



**PETRONAS**

# QUARTERLY RESULTS ANNOUNCEMENT

## Highlights for the Quarter Ended December 2015

24 February 2016

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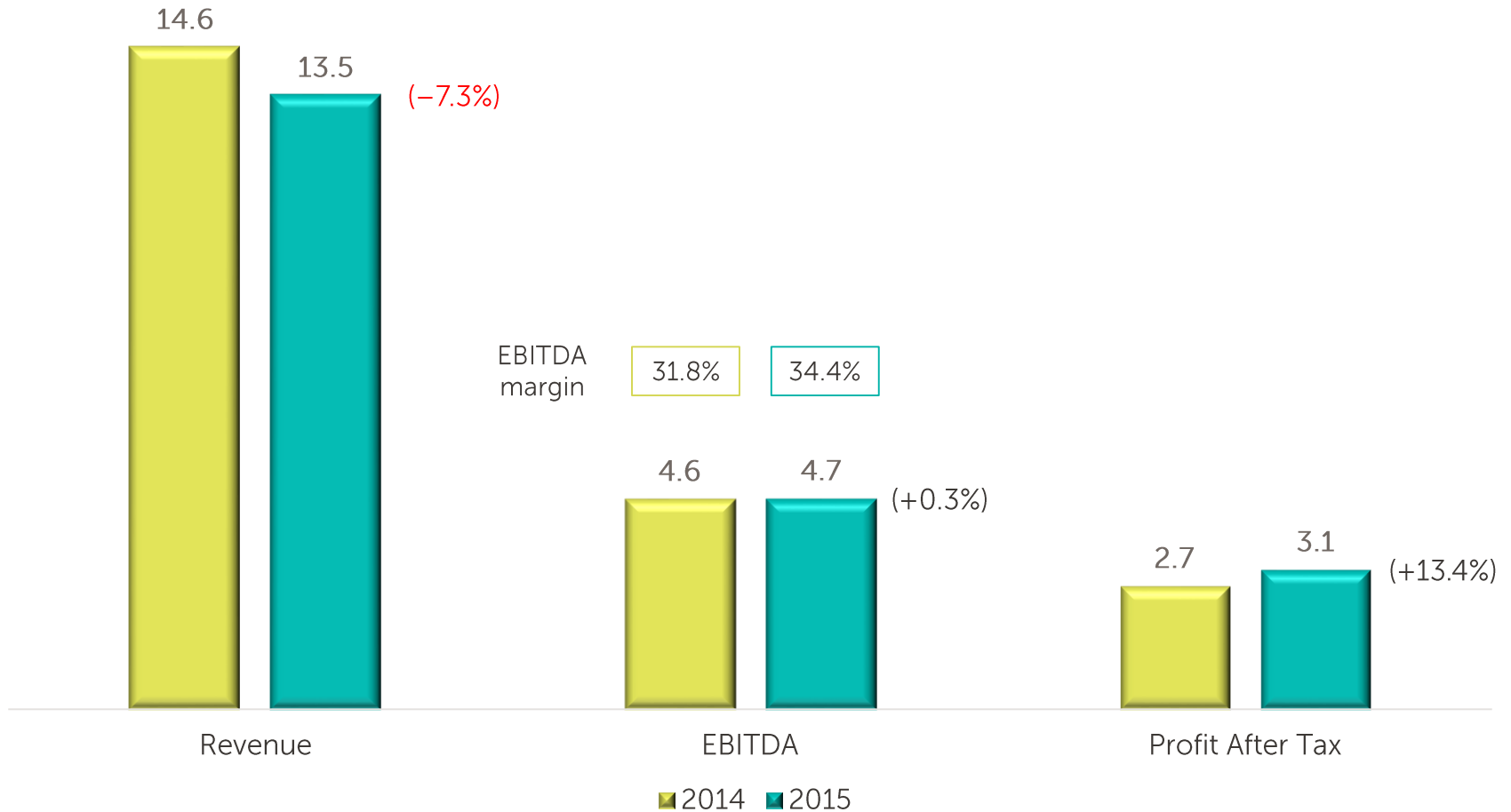
# Key Highlights

- ◆ **Better EBITDA on higher sales volume and favourable forex movement, offsetting lower product spreads**
- ◆ **2015 record operational performance since listing**
- ◆ **Better sales mix, higher netback from key markets and improved cost-to-serve**
- ◆ **Lower product prices in line with lower crude oil price and increased fertiliser and methanol supply, however demand remained resilient**
- ◆ **Tougher 2016**

# FY2015 Financial Performance

## Key Financials

Group (RM billion)



# Quarterly Financial Performance

Revenue, EBITDA (RM Million) & EBITDA Margin



# Quarterly Plant Utilisation

Plant Utilisation (%)



\*85% - World class plant performance

Checkered bar - Turnaround

Red bar - Methane supply disruption

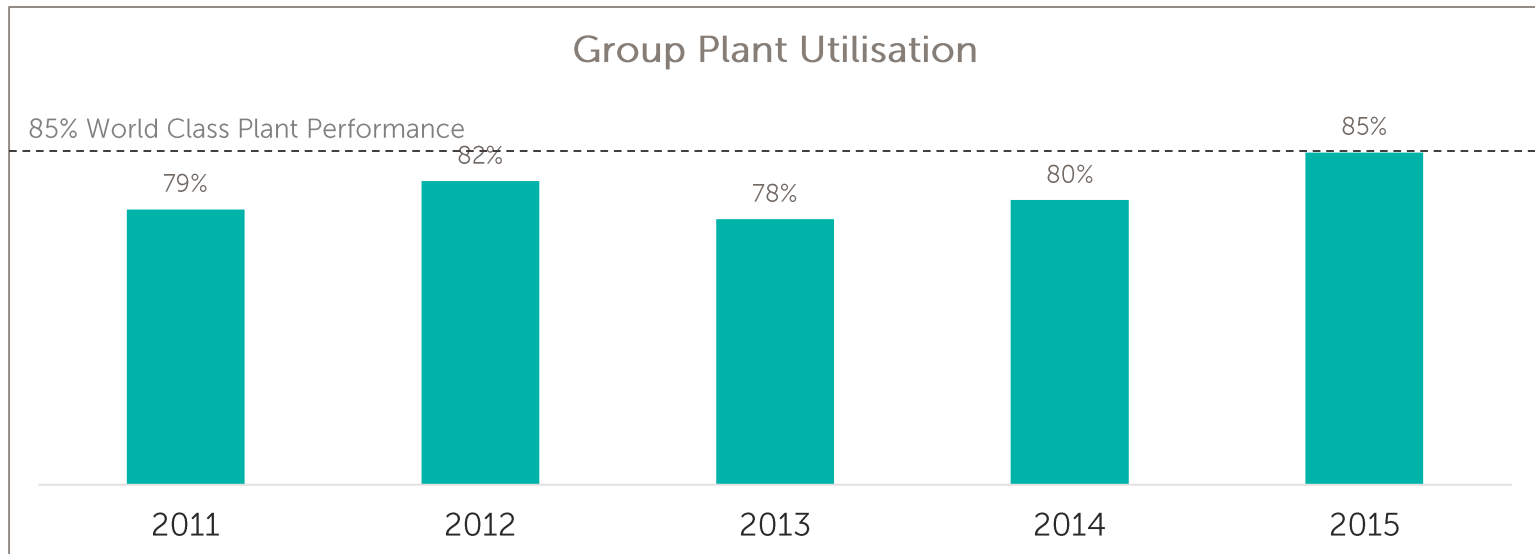
# Group Cash Flow

<i>(RM million)</i>	Year Ended December 2015	Year Ended December 2014	Change
Cash flow generated from operating activities	4,334	4,195	139
Cash flow used in investing activities	(3,607)	(2,727)	(880)
Cash flow (used in)/generated from financing activities	(1,562)	(1,825)	263
Net increase/(decrease) in cash & cash equivalents	(835)	(357)	(478)
Net increase/(decrease) due to FX impact	(265)	9	(274)
Cash & cash equivalents at the beginning of the year	9,807	10,155	(348)
Cash & cash equivalents at the end of the year	8,707	9,807	(1,100)



# Operational Highlights

- 💧 **85% PU – 2015 record operational performance since listing**
- 💧 **Q4 86% PU a strong exit from 2015**
- 💧 **Focused on delivering operational excellence through:**
  - Effective supplier relationship management,
  - Flawless TA (PC Aromatics, PC MTBE (PDH) and ABF), and
  - Internal reliability strategy



# Market Highlights

We expect bearish market sentiment into Quarter 1, FY2016 as uncertainty in global economy and crude oil price continues

## Olefins & Derivatives

- ◆ Declining ethylene prices driven by weak upstream values
- ◆ Softening polymer prices on the back of ample supply amidst slow demand
- ◆ Stabilising MEG prices supported by limited supply availability
- ◆ Declining aromatics prices in view of weaker downstream markets

• Ethylene



• Polymers



• MEG



• Aromatics



## Fertilisers & Methanol

- ◆ Softening urea prices with lackluster demand
- ◆ Declining ammonia prices due to weak demand for industrial application
- ◆ Declining methanol prices as supply outstrips demand

• Urea



• Ammonia



• Methanol



# Key Focus Area for 2016

## 💧 **Sustain world class operational excellence**

- Maintain good HSE performance
- Maximise plant utilisation via effective asset and feedstock reliability
- Cost optimisation

## 💧 **Extract more value through commercial excellence**

- Expand presence in key market segments
- Improve customer experience
- Optimise cost-to-serve

## 💧 **Execution of growth projects**

- Commercial operations of SAMUR, AROMA
- Project execution of 2EHA, HRPB, RAPID petrochemicals

**THANK YOU**

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**THANK YOU**