



**PETRONAS**

# **PETRONAS Group Financial Results Announcement**

Quarter ended 30 September 2015

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# **PETRONAS Group Financial Results Announcement**

Financial Highlights

**Datuk George Ratilal**

Executive Vice President &  
Group Chief Financial Officer

# Key External Indicators

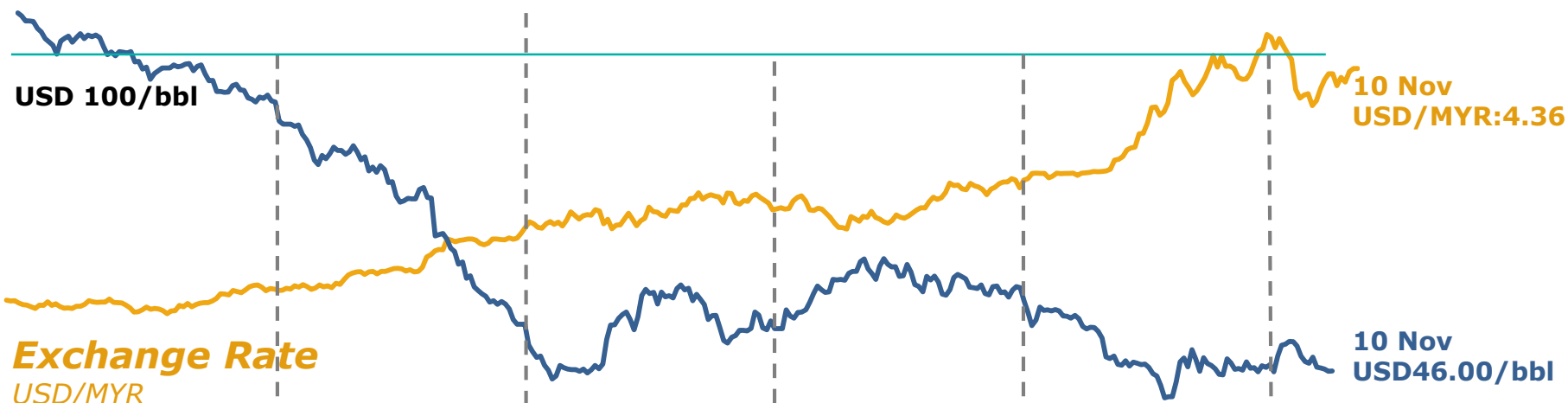
YTD FY2014	YTD FY2015		Q3 FY2014	Q2 FY2015	Q3 FY2015
106.57	<b>55.39</b>	Dated Brent (USD/bbl)	101.85	61.92	<b>50.26</b>
110.65	<b>61.17</b>	JCC 3-month rolling (USD/bbl)	109.97	57.26	<b>60.44</b>
3.24	<b>3.78</b>	USD/MYR	3.19	3.66	<b>4.05</b>

## Dated Brent

USD/bbl

2014

2015



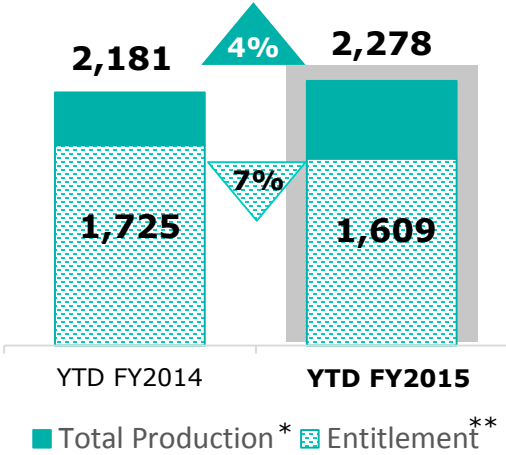
## Exchange Rate

USD/MYR

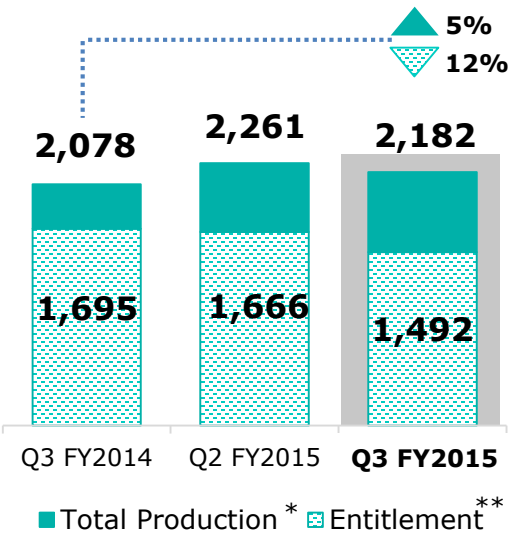
Q3	Q4	Q1	Q2	Q3	
<b>102</b>	<b>76</b>	<b>54</b>	<b>62</b>	<b>50</b>	avg Brent USD/bbl
<b>3.19</b>	<b>3.36</b>	<b>3.62</b>	<b>3.66</b>	<b>4.05</b>	exchange rate USD/MYR

# Operational Indicators

## Production\* (kboe/d)

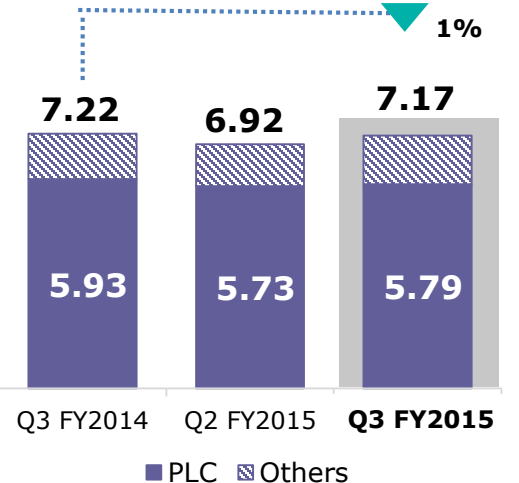
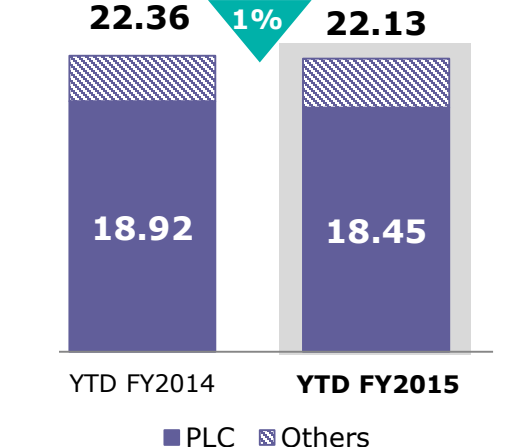


- + Production
  - ✓ Malaysia - production enhancement, new production & ramp-up
  - ✓ Azerbaijan - new production
  - ✓ Iraq - higher production entitlement



- Offset by:
- Egypt - higher natural decline rate

## LNG Sales Volume (MMT)

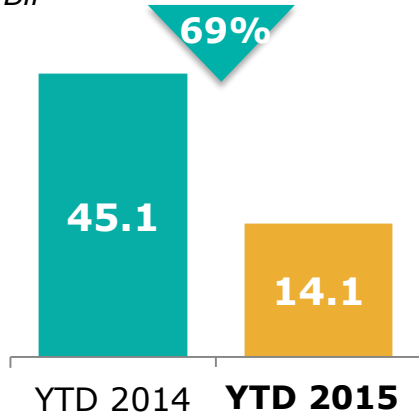


\*Represents Malaysia's production and PETRONAS Group's international equity production volume.  
 \*\*Represents PETRONAS Group's entitlement to Malaysia's production and PETRONAS Group's international entitlement volume

# Business Segment Results

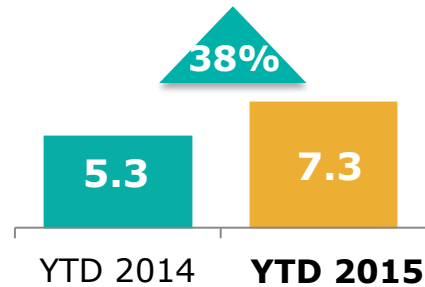
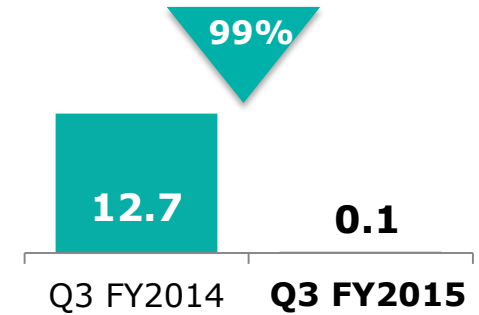
## PAT by Business Segment (includes inter-segment transactions)

RM Bil



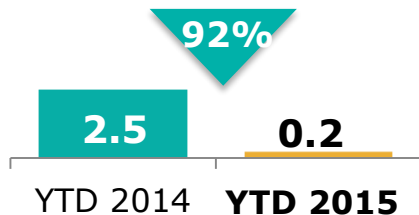
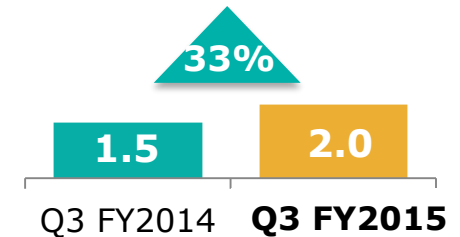
### Upstream

- Lower crude and LNG prices
- Higher asset impairment



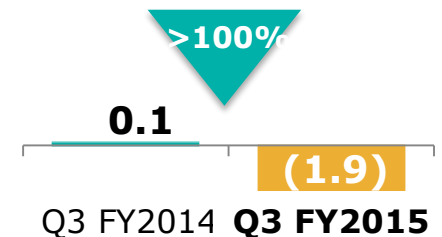
### Downstream

- Higher refining and marketing margins
- Improved plant performance for refineries and petrochemical plants



### Corporate & Others

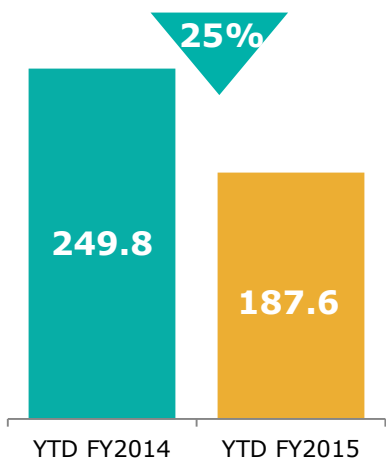
- Net foreign exchange loss on USD borrowings



# Group Results

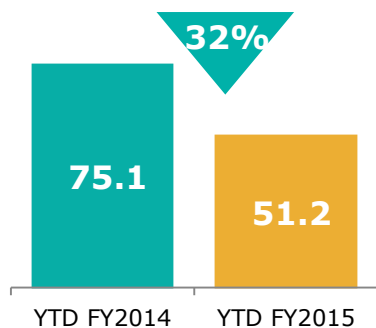
## Revenue

RM Bil



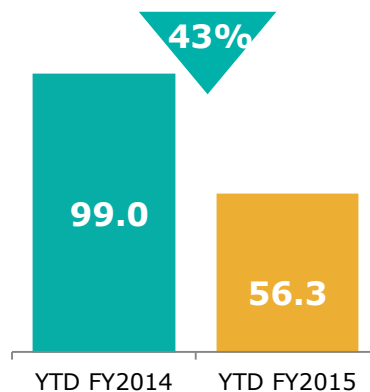
## Cash Flows from Operating Activities

RM Bil



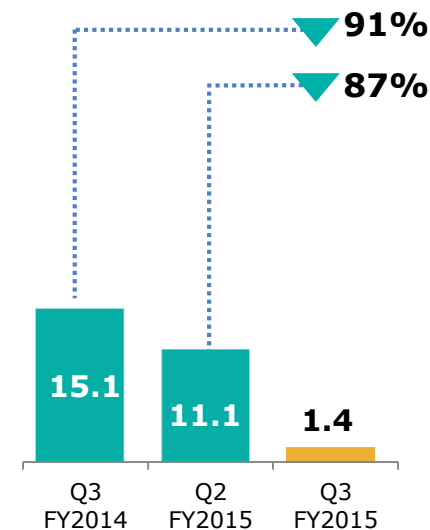
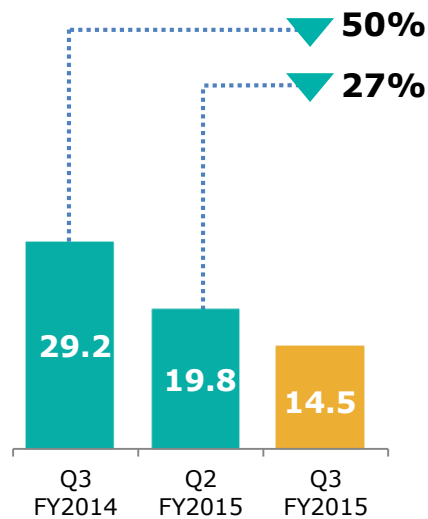
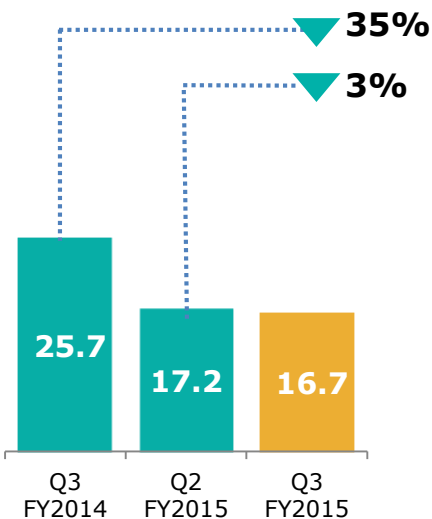
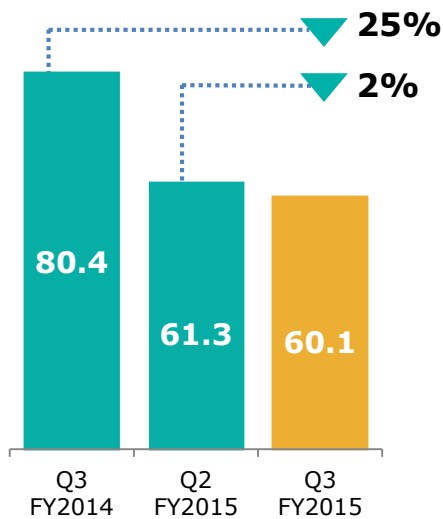
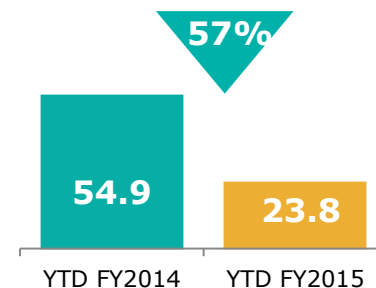
## EBITDA

RM Bil



## Profit after Tax

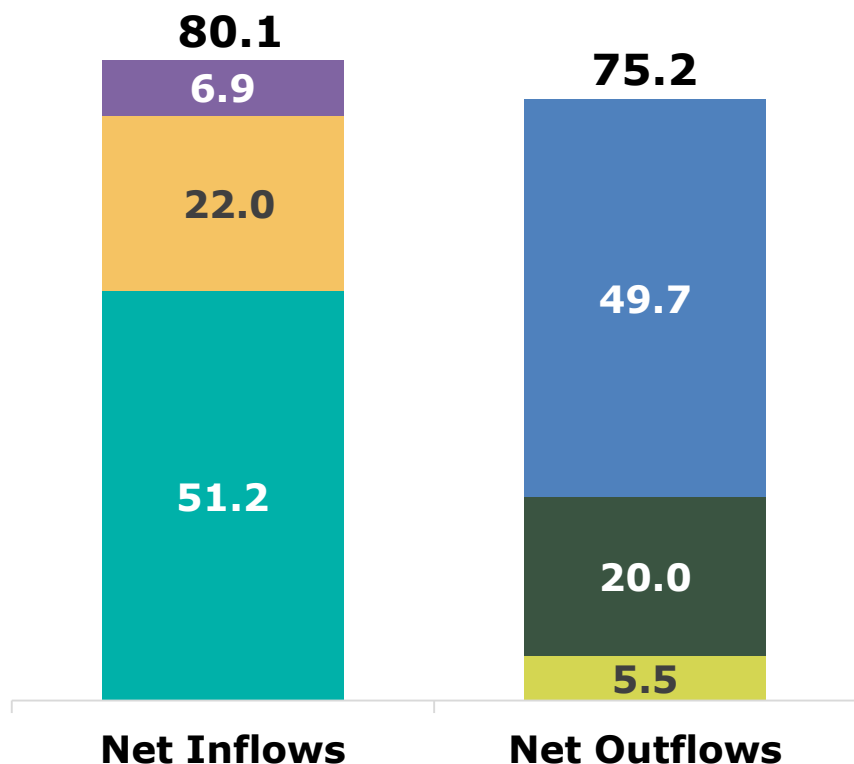
RM Bil



# Other Financial Highlights

## Cash Flows YTD FY2015

RM Bil



## Significant Items

- ❑ **Total assets at RM612.9 bil** (↑ 14%\*)
- ❑ **Shareholders' equity at RM391.9 bil** (↑ 11%\*)
- ❑ Consolidated **cash and fund investments at RM141.1 bil**
- ❑ **Borrowings at RM63.0 bil**
- ❑ **Gearing at 16.3%** (↑ from 12.6%\*)
- ❑ Annualised **ROACE at 3.9%**

■ Cash from operations

■ Cash from financing

■ Other net cash inflows

■ Dividends to Minority Interest

■ Dividends to Government

■ Capital Investments

\* compared to 31 December 2014





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# **Upstream Business**

# Operational Highlights

Upstream significant milestones achieved in delivering long term sustainable growth

## Operational



# 5%

**Higher production**  
Q3'15 vs. Q3'14

YTD  
**+4%**

vs. YTD'14



# 5

**Greenfields 1<sup>st</sup> HC**  
Malaysia 2,  
International 3

YTD  
**11**

## Resource Addition



# 5

**Exploration Discoveries**

YTD  
**12**



# ORRR 1.5x

# RRR 1.9x

## Ventures & Agreements



**Signing of LNG Agreement** between Malaysia LNG and Hokkaido Electric Power Company



**First LNG Cargo to CNPC Hainan Terminal**  
Supply to China National Petroleum Corporation (CNPC) Hainan Shennan Energy Co., Ltd. (HSEC)



**PCSB awarded operatorship of 2015 MLNG Dua PSC**



**PSC awarded Myanmar EP-1**

## Project Delivery & Others



**Gladstone LNG First Production**  
1<sup>st</sup> commissioning cargo delivered to South Korea on 16<sup>th</sup> Oct



**ENERGY-TGAST achieves 3 Million Man Hours without LTI**

# Operational Highlights

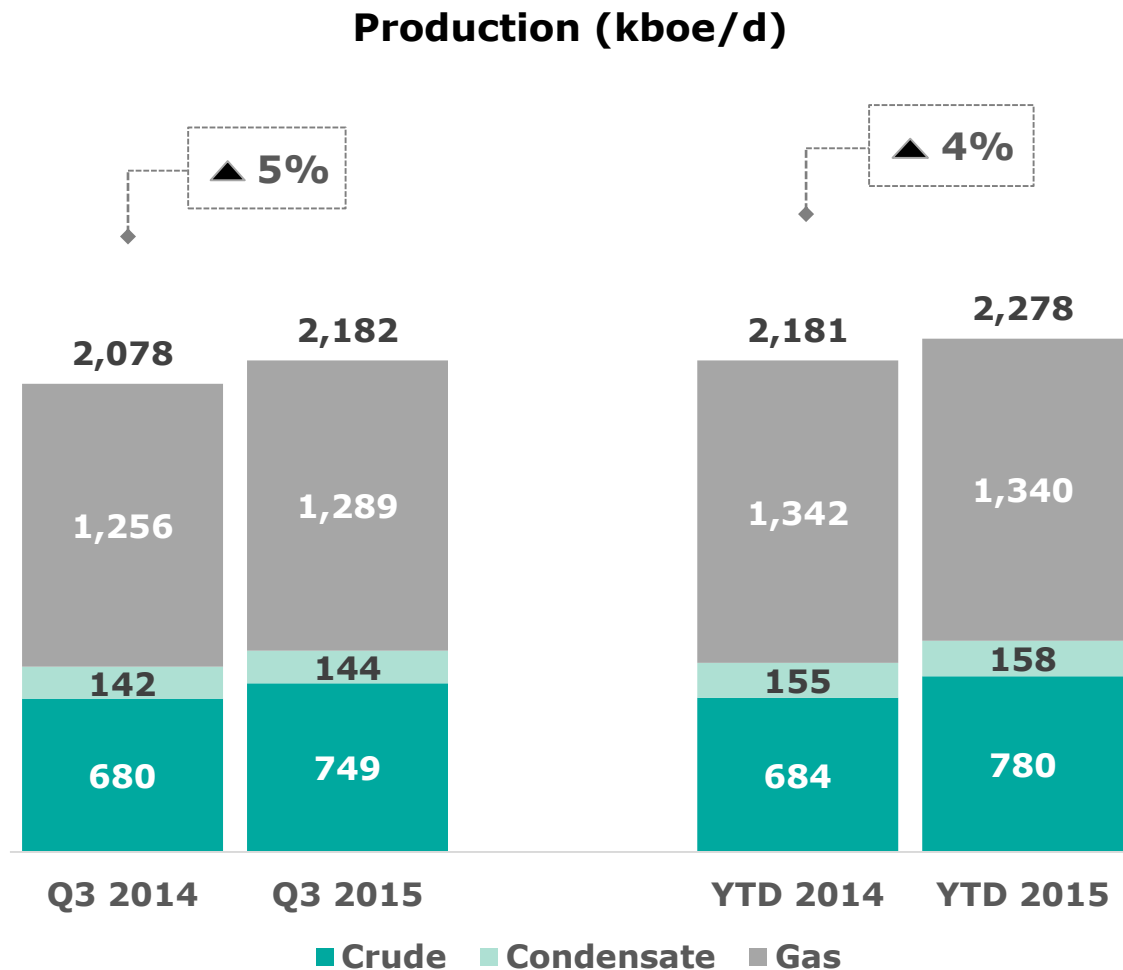
Upstream production for Q3 and YTD 2015 are higher than in 2014 corresponding period

Higher than 2014 corresponding period

- Q3 2015 (↑ 5%)
- YTD 2015 (↑ 4%)

Strong Upstream performance :

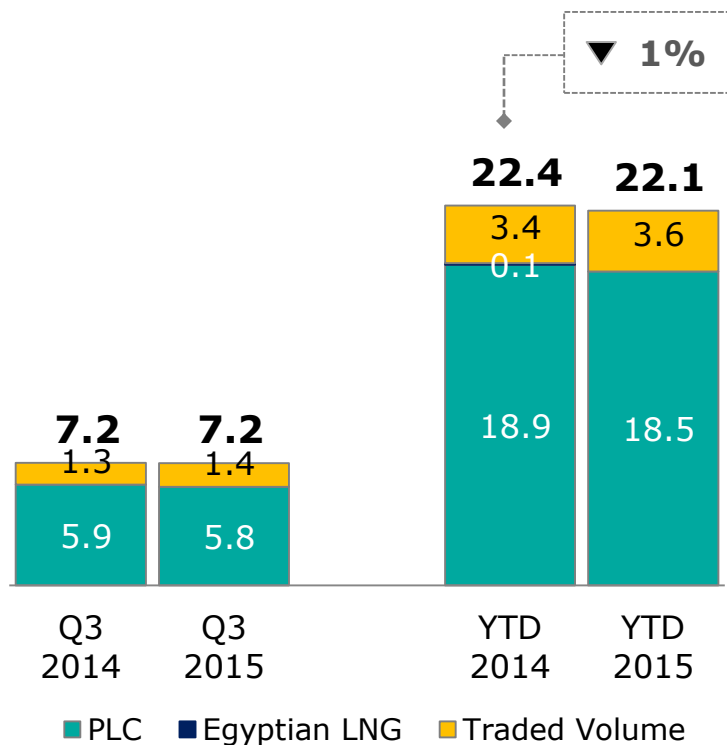
- + Production enhancement /new production/ramp-up
- + New production from Azerbaijan
- + Iraq higher production entitlement
- Power sector and export lower gas demand
- Egypt higher natural decline rate



# Operational Highlights

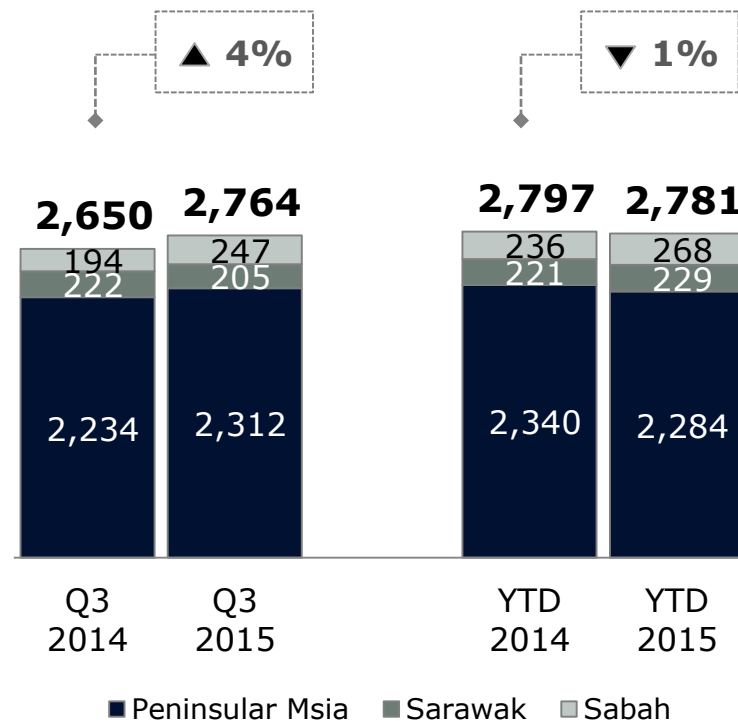
## Lower YTD LNG sales volume and average sales gas delivered

### LNG Sales Volume (mil tonnes)



- Lower YTD LNG Sales Volume mainly due to lower sales from PLC<sup>1</sup> partially offset by higher LNG trading volume

### Sales Gas Delivery (mmscfd)



- Lower YTD Sales Gas Delivery mainly due to lower domestic demand from Power sector and Exports

<sup>1</sup> PLC: PETRONAS LNG Complex, Bintulu, Sarawak



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# **Downstream Business**

# Downstream Business

## Optimising Growth and Sustaining Market Share

### PIC progress on track



**PIC overall progress as of September 2015** is **13.5%**. The Refinery and Steam Cracker are currently at 17.3% and 19.3% of their respective progress

### Project Energy



**Project Energy Phase 1 was completed on schedule.** Delivers up to 15% of Kertih Gas Supply and 1<sup>st</sup> time Joint Development Authority (JDA) gas flowing directly to the Gas Processing Plant in Kertih

### 1<sup>st</sup> in Malaysia to introduce Euro 4M RON97 Fuel



PDB unveiled its **PETRONAS Primax 97** on 19<sup>th</sup> August 2015, the **1<sup>st</sup> RON97 fuel that meets Euro 4M specifications, two weeks ahead of the gazetted 1<sup>st</sup> September 2015 implementation date**

# Downstream Business

## Recognition for being a safe and reliable operator

### PETRONAS Fuel Wins Gold in Putra Brands Award



PETRONAS Dagangan Bhd (PDB) through its **fuel and lubricants** has won gold at Putra Brand Awards for the sixth consecutive year

### Engen won Sunday Times (ST) Top Brands and ST Generation Next award



For the fifth consecutive year, Engen has been voted as **South Africa's most loved petroleum brand** in the Sunday Times Top Brands survey and **the 'coolest' petroleum brand by South Africa's youth market** in the Sunday Times Generation Next survey

### PC FK Receives SSI Award from DOSH Malaysia

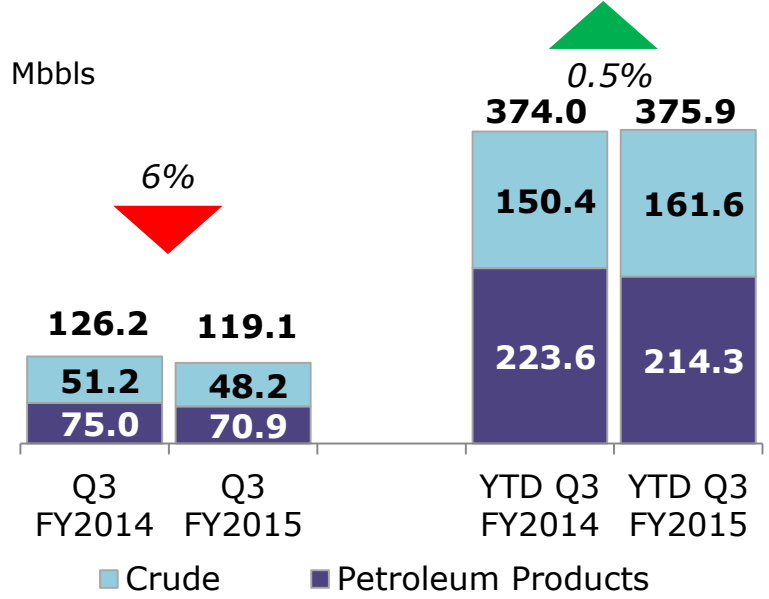


PC FK **received the Special Scheme Inspection (SSI) Award from the Department of Occupational Safety and Health (DOSH)** for PC FK's contributions towards HSE performance, regulatory compliance & asset integrity enhancement

# Downstream Business

## Higher YTD Crude and Petrochemical Products Sales Volume

### Crude and Petroleum Products Sales Volume



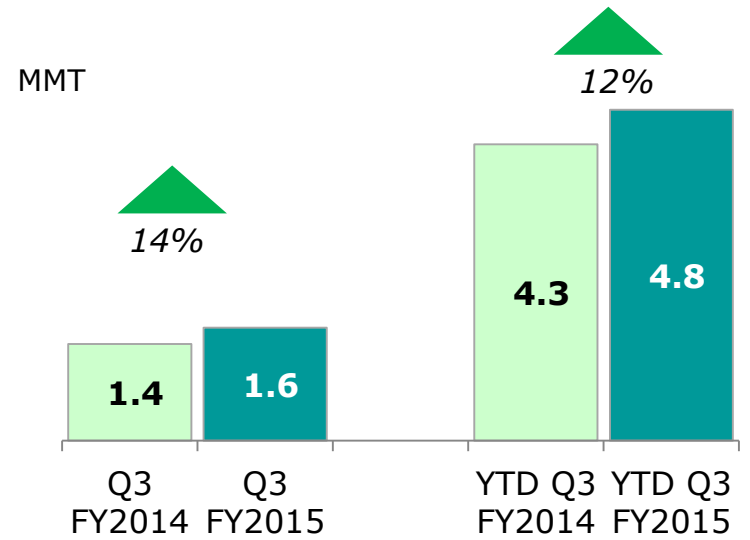
#### Q3 FY2015 vs. Q3 FY2014

- Crude (↓ 6%) : Lower trading volume
- Petroleum Product (↓ 6%) : Lower trading volume

#### YTD Q3 FY2015 vs. YTD Q3 FY2014

- Crude (↑ 7%) : Higher marketing and trading volume
- Petroleum Product (↓ 4%) : Lower trading volume

### Petrochemical Products Sales Volume



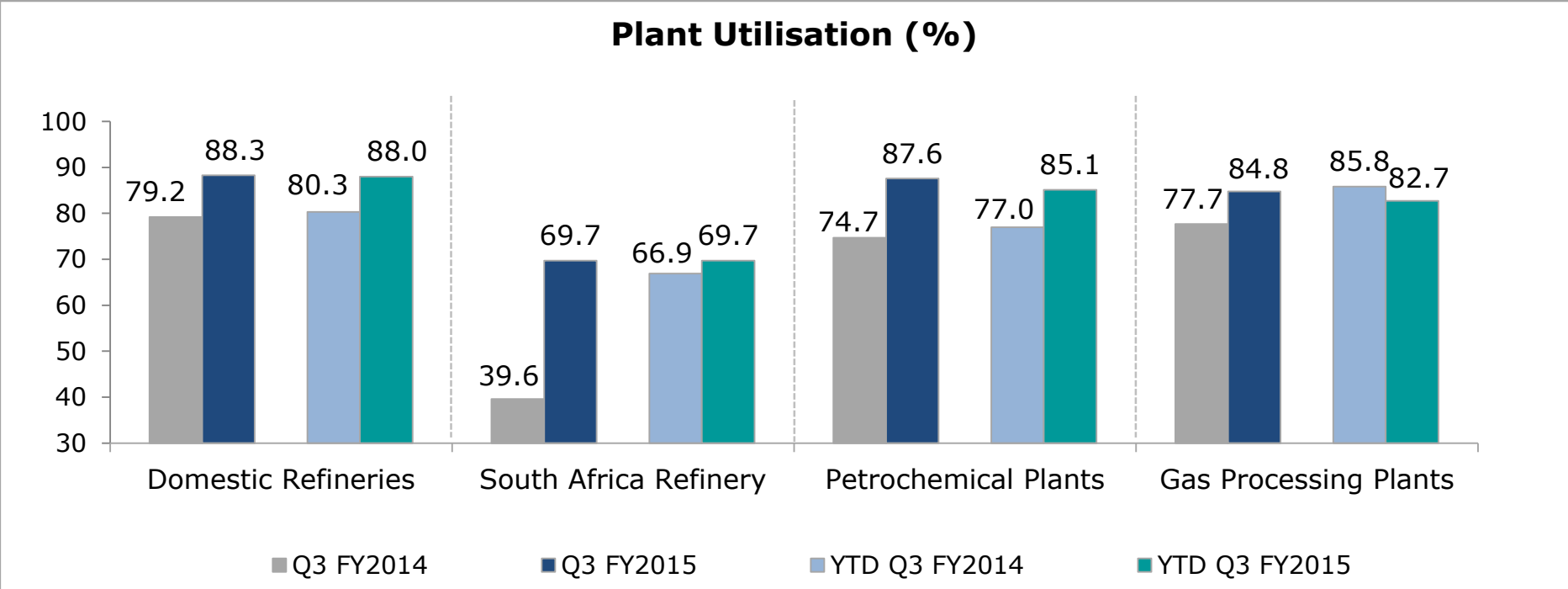
#### Petrochemical Products

- Higher sales in line with higher production driven by improved plant reliability and feedstock supply



# Downstream Business

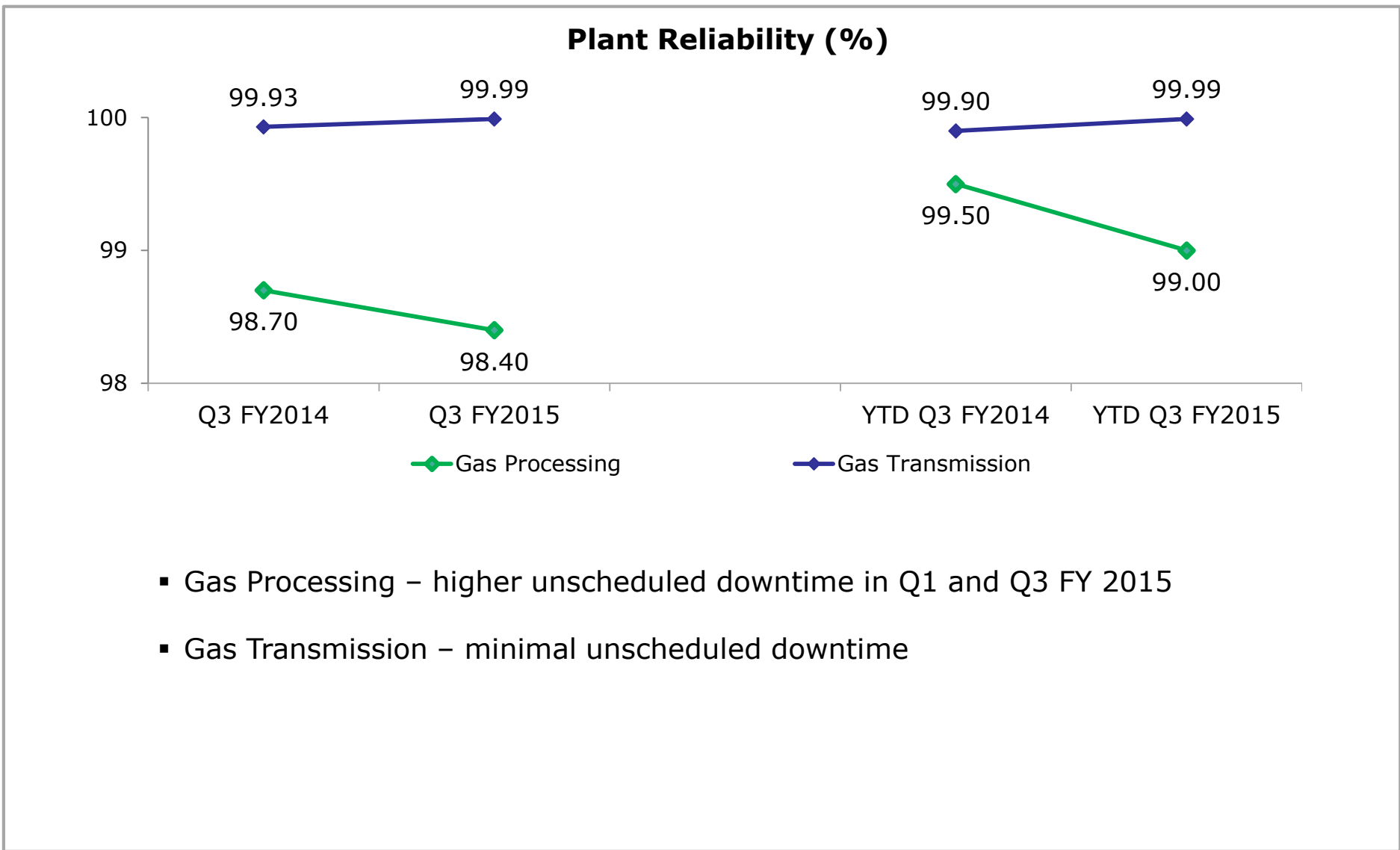
Improvement in petrochemical and refineries performance mainly contributed by better plant reliability



- **Domestic and South Africa Refineries** – better plant reliability. Utilisation based on economic value
- **Petrochemical Plants** – better plant reliability and improved feedstock supply
- **Gas Processing Plants** – lower feed gas processed due to lower sales gas demand

# Downstream Business

## Steady Gas Processing & Transmission reliability performance





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**Thank you**