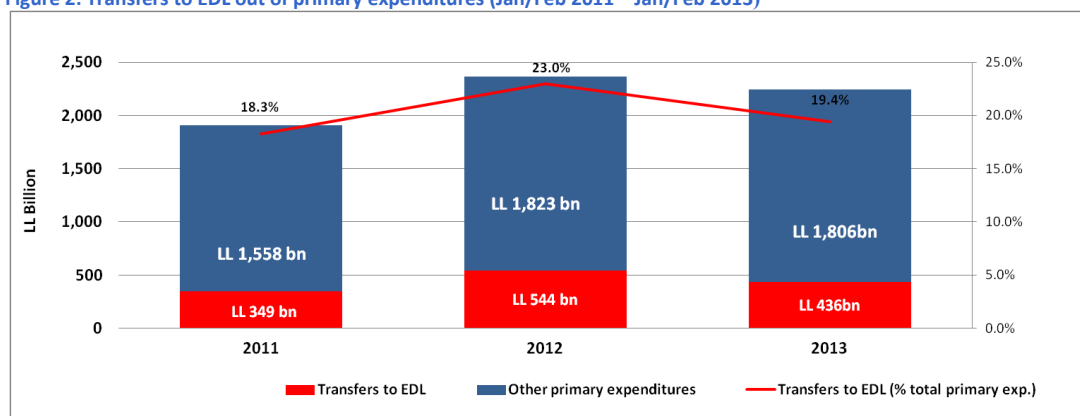


IV. Share of “Transfers to EDL” out of Expenditures

► Transfers to EDL constituted 19.4 percent of primary expenditures in January-February 2013

With primary expenditures at 2,242 billion in Jan-Feb 2013, the share of transfers to EDL reached 19.4 percent, a lower share than that paid in Jan-Feb 2012. In fact, the share of transfers out of primary expenditures was higher in Jan-Feb 2012, at 23 percent.

Figure 2: Transfers to EDL out of primary expenditures (Jan/Feb 2011 – Jan/Feb 2013)



¹ The Treasury transferred LL 436 billion to cover EDL's deficit in Jan-Feb 2013. Out of this amount, LL 417 billion represented the Treasury transfer to purchase gas and oil (as shown in Table 2). However, the total oil bill for Jan-Feb 2013 summed up to LL 432 billion which is constituted of LL 417 billion of treasury transfers “plus” 15 billion of transfers made by EDL..