



PETRONAS

PETRONAS Group Financial Results Announcement

Quarter Ended 30 June 2014

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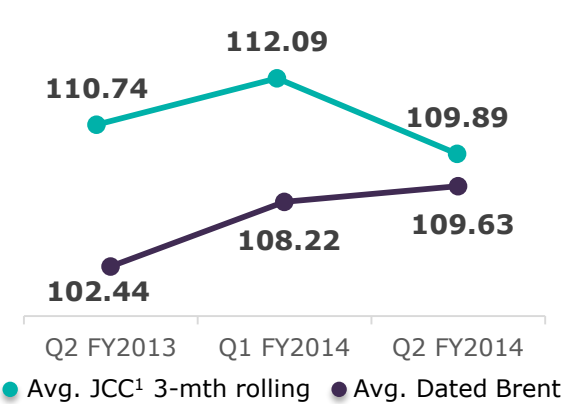
First Half 2014 Highlights...

- Oil & Gas Production **↑ 5.6%**; Entitlements **↑ 12.9%**
 - LNG PLC¹ Production **↑ 3.6%**
-
- Profit After Tax: RM39.8 bil **↑ 11.8%**
 - Ending Cash (and investments): **RM143.6 bil**



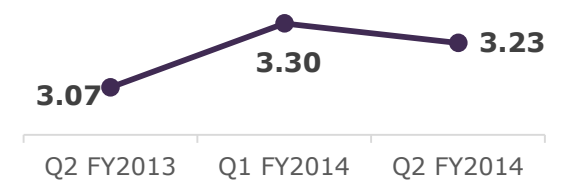
¹PETRONAS LNG Complex

Key Indicators



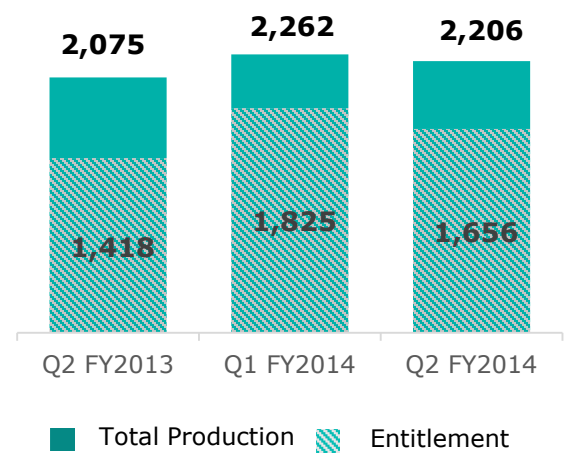
	YTD 2013	YTD 2014
JCC (USD/bbl)	112.60	110.99 ↔
Brent (USD/bbl)	107.50	108.93 ↔

avg. dated Brent
108.93 USD/bbl
 1% higher than YTD 2013



	YTD 2013	YTD 2014
USD/MYR	3.08	3.27 ↑

exchange rate
3.27 USD/MYR
 6% higher than YTD 2013



	YTD 2013	YTD 2014
Production (kboe/d)	2,115	2,234 ↑
Entitlement (kboe/d)	1,541	1,740 ↑

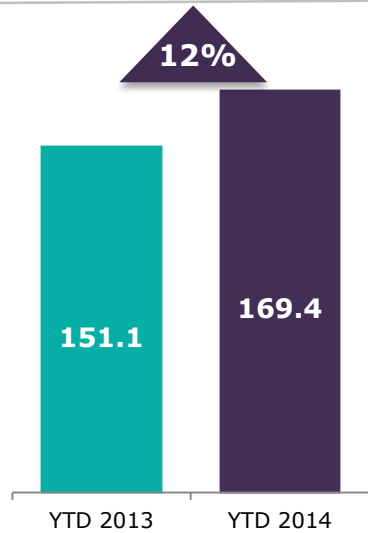
production
2,234 kboe/d
 6% higher driven by:

- New oil/gas production from **Malaysia** and **Iraq**
- Operations optimisation, production enhancement & better well performance
- **South Sudan** continuous operations ramp up
- **Turkmenistan** - higher demand

¹ Japanese Crude Cocktail

Group Financial Performance

Revenue *RM Bil*



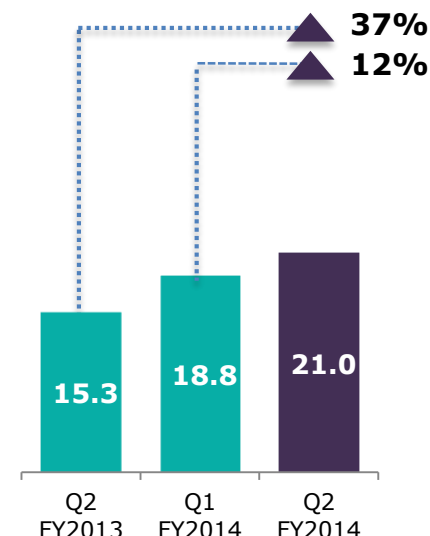
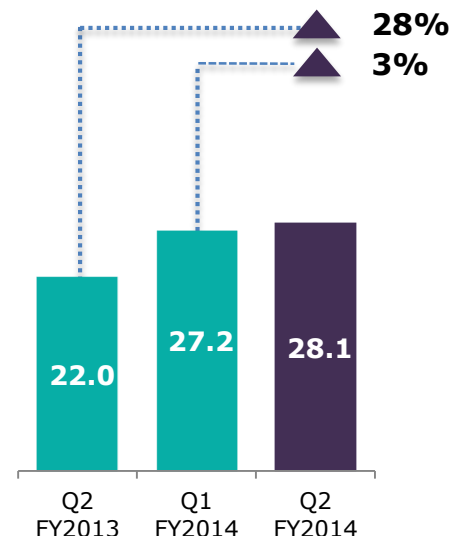
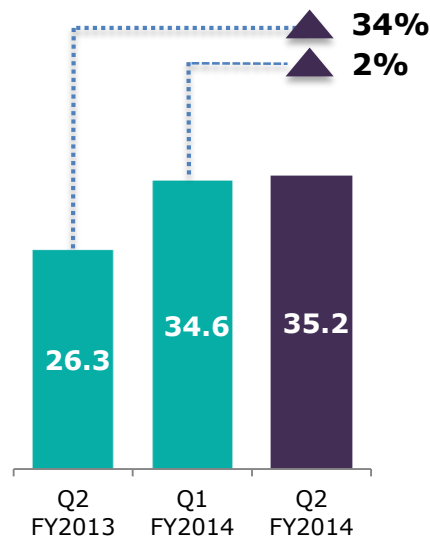
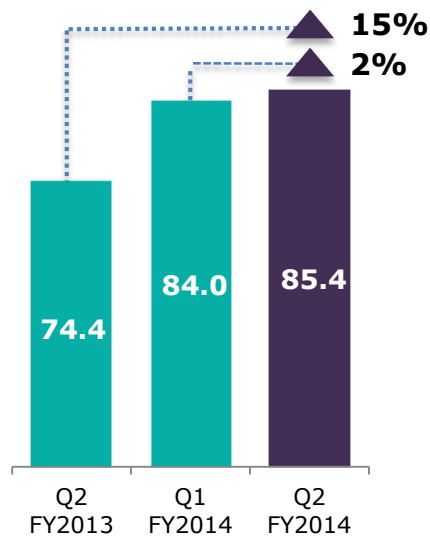
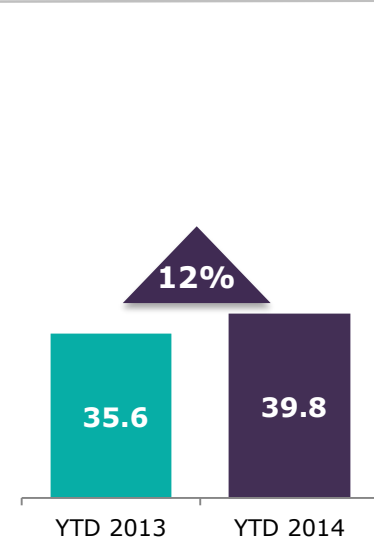
EBITDA¹ *RM Bil*



Profit before Tax *RM Bil*



Profit after Tax *RM Bil*

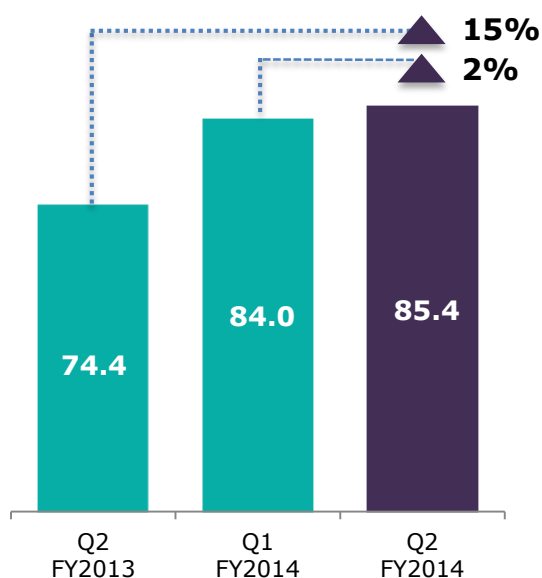


¹EBITDA consists of profit before taxation and non-controlling interests, with the addition of amounts previously deducted for depreciation, amortisation and impairment loss on property, plant and equipment and intangible assets and financing costs, and the exclusion of interest income.

Group Financial Performance

Revenue

RM Bil



YTD 2013
RM151.1b

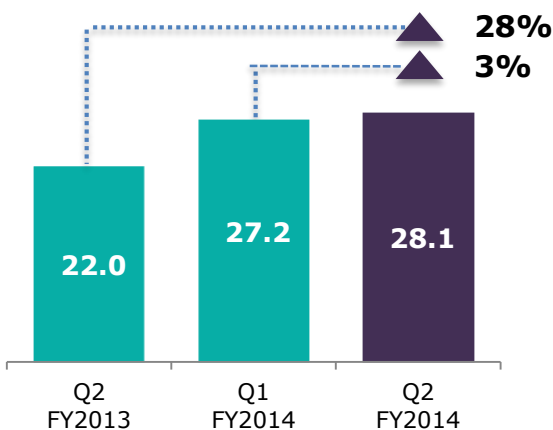
YTD 2014
RM169.4b

↑ **12%** driven by:

- Higher volume
 - Improved **production** volume (↑ 6%) (Malaysia, Iraq, South Sudan, Canada & Turkmenistan)
 - Higher **Sales Gas volume** (↑ 5%) mainly due to additional supply from RGT¹ completed in May 2013
 - Increased **trading**
- Increase in **regulated gas prices** (eff. Jan & May 2014)
- Favourable **exchange rate**

Profit before Tax

RM Bil



YTD 2013
RM50.8b

YTD 2014
RM55.3b

↑ **9%** driven by:

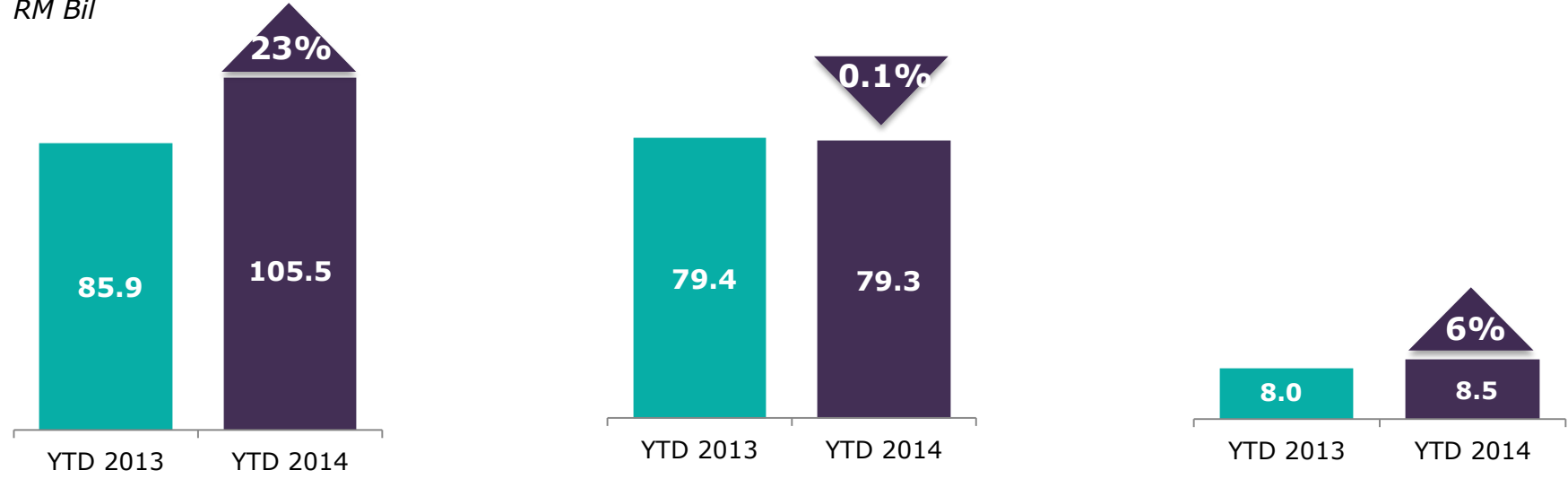
- Higher production and revenue
- Negated by:
 - Higher impairments (Egypt)
 - Higher exploration activities

¹Regasification Terminal in Sg. Udang, Melaka

Business Segment Performance

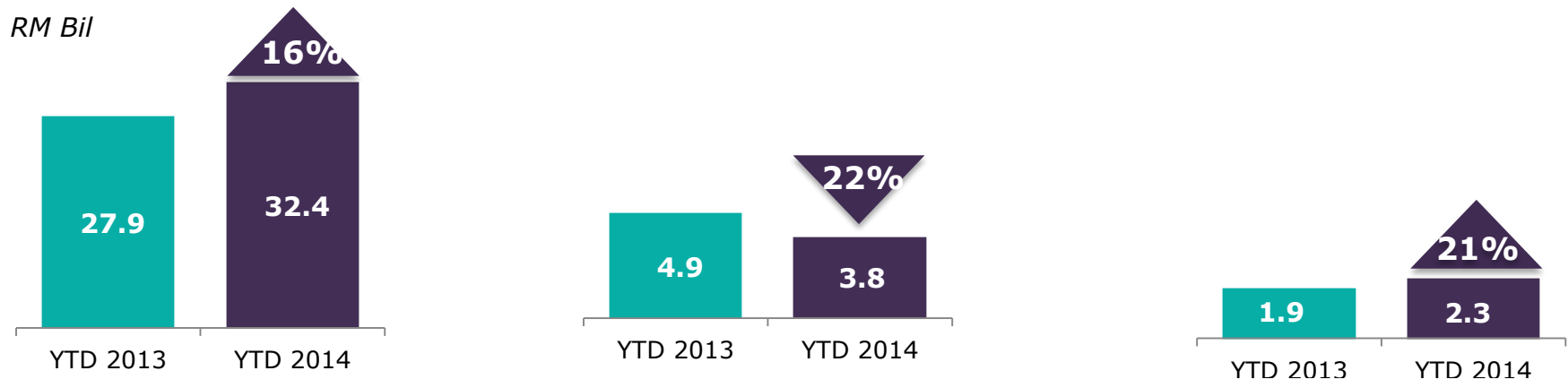
Revenue by Business Segment (Gross¹)

RM Bil



Profit After Tax by Business Segment (Gross¹)

RM Bil



UPSTREAM

DOWNSTREAM

C&O

¹ Gross Revenue and PAT include both third party and inter-segment transactions.

Business Segment Performance

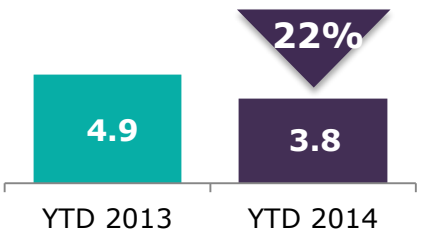
PAT by Business Segment (Gross¹)

UPSTREAM *RM Bil*



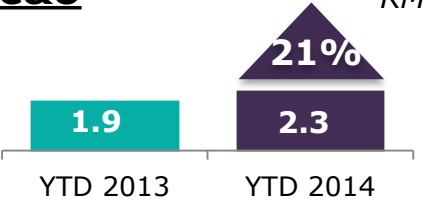
- Production ↑ 5.6% & entitlement volume ↑ 12.9%
 - ↑ 9.9% LNG sales volume and ↑ realised prices
 - ↑ 5.5% sales gas volume and ↑ regulated gas prices (eff. Jan (Power) & May (Non-Power) 2014)
- Offset by*
- Impairments (mainly Egypt)
 - ↑ LNG feedgas cost (arising from RGT)
 - ↑ exploration activities

DOWNSTREAM *RM Bil*



- ↓ petrochemical and petroleum products margins
- ↓ petrochemical sales volume (↓ 0.5MMT) – higher maintenance activities

C&O *RM Bil*



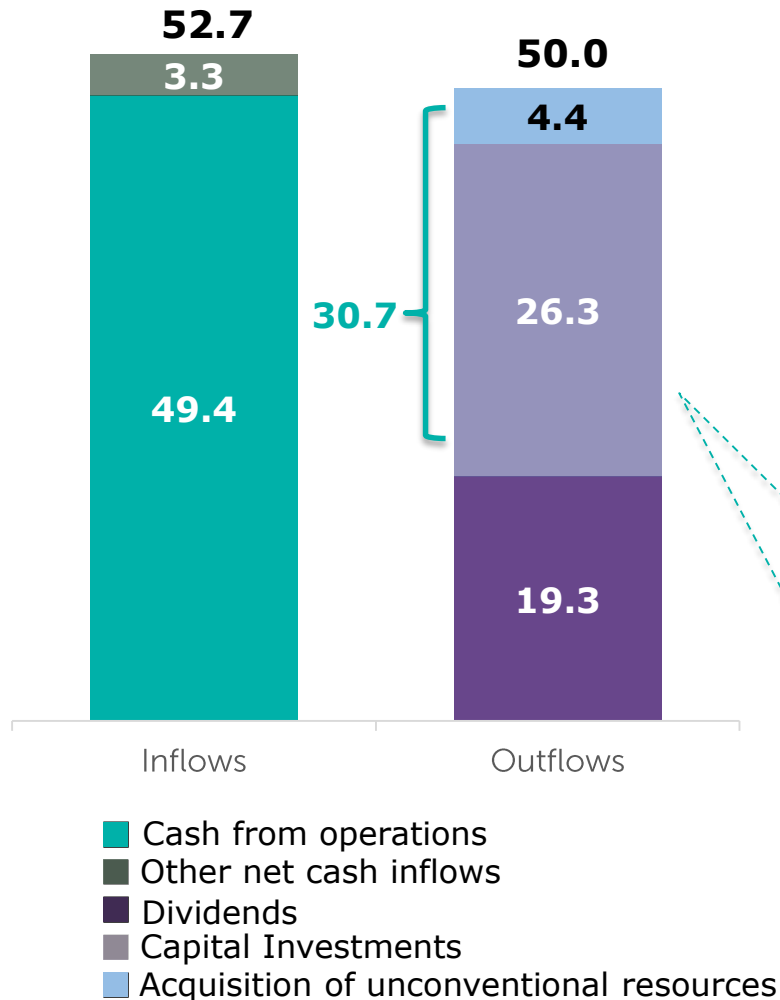
- ↑ property income
- ↑ unrealised forex gains

¹ Gross PAT include both third party and inter-segment transactions.
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Other Financial Highlights

Cash Flows YTD 2014

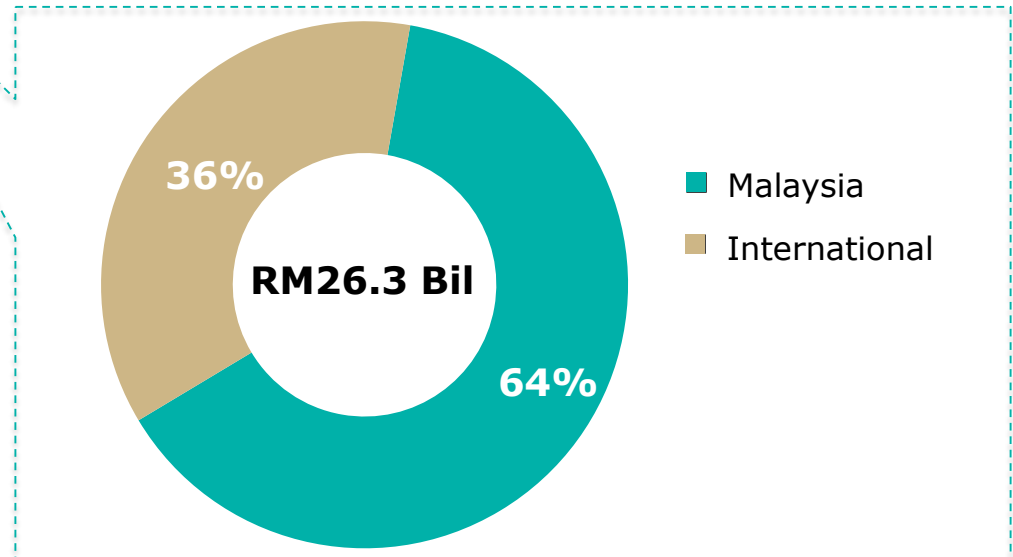
RM Bil



Financial Position

	30 Jun 2014	31 Dec 2013	Change
Total Assets (RM Bil)	544.1	528.7	+15.4
Cash balance (RM Bil)	143.6	140.9	+2.7
ROACE (%)	17.7	17.0	+0.7
Gearing (%)	10.6	11.1	- 0.5

Capital Investments YTD 2014





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Upstream Business

Operational Highlights

Upstream significant milestones achieved in delivering long term sustainable growth



5 Greenfields 1st HC
2 Malaysia
3 International



12 Exploration Discoveries
9 Malaysia
3 International



ORRR 3.4x
RRR 1.4x



PLC OEE 100%



1 PSC signed
▪ PM328 (PCSB)

3 Farm-in
▪ Angola Block 40
▪ Suriname Block 48
▪ Suriname Block 53



Sinopec-Huadian JV: 4th Partner in the integrated Canada LNG project

Completed sale of 15% Canada integrated LNG project to Sinopec-Huadian JV on 17 July 2014



3 Award of Contract
▪ Ophir RSC
▪ PM8 New PSC Arrangement
▪ Bardegg2 HOA



PETRONAS Unconventional Hydrocarbon Centre (PUNCH)
Officially launched on 21 April 2014

Operational Highlights

Upstream production for Q2 and YTD 2014 are higher than in 2013 corresponding period

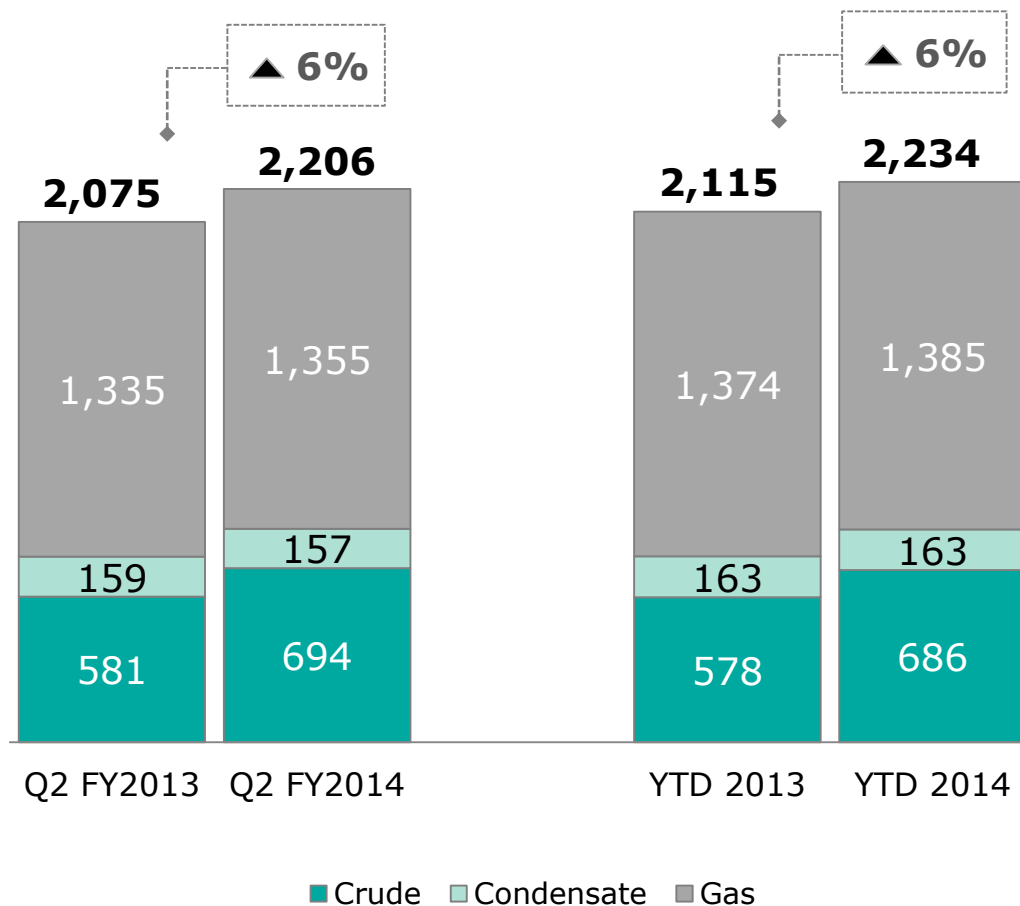
Higher than 2013 corresponding period

- Q2 2014 (↑ 6%)
- YTD 2014 (↑ 6%)

Strong Upstream performance :

- New oil/gas prodn from Msia and Iraq
- Msia SK Gas operation optimisation
- Production enhancement & better well performance
- South Sudan continuous operations ramp up
- Turkmenistan higher demand

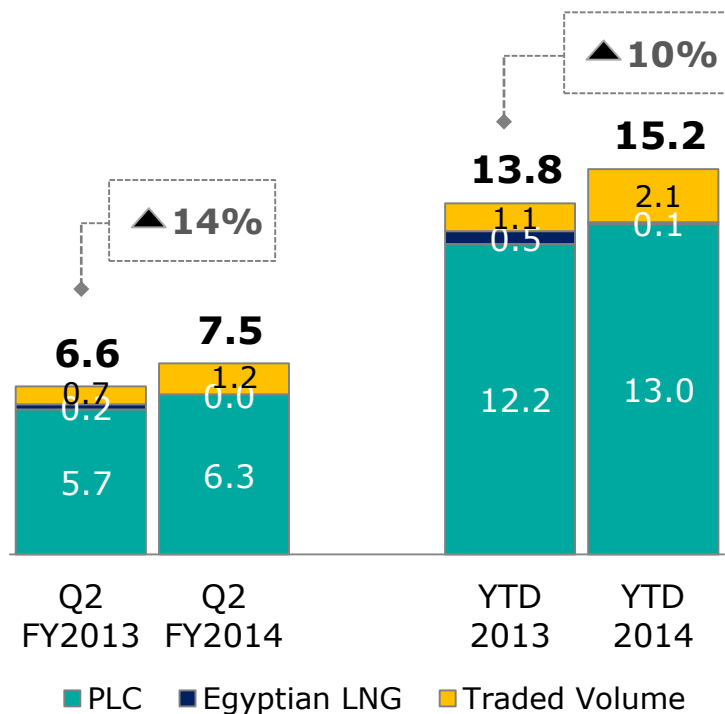
Production (kboe/d)



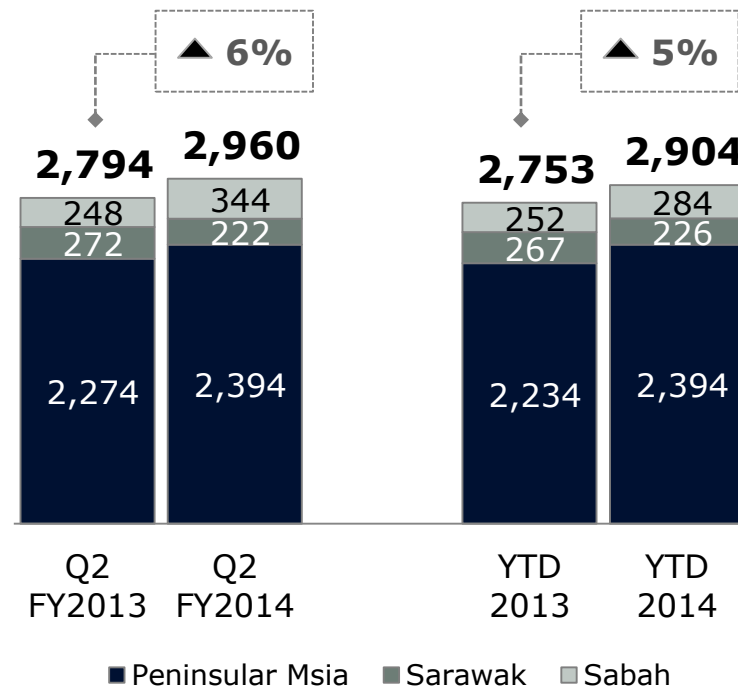
Operational Highlights

Higher both LNG sales volume and average sales gas delivered

LNG Sales Volume (mil tonnes)



Sales Gas Delivery (mmscfd)



- Higher driven by increase in trading volume & higher sales from PLC*
- Exports of PLC* were mostly shipped to Japan and China.

- Higher domestic supply from Kertih, Terengganu and RGT.

*PLC: PETRONAS LNG Complex, Bintulu, Sarawak



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Downstream Business

Downstream Business

Driving Superior Project Execution and Operational Excellence



RAPID Project is currently focusing on project execution and delivering the Project Management Consultant (PMC) and EPCC contract packages.

PETRONAS awarded the Engineering, Procurement, Construction and Commissioning (EPCC) contract for its Pengerang co-generation plant (PCP) project in Johor to a consortium of Siemens AG, Siemens Malaysia and MMC Engineering Services Sdn Bhd

PETRONAS Dagangan Berhad launched the new **PETRONAS PRIMAX 95** fuel, engineered with the Advanced Energy Formula on 26th May 2014.



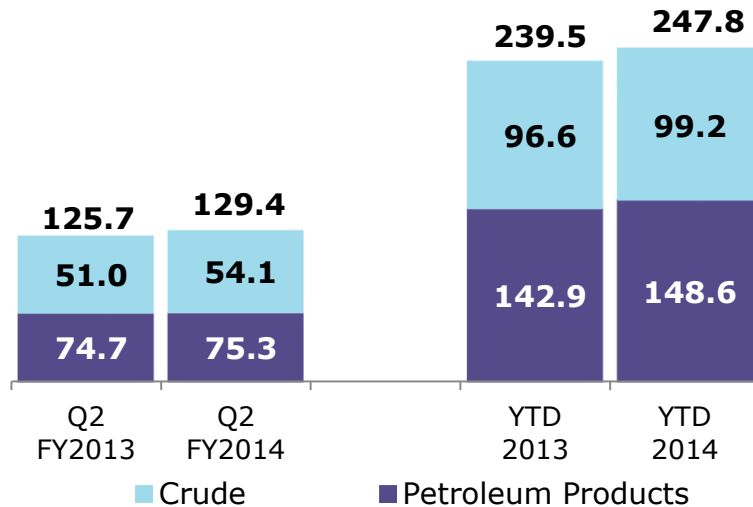
PETRONAS Gas Berhad's subsidiary, Kimanis Power Sdn Bhd (KPSB), started the commercial operation of the first 100 MW block of its **Kimanis Power Plant (KPP)** in Kimanis on 16th May 2014

Downstream Business

Crude & Petroleum Products Sales Volume were higher but Petrochemical Products were lower

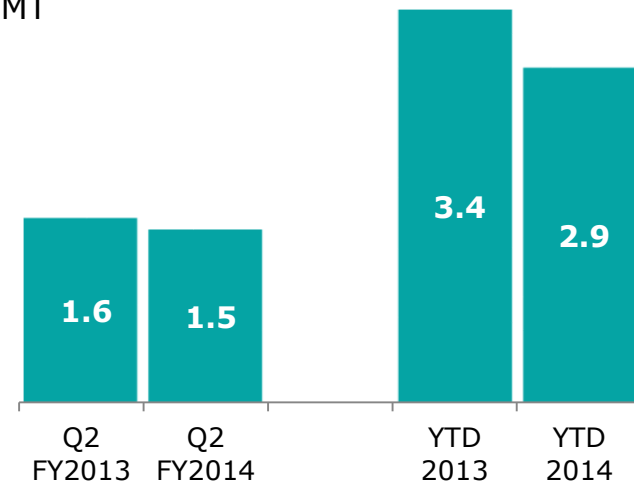
Crude and Petroleum Products Sales Volume

Mbbbls



Petrochemical Products Sales Volume

MMT



Petroleum Products (↑ 4 %):

- High demand for gasoil and naphtha from petrochemical sector as well as higher term sales volume for Jet/Kero trading

Crude (↑ 3 %):

- Higher marketing activities offset by lower trading volume

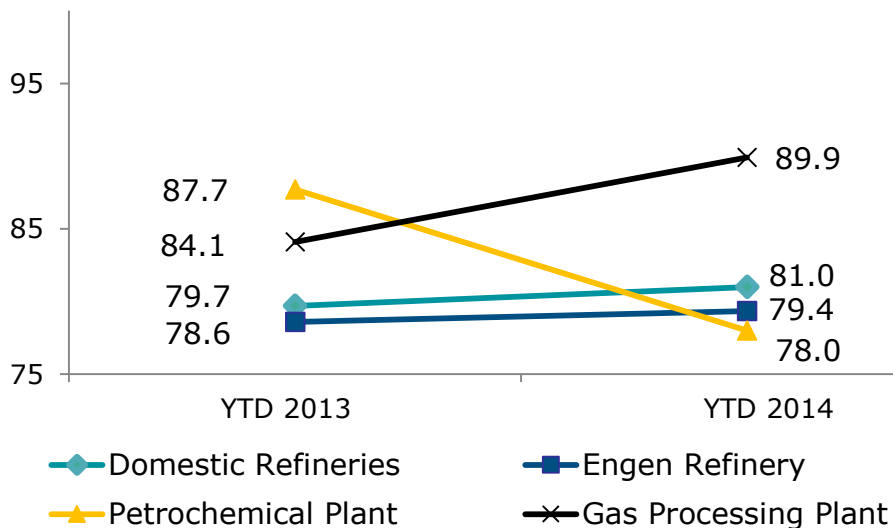
Petrochemical Products (↓15%):

- Lower production due to higher maintenance activities

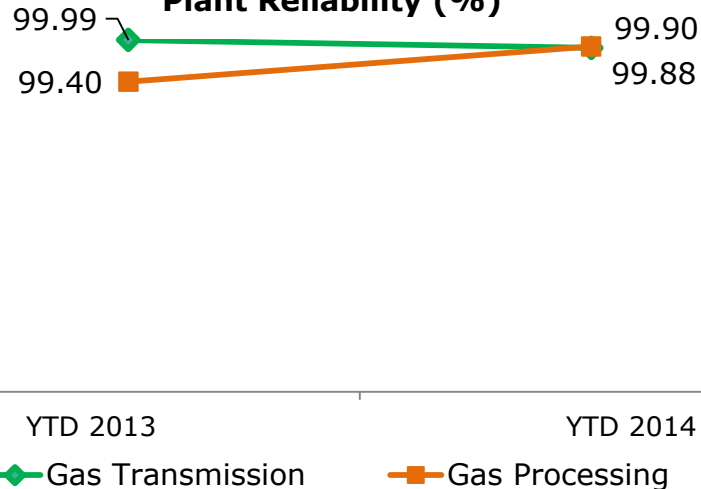
Downstream Business

Higher refineries and gas processing plant utilisation mainly due to better operational management

Plant Utilisation (%)



Plant Reliability (%)



- Refineries – higher as there were less statutory shutdowns and turnaround activities as compared to the same period last year
- Petrochemical Plant – lower due to more maintenance activities and feedstock limitation
- Gas Processing Plant – higher plant availability due to deferment of maintenance activities
- Gas Processing – higher plant availability due to deferment of maintenance activities
- Gas Transmission – lower due to temporary unavailability of feedgas pipeline for maintenance



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Thank You