



QUARTERLY RESULTS ANNOUNCEMENT

Highlights for the Quarter Ended March 2016

10th May 2016

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M Yusri M Yusof
Head of Manufacturing



Abdul Aziz Othman
Head of Strategic Planning & Ventures



Edward Ong
Head of Investor Relations



- ◆ **Brent crude averaged at USD34/bbl in 1Q2016**
- ◆ **Higher group plant utilisation at 92%**
- ◆ **Continuous focus on higher netback markets**
- ◆ **Robust EBITDA driven by better operational performance**

Solid EBITDA despite weaker market in 2016

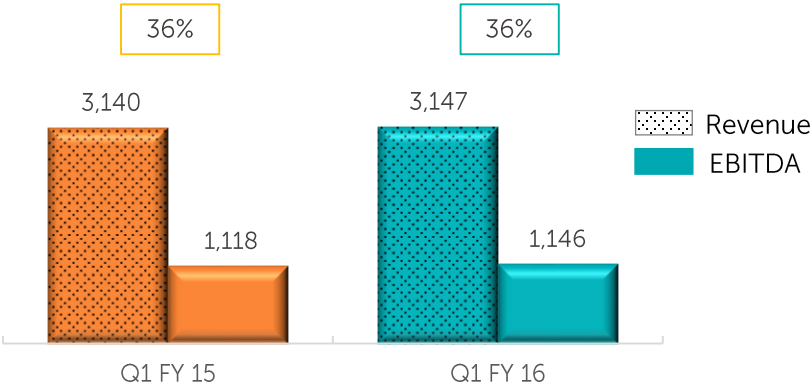


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Q1 2016 vs Q1 2015

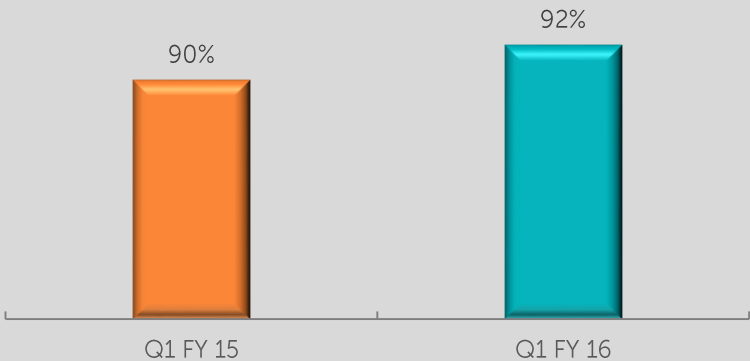
Revenue, EBITDA (RM Million) & EBITDA Margin

Group

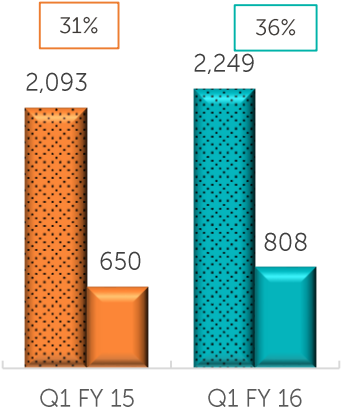


Plant Utilisation

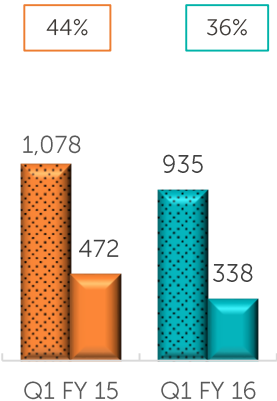
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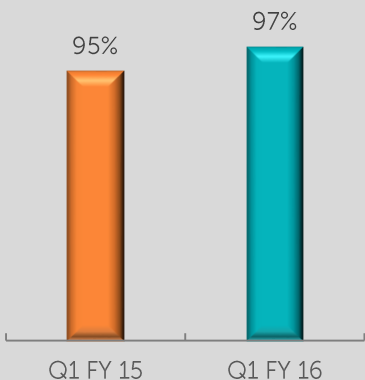
O&D



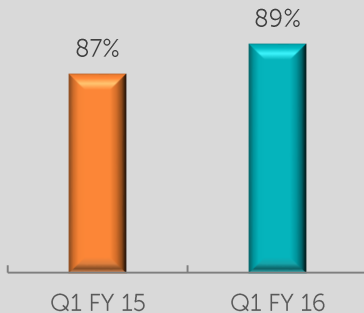
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O&D



F&M



Increased EBITDA margin with higher production

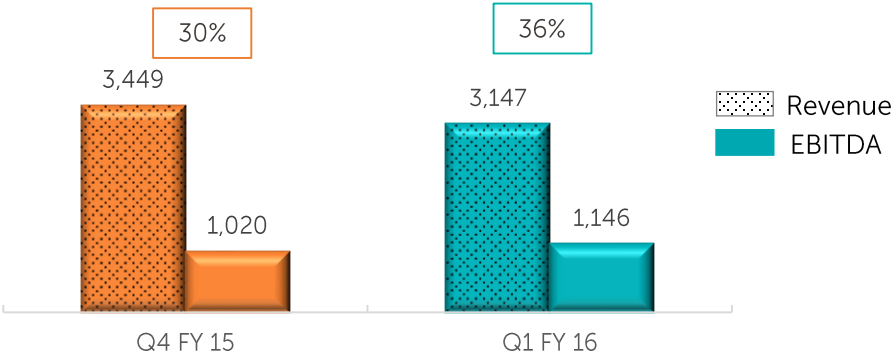


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Q1 2016 vs Q4 2015

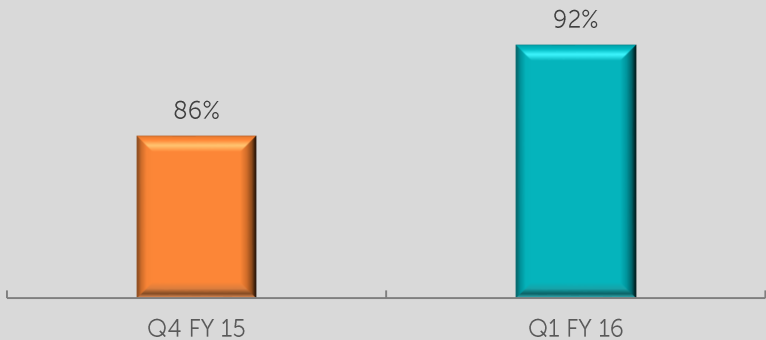
Revenue, EBITDA (RM Million) & EBITDA Margin

Group

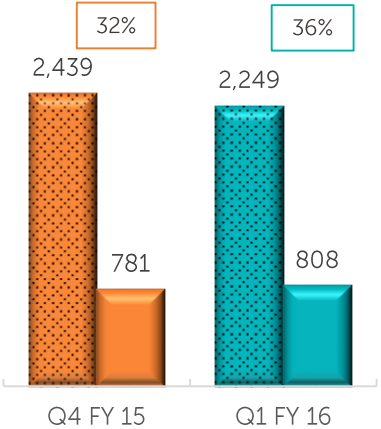


Plant Utilisation

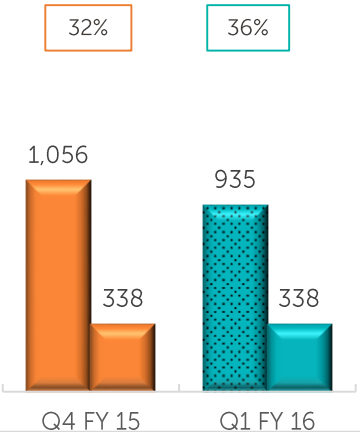
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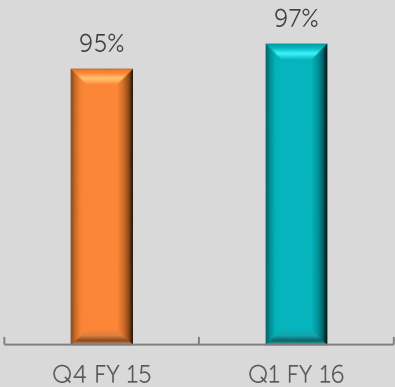
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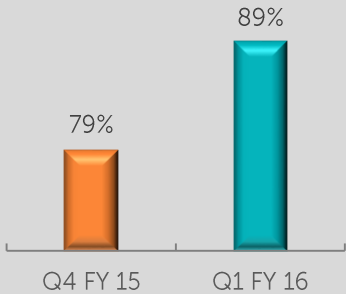
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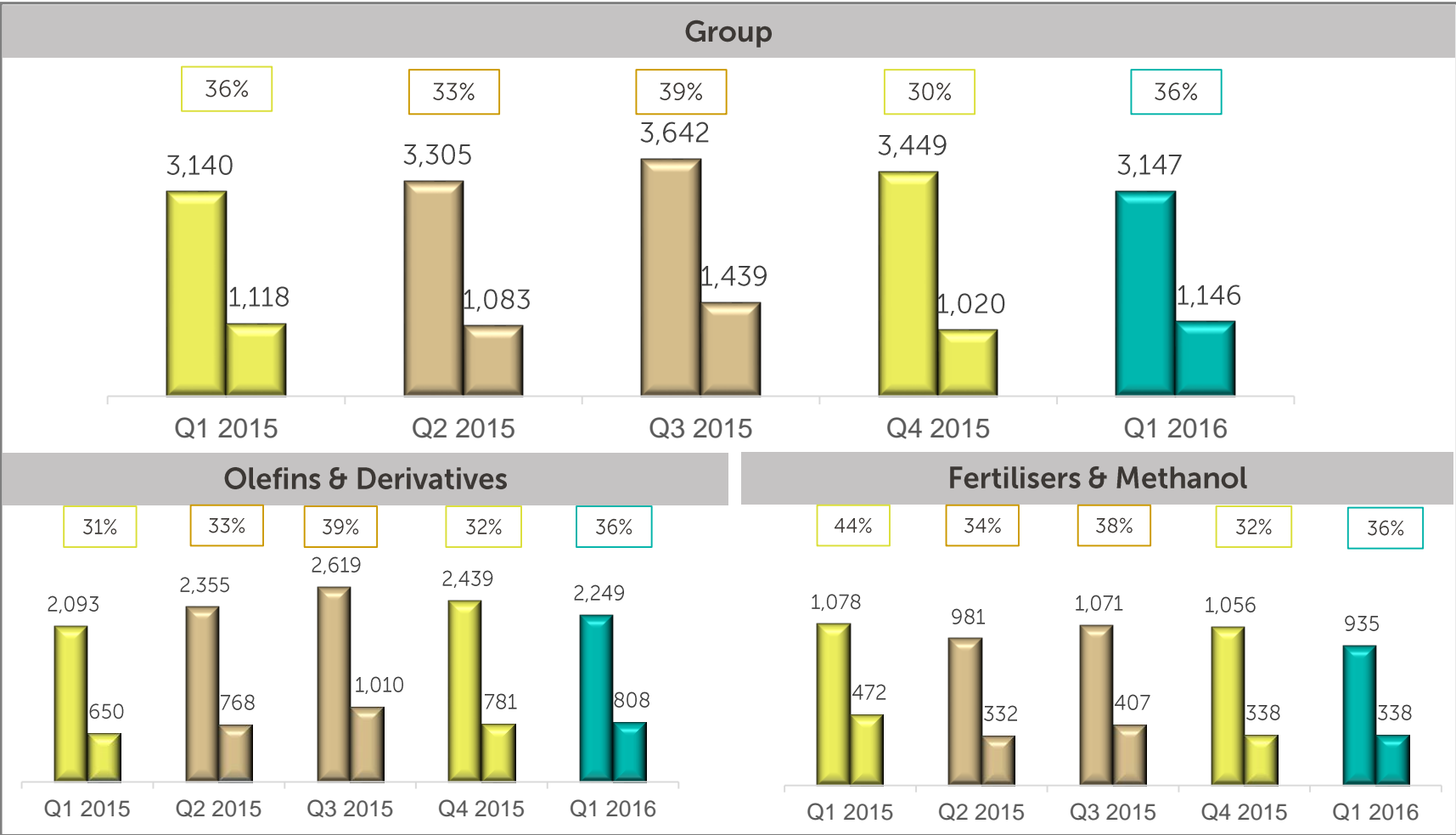
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Quarterly Financial Performance



Revenue, EBITDA (RM Million) & EBITDA Margin



Group Cash Flow

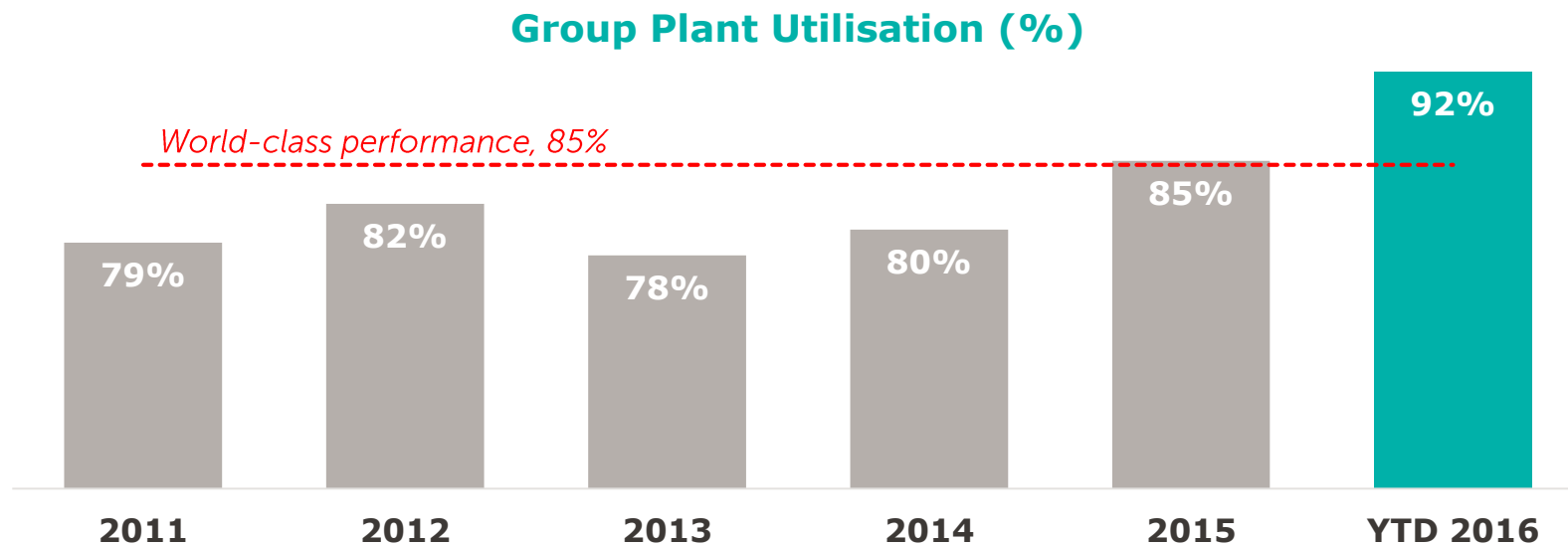


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<i>(RM million)</i>	Quarter Ended March 2016	Quarter Ended March 2015	Change
Cash flow generated from operating activities	891	672	219
Cash flow generated from/ (used in) investing activities	105	(607)	712
Cash flow used in financing activities	(1,053)	(808)	(245)
Net increase/(decrease) in cash & cash equivalents	(57)	(743)	686
Net increase/(decrease) due to FX impact	(76)	30	(106)
Cash & cash equivalents at the beginning of the period	8,707	9,807	(1,100)
Cash & cash equivalents at the end of the period	8,574	9,094	(520)

Strong start to 2016 with PU at 92%

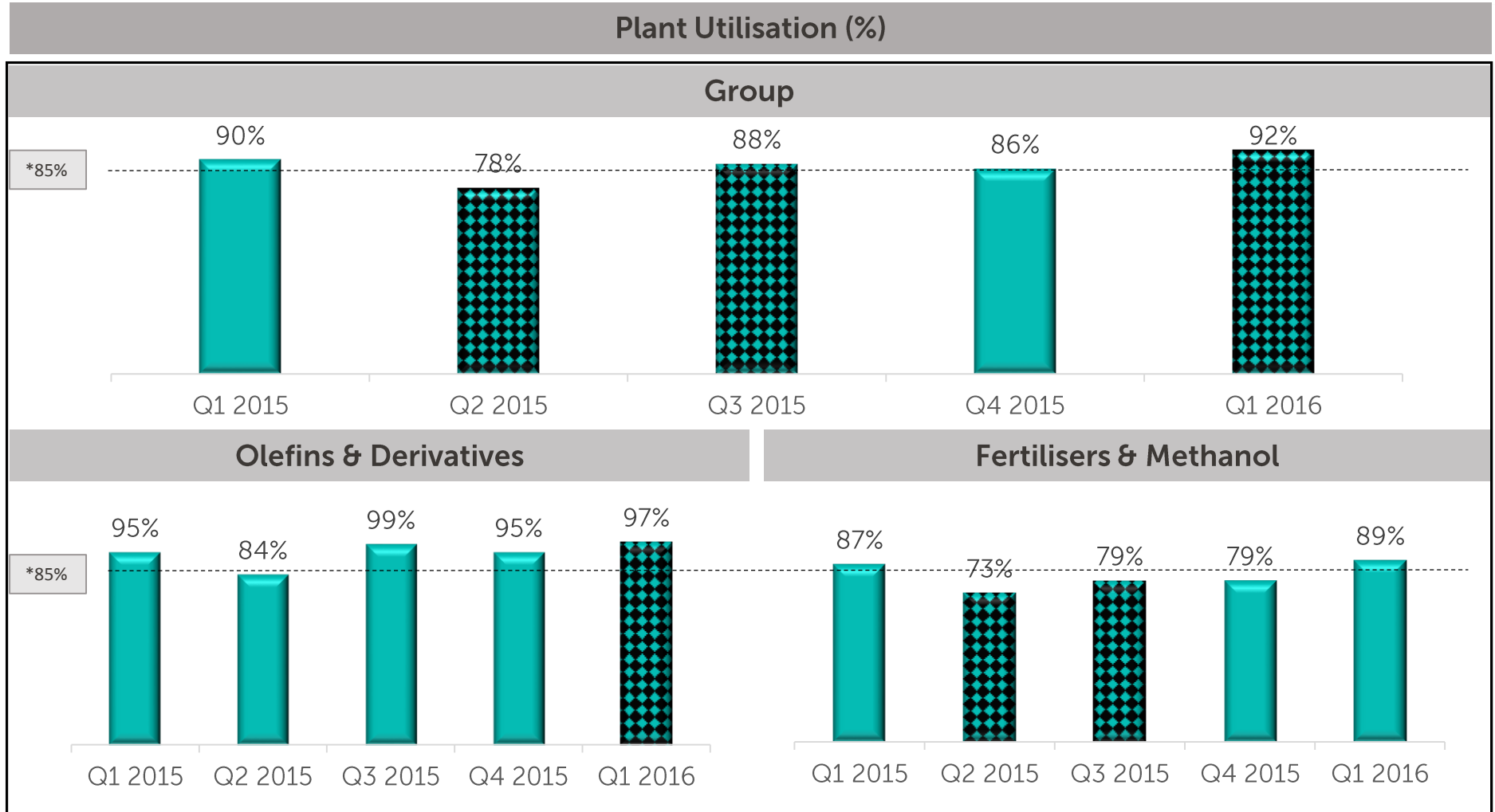
- ◆ Focus on delivering operational excellence through:
 - ◆ Stronger internal reliability strategy
 - ◆ Effective supplier relationship management
 - ◆ Flawless turnaround



Quarterly Plant Utilisation



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*85% - World class plant performance

- Turnaround

Signs of recovery but market remains cautious

We expect improving market sentiment for O&D and stabilizing F&M on the back of supply and demand balance

Olefins & Derivatives

- ◆ Firm ethylene - heavy cracker turnarounds in Asia and Middle East
- ◆ Polymers market is cautiously positive - firm feedstock outlook and low inventory levels
- ◆ Slight improvement for MEG - limited supply and improved demand
- ◆ Firm aromatics - improving demand and heavy turnarounds in Asia

- Ethylene



- Polymers



- MEG



- Aromatics



Fertilisers & Methanol

- ◆ Stabilising urea – reached floor despite supply glut and sluggish demand
- ◆ Stabilising ammonia – limited supply offset by weak demand for industrial application
- ◆ Stabilising Methanol– strong demand from MTO sector amidst long supply.

- Urea



- Ammonia



- Methanol



Exciting growth ahead



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- 💧 **Prices are lower in 2016 compared to 2015**
- 💧 **Sustain strong operational performance**
- 💧 **More sales into target markets**
- 💧 **Focus on executing SAMUR and other growth projects**

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