



PETRONAS

QUARTERLY RESULTS ANNOUNCEMENT

Highlights for the Quarter Ended June 2016

9th August 2016

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Managing Director/
Chief Executive Officer



Rashidah Alias
Chief Financial Officer



Akbar Md Thayoob
Head of Commercial



M Yusri M Yusof
Head of Manufacturing



Abdul Aziz Othman
Head of Strategic Planning & Ventures



Edward Ong
Head of Investor Relations



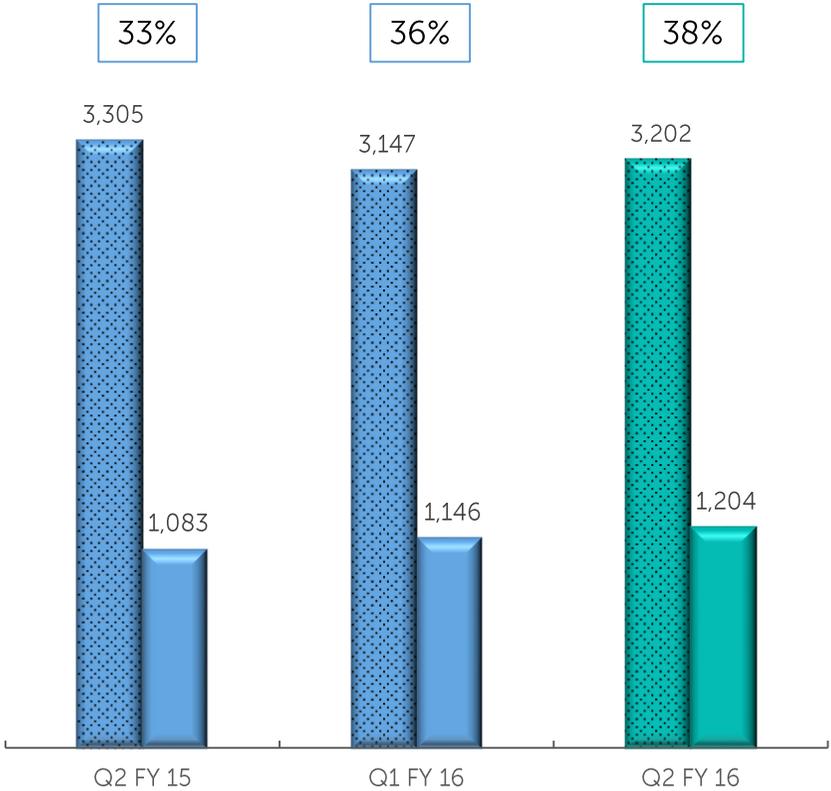
- **Better operations increased sales volume**
- **Strategic volume shift to target markets**
- **Despite lower product prices, Q2 2016 EBITDA rose 11% yoy**

Sustained financial performance despite market weakness



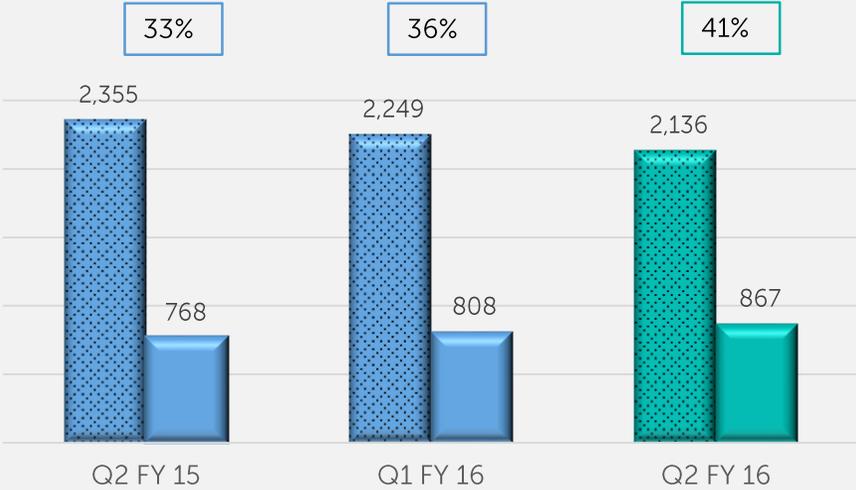
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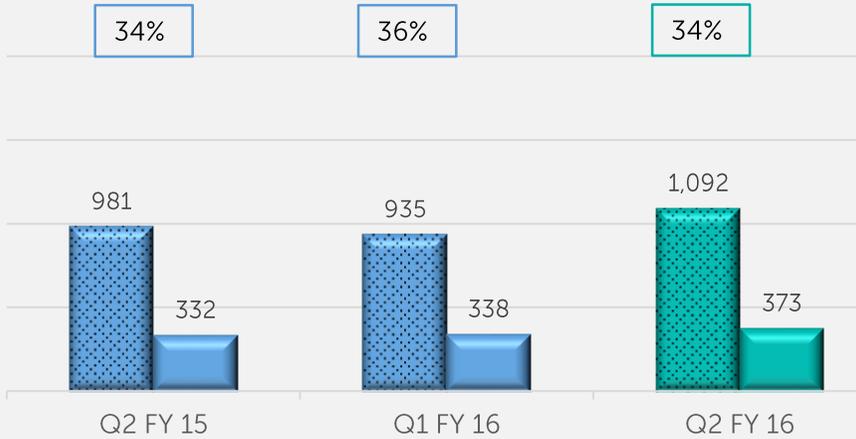


Revenue (RM Million)
 EBITDA (RM Million)
x% EBITDA Margin

Olefins & Derivatives



Fertiliser & Methanol

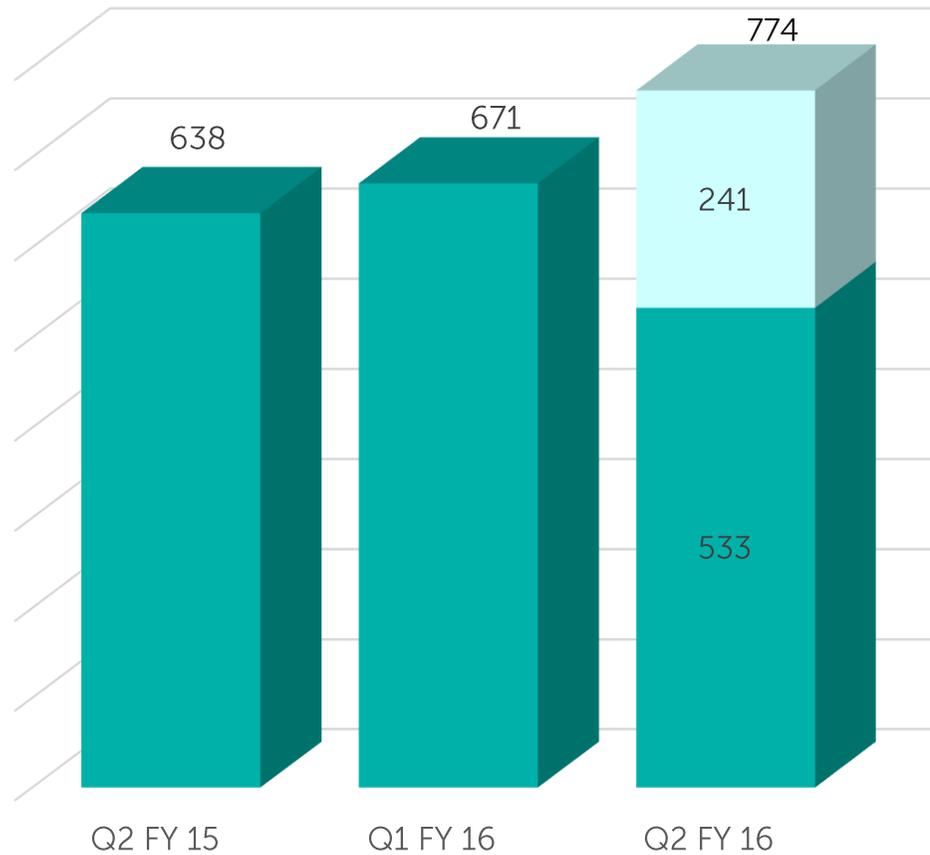


Excluding elastomers write-off, Profit After Tax grew 21% yoy



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Profit After Tax (RM million)

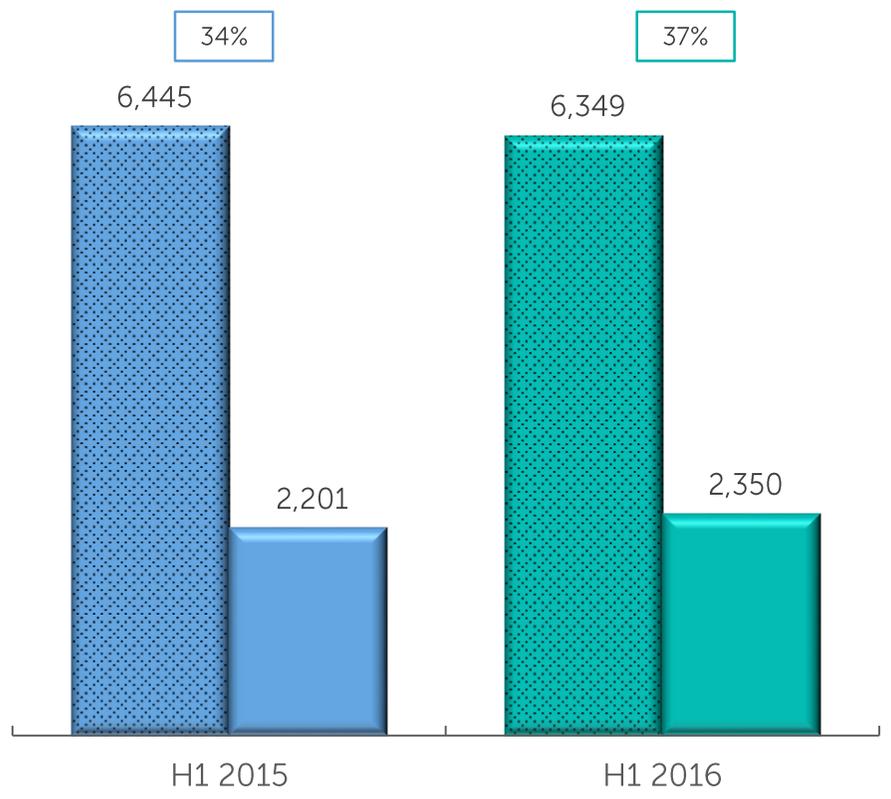


- Excluding the write off, PAT for the quarter would be RM774 million.
- RM241 million represents the non cash adjustment on the cancellation of RAPID Elastomers project.

Sustained financial performance despite market weakness

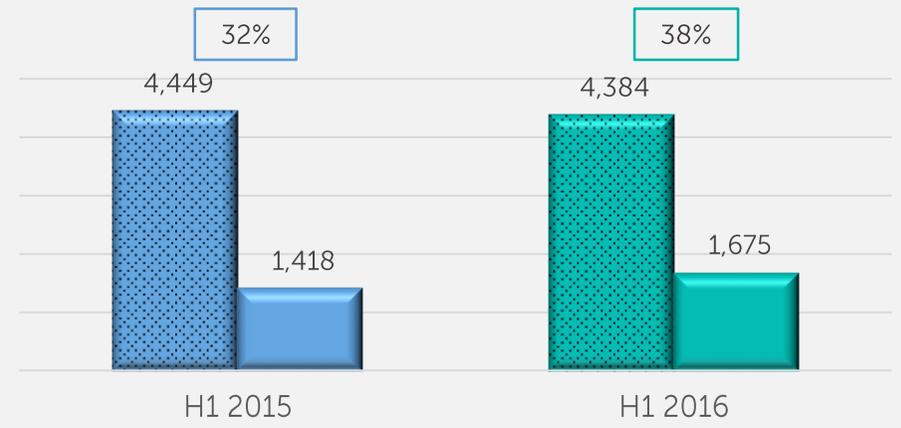


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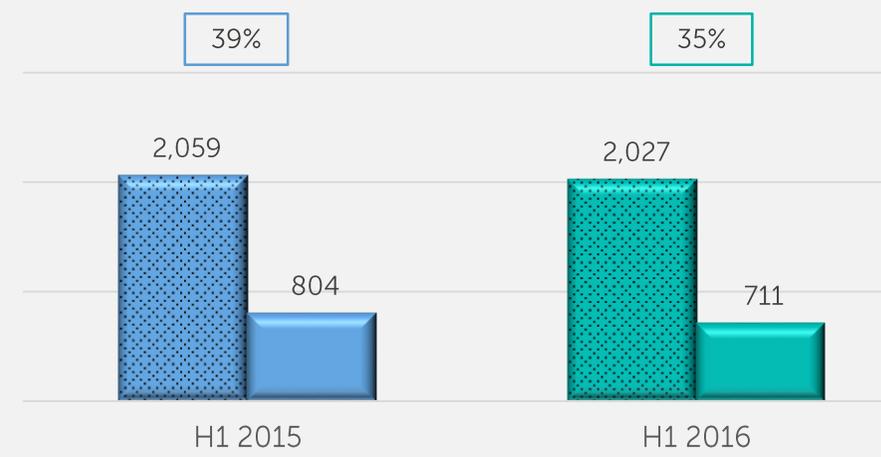


Revenue (RM Million)
 EBITDA (RM Million)
x% EBITDA Margin

Olefins & Derivatives



Fertilisers & Methanol

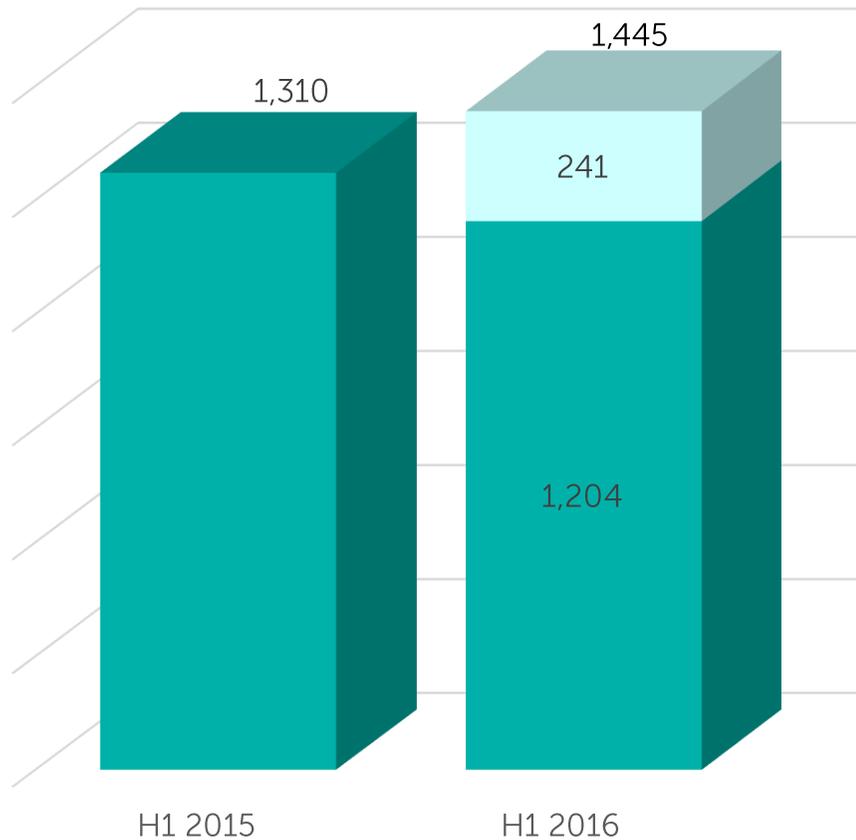


Excluding elastomers write-off, Profit After Tax grew 10% yoy



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Profit After Tax (RM million)

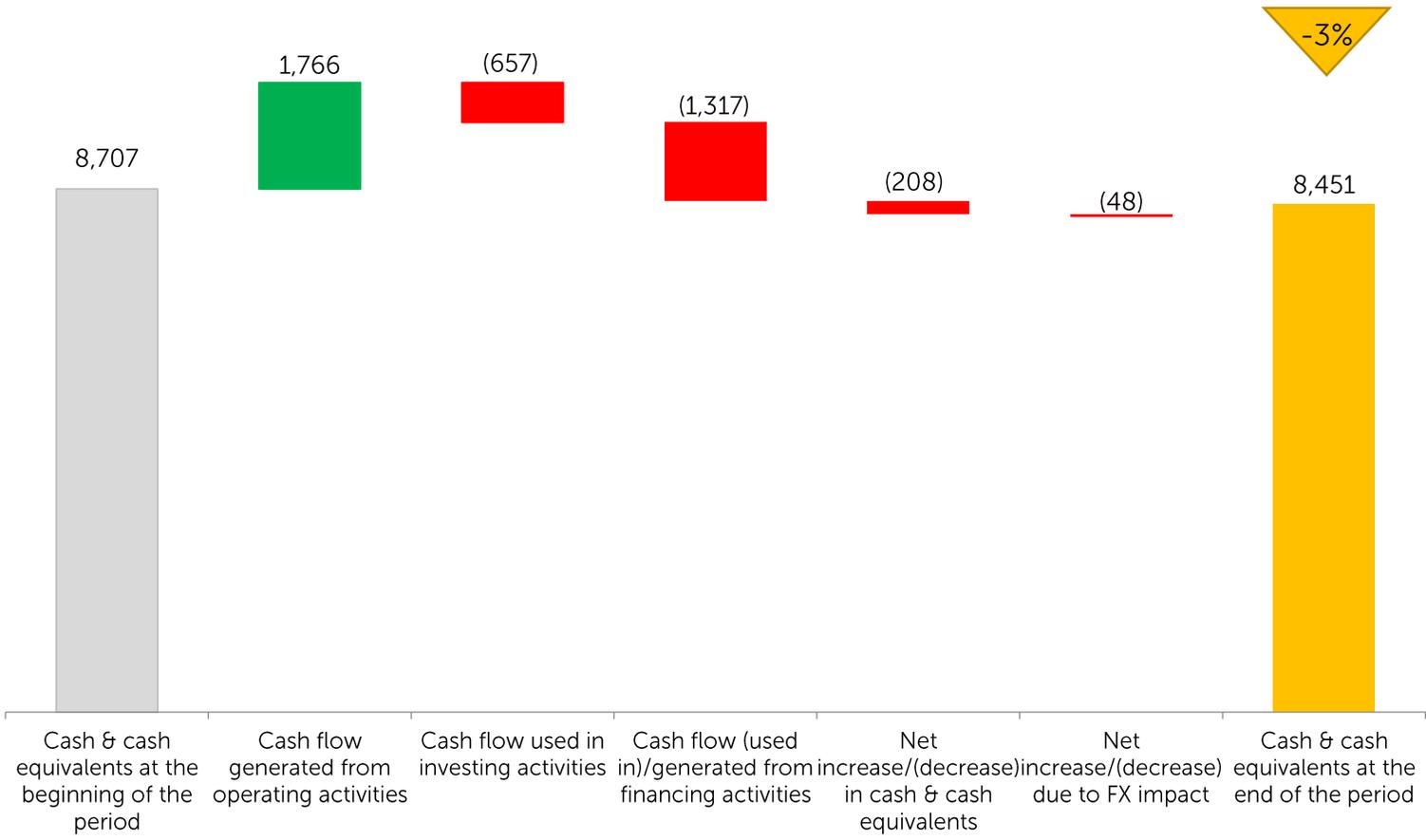


- Excluding the write off, PAT for the period would be RM1,445 million.
- RM241 million represents the non cash adjustment on the cancellation of RAPID Elastomers project.

Group Cash Flow, Period Ended 30 June 2016



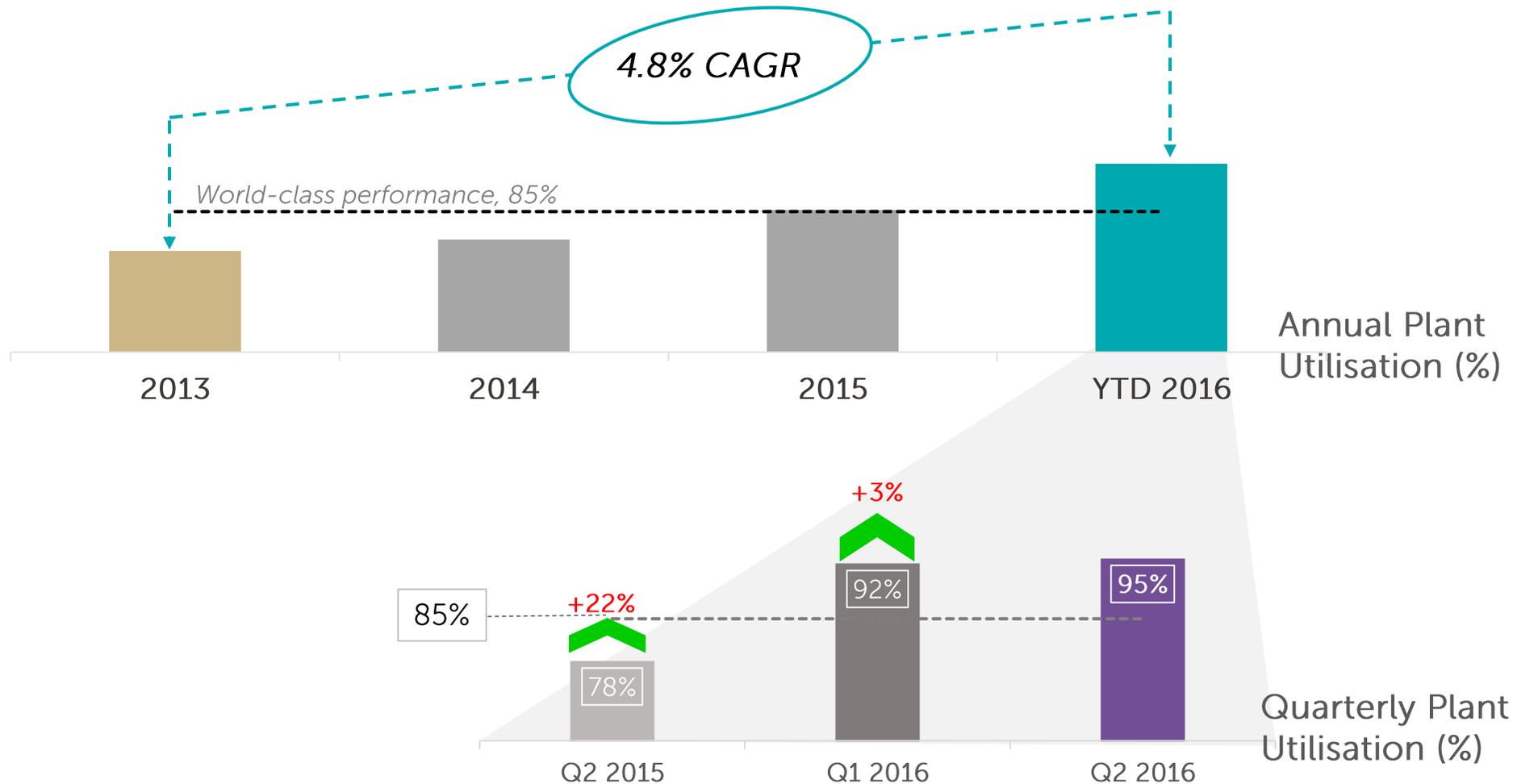
Statement of Cash Flows (RM Million)



Better operational performance as a result of successful execution of PCG OE journey



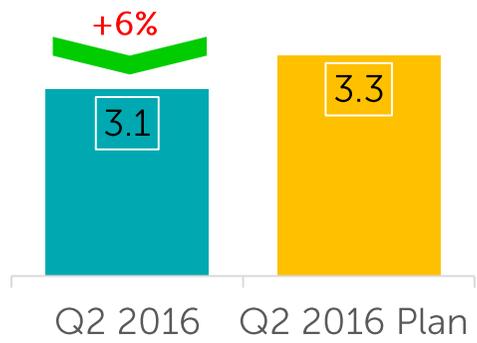
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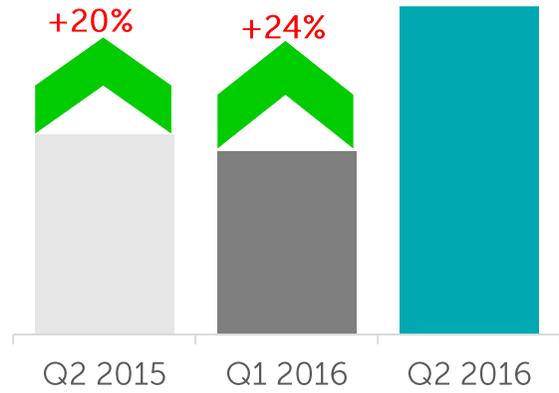
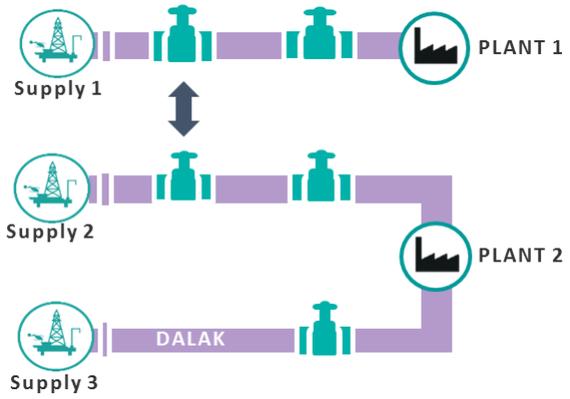
Continuous improvements in operational performance



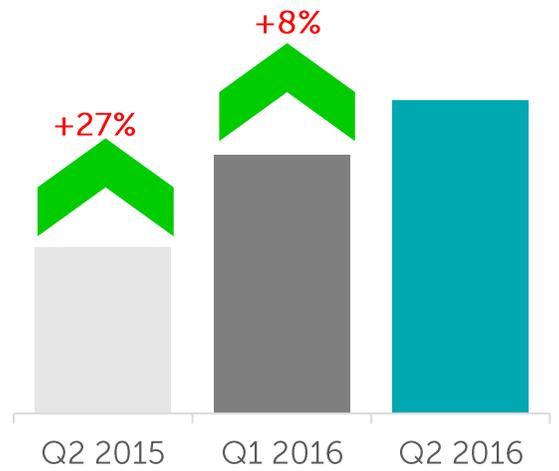
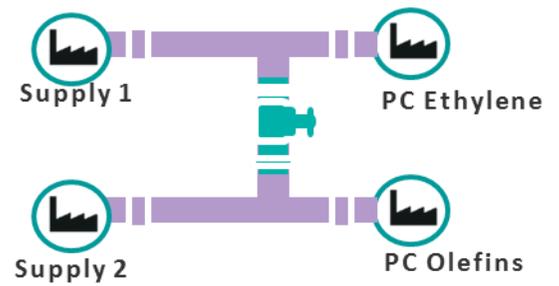
Weighted Average TA Days



Methanol production (kMT)



Ethylene production (kMT)



Tougher market going into Q3 2016



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We expect stabilized market sentiment for O&D and bearish F&M prices on the back of crude oil price uncertainties and supply & demand balance

Olefins & Derivatives

Ethylene



Heavy turnarounds in North East Asia amidst slow downstream demand

Polymers



Low buying interest beginning Q3 and firm thereafter to meet seasonal demand

MEG



Firm polyester demand despite potential excess supply

Aromatics



Firm PTA & polyester demand despite long supply

Fertilizers & Methanol

Urea



Excess supply and sluggish demand

Ammonia



Excess supply and limited demand from industrial application

Methanol



Reliable supply at the back of firm MTO demand



Continued focus on delivering value

YTD 2016

Recorded good overall performance through Focused execution of Commercial Excellence initiatives :

- Strategic volume shift
- Price excellence
- Portfolio optimisation

H2 2016

Sustain commercial performance by continuation of above Commercial Excellence initiatives and;

- Key Account management
- Indirect channel optimisation
- Cost to serve optimisation



- ◆ **Strive to sustain operational & commercial excellence**
- ◆ **Preparing SAMUR and Aroma Complex for commercial operations**
- ◆ **RAPID petrochemical projects progressing as planned**

For further enquiries please contact us at:

Edward Ong,
Head of Investor Relations
Tel: +603 2392 0747

PETRONAS Chemicals Group Berhad
Level 14, Tower 1, PETRONAS Twin Towers
Kuala Lumpur City Centre,
50088 Kuala Lumpur, MALAYSIA

Fax: +603 2331 3060
petronaschemicals_ir@petronas.com.my
www.petronaschemicals.com.my

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