



PETRONAS

reimagining
energy

PETRONAS GAS BERHAD

32nd Annual General Meeting



**DRIVING
TRANSFORMATION**



HIGHLIGHTS OF **FY2014**

Financial Highlights



REVENUE
RM 4.4 billion

HIGHEST since the establishment of the Company in 1983



EBITDA
RM 3.2 billion



PROFIT AFTER TAX
RM 1.7 billion excluding DTA



SOLID TOTAL ASSET
RM 13.3 billion

Key Achievements



RENEWAL OF 20 CONTRACT YEARS

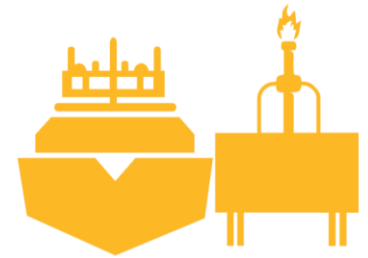
Gas Processing and Gas Transportation Agreement with **PETRONAS**

- higher reservation charge for Gas Processing
- higher capacity booking of Peninsular Gas Utilisation (PGU) network
- ensure continuity of steady income for 20 years

FULL YEAR CONTRIBUTION

Liquefied Natural Gas (LNG) Regasification Terminal in Sg. Udang

- contributed 14% of revenue and gross profit to the Group
- enhances the security and reliability of gas supply to the nation



KIMANIS POWER PLANT achieved COMMERCIAL OPERATIONS on **ALL THREE BLOCKS**

- 300 MW capacity
- key initiatives under Malaysia's Economic Transformation Programme to improve the reliability of electricity supply in Sabah

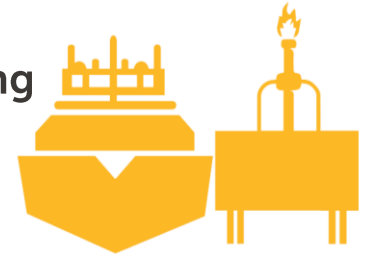


Key Achievements

FINAL INVESTMENT DECISION

For Malaysia's Second LNG Regasification Terminal Project in Pengerang

- provides primary gas supply to fuel the Pengerang Integrated Complex (PIC)
- target completion by Q4 FY2017



SIGNING OF HEADS OF AGREEMENT

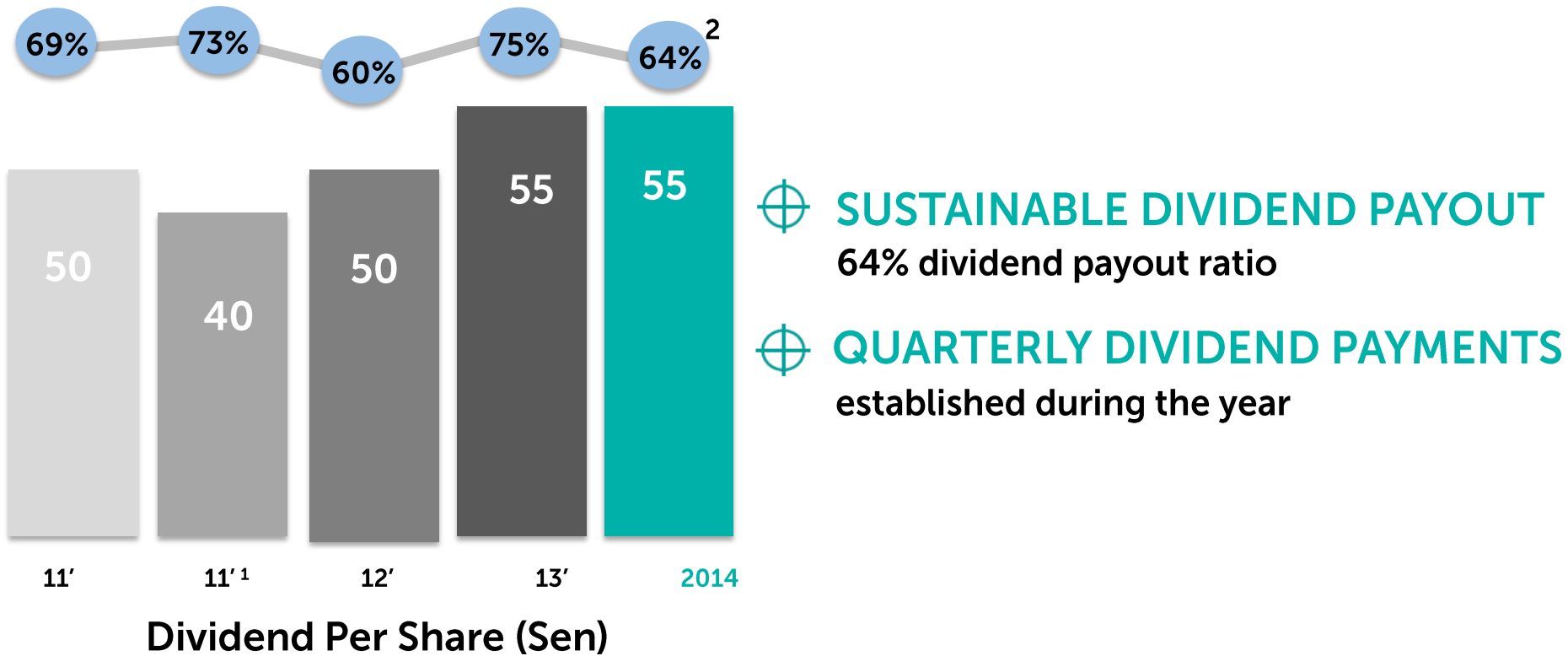
For Air Separation Unit Project, Pengerang

- pursue possibility of supplying oxygen and nitrogen to PIC customers
- partnering with Linde, global leading industrial gases company



Dividends

PGB continue to declare sustainable dividends within the industry average dividend payout ratio



Note:

¹ For the nine months period ended 31 December 2011.

² Excluding recognition of DTA arising from ITA granted for the Group.

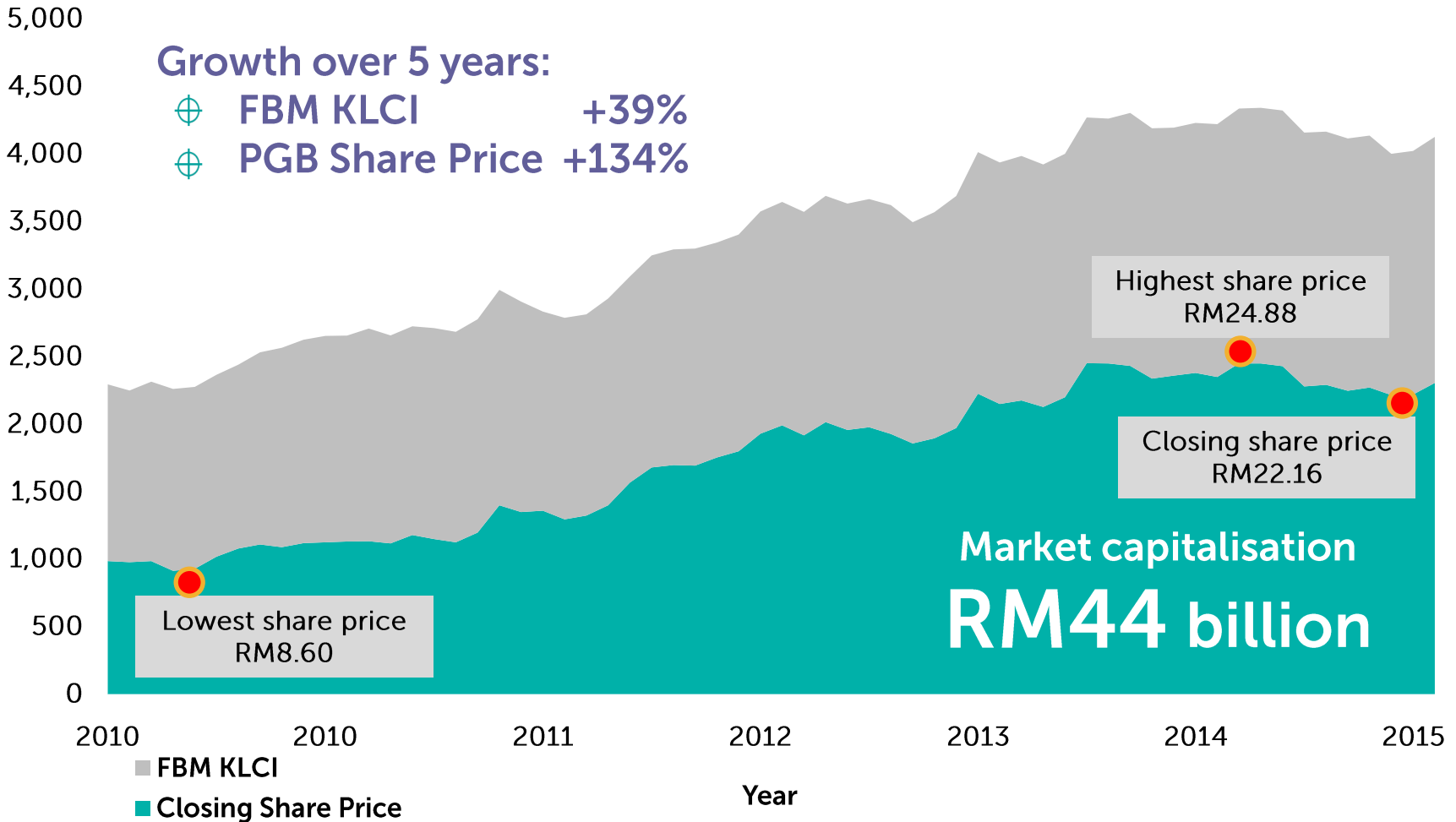
(FY2014: RM154.5 million vs. FY2013: rm626.4 million)

Performance of Shares

PGB's share price has shown persistent growth since the past five years

PGB Share price and FBM KLCI index trending: 2010 to Feb 2015

Closing Price (sen)/
Composite Index





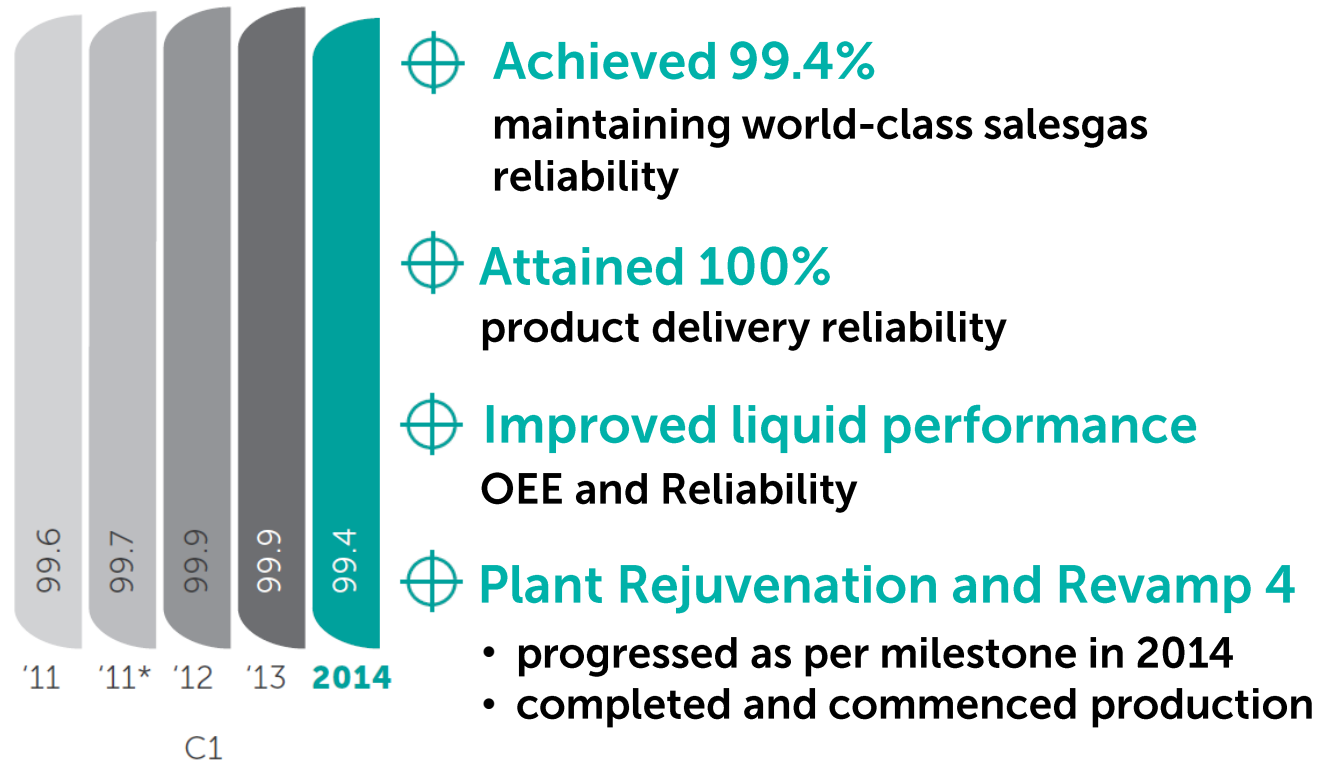
OPERATIONAL PERFORMANCE

Segmental Performance – Gas Processing

Continues to exhibit reliable plant performance, delivering sustainable and steady returns for the Group



Gas Processing Reliability (%)



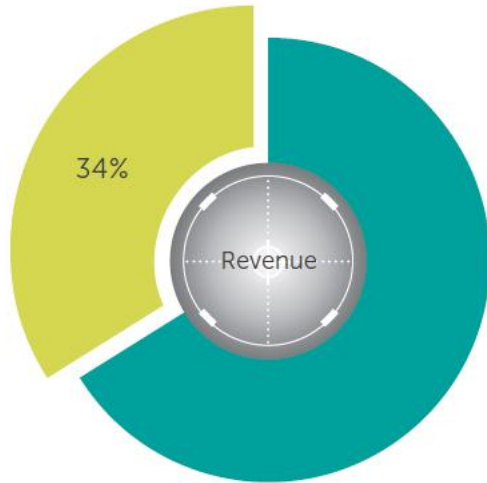
Note:

Financial year 2011 comprises reporting period from 1 April to 31 March.

* Excludes the reporting period from 1 April to 31 December 2011.

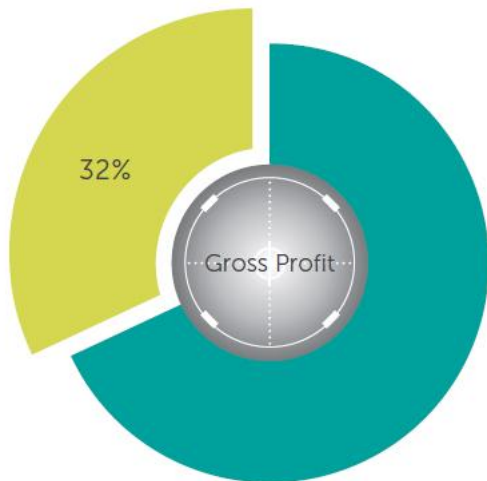
Segmental Performance – Gas Processing

Gas Processing segment continues to exhibit reliable plant performance towards delivering sustainable and steady returns for the Group



⊕ Revenue RM1.5 billion

- 34% contribution to PGB Group
- Marginal drop by RM17.2 million *attributable to lower performance based structure income under the old revenue structure (Q1 FY2014)*



⊕ Gross Profit RM0.7 billion

- 32% contribution to PGB Group
- Decreased by RM49.6 million (7%)

● Gas Processing

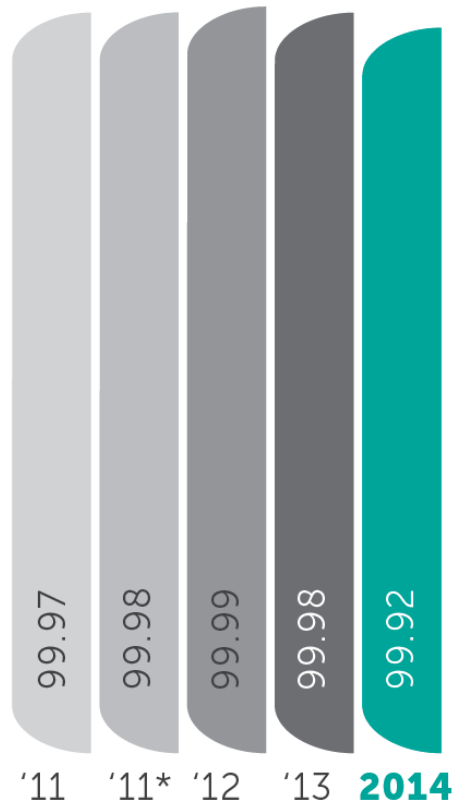
● Other Segments

Segmental Performance – Gas Transportation

Gas Transportation segment has again sustained its world-class system reliability on the back of its integrity programme



Gas Transportation
Reliability (%)



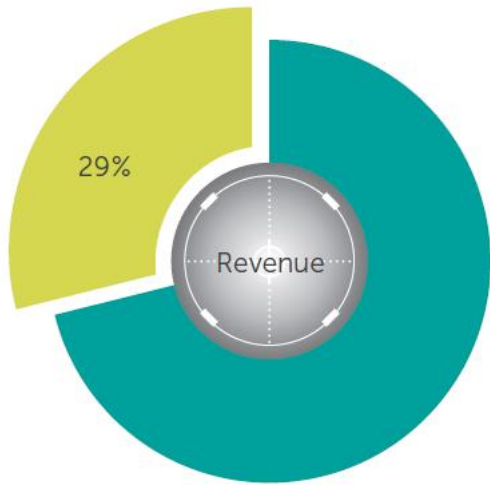
⊕ **Achieved 99.92%**
system reliability

⊕ **Attained 99.85%**
system availability

⊕ **Focus on pipeline integrity**
over 2,583km pipeline network

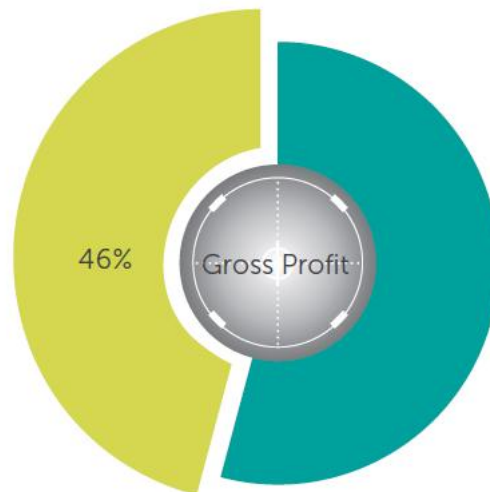
Segmental Performance – Gas Transportation

Gas Transportation segment has again sustained its world-class pipeline system reliability on the back of its integrity programme



⊕ Revenue RM1.3 billion

- 29% contribution to PGB Group
- Surged by RM97.4 million (8%) *contributed by higher capacity booking under the new GTA*



⊕ Gross Profit RM1.0 billion

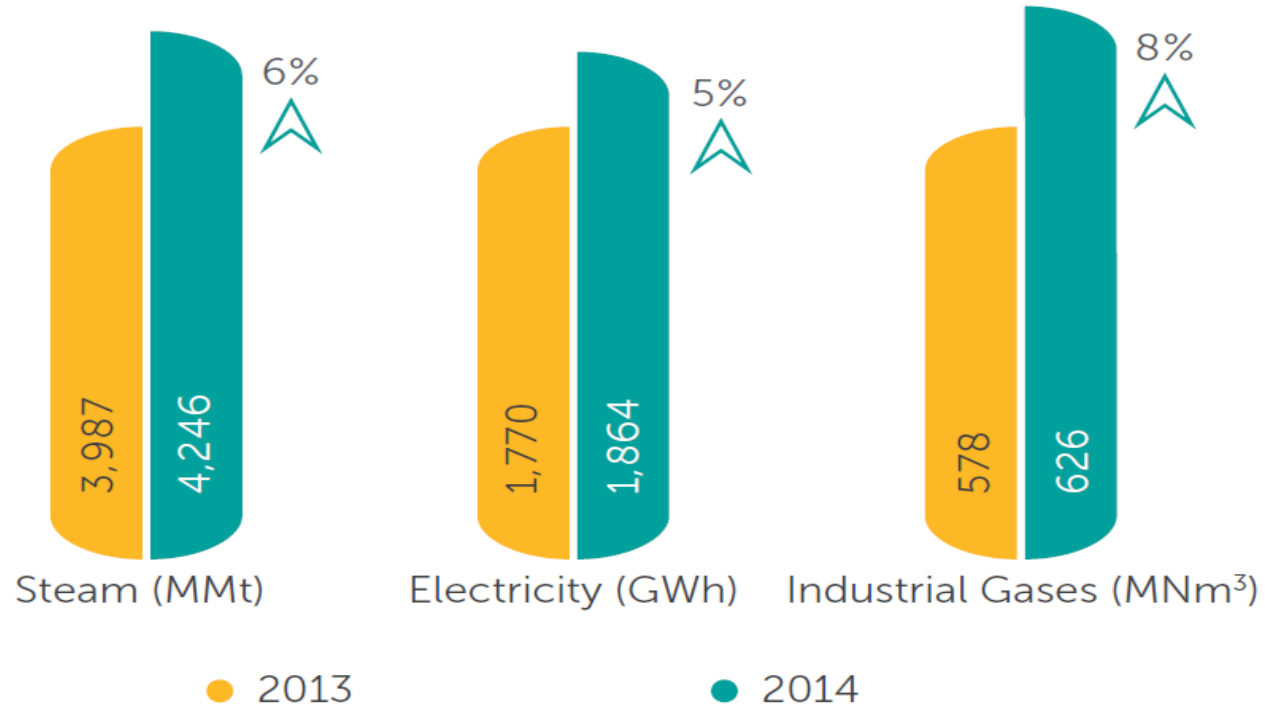
- 46% contribution to PGB Group
- Increased by RM104.3 million (12%) *in tandem with higher revenue and lower OPEX*

Segmental Performance – Utilities

Delivering consistent operational and financial performance



Utilities Volume



⊕ Higher volume offtake

ALL products

⊕ High equipment reliability

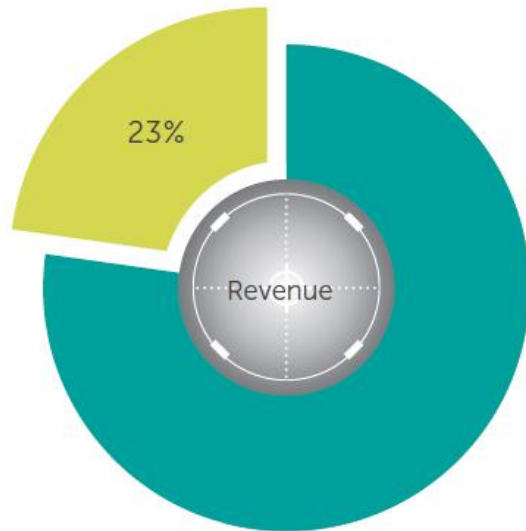
ALL products (97.8%-99.0%)

⊕ Achieved ~ 100%

product delivery reliability for Electricity and Steam

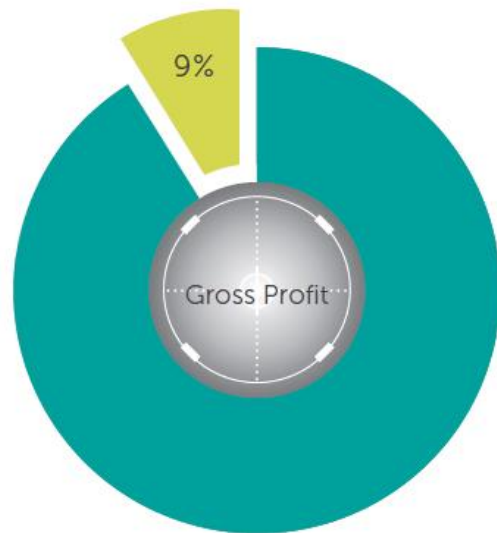
Segmental Performance – Utilities

Delivering consistent operational and financial performance



⊕ Revenue RM1.0 billion

- 23% contribution to PGB Group
- Higher by RM141.4 million (16%) *due to higher products offtake by customers and upward revision of electricity tariff*



⊕ Gross Profit RM0.2 billion

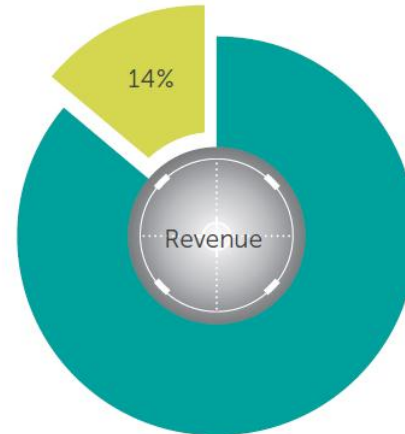
- 9% contribution to PGB Group
- Increased by RM68.2 million (53%) *in tandem with higher revenue partially offset by higher fuel gas cost*

● Utilities

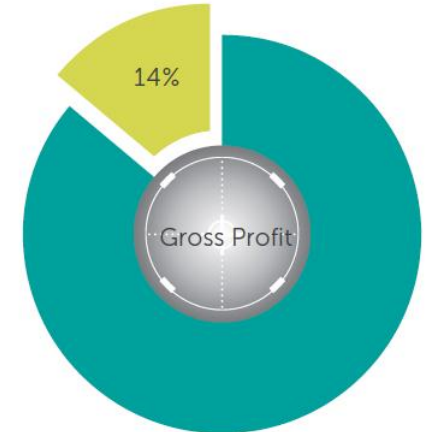
● Other Segments

Segmental Performance – Regasification

The first full year operations of LNG Regasification Terminal Sungai Udang, Melaka contributes growth to the Group's performance



● Regasification



● Other Segments

- ⊕ **First full year operations**
in FY2014
- ⊕ **Received 27 LNG cargoes**
Totaling up to 50 cargoes to date
- ⊕ **Achieved 100%**
Nomination by customer
- ⊕ **Revenue RM616.2 million**
Gross Profit RM308.0 million
14% contribution to PGB Group

Health, Safety and Environment (HSE)

Enhanced HSE Focus



PGB is upholding the highest standards of safety in its operations

⊕ **Elevating Safety Programme**
three-year HSE roadmap

⊕ **Generative Culture**

- enhanced Behavior Safety Programme
- Felt Leadership Programme

⊕ **Process Safety**

process safety review of all processes and equipment

⊕ **Tier-3 Emergency Response Exercise**
successfully carried out at Tanjung Sulong Export Terminal in September 2014



AWARDS & ACHIEVEMENTS

FY2014 Awards & Achievements

PGB was presented with numerous awards and achievements in recognition of our accomplishments



⊕ **MSWG-ASEAN CORPORATE GOVERNANCE INDEX 2014**
Best corporate governance in the Oil and Gas Sector

⊕ **NACRA 2014**
Best Annual Report in the Industrial Products & Technology Category

⊕ **THE EDGE BILLION RINGGIT CLUB**
Best Performing Industrial Stock in the Industrial Sector

⊕ **FINANCE ASIA AWARD**
Third Best Managed Company in Malaysia by Finance Asia

⊕ **FOCUS MALAYSIA AWARD**
Fourth Most Transparent Big Stock in Malaysia by Focus Malaysia

⊕ **FTSE4Good Bursa Malaysia Index**



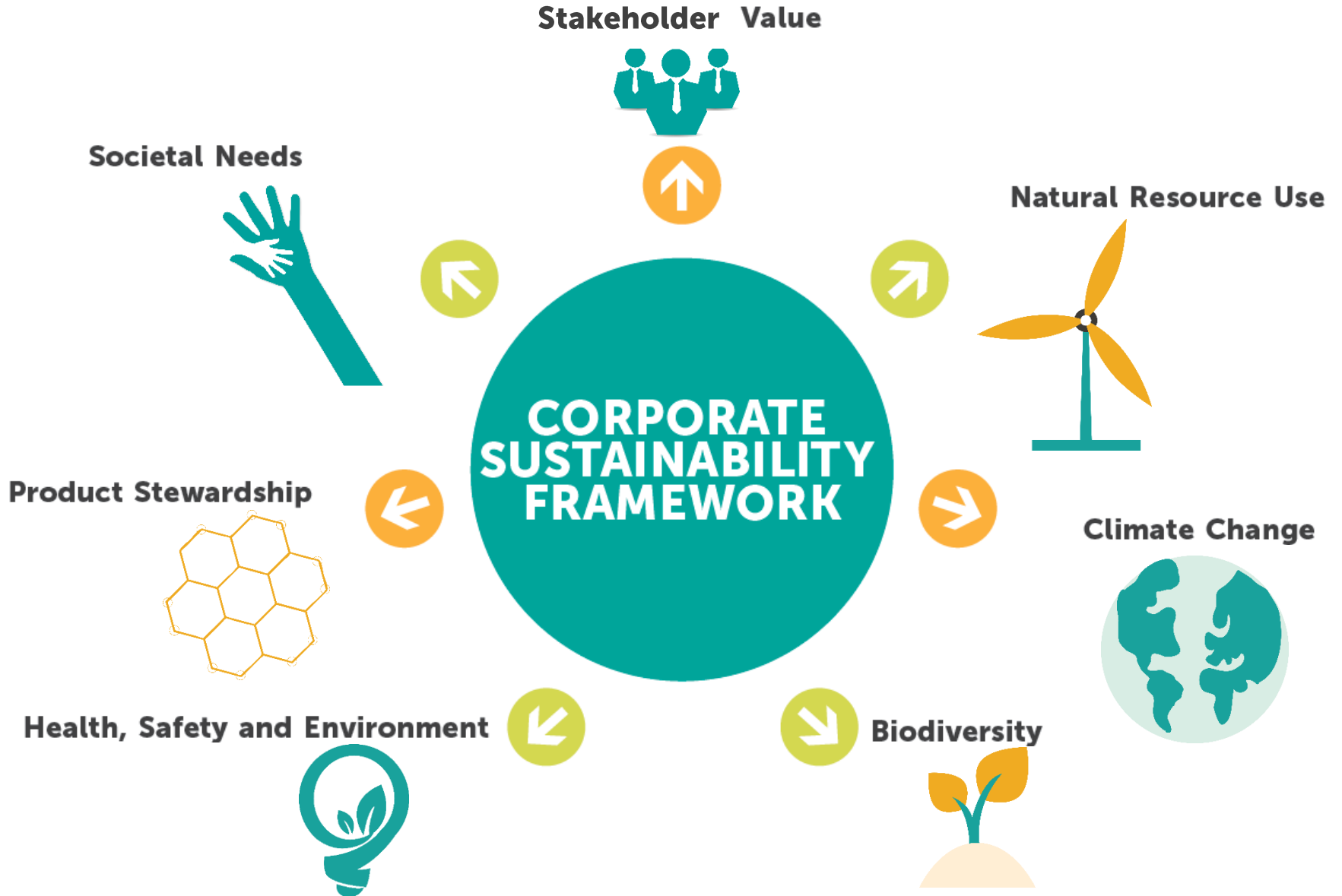
FTSE4Good



SUSTAINABILITY

Sustainability

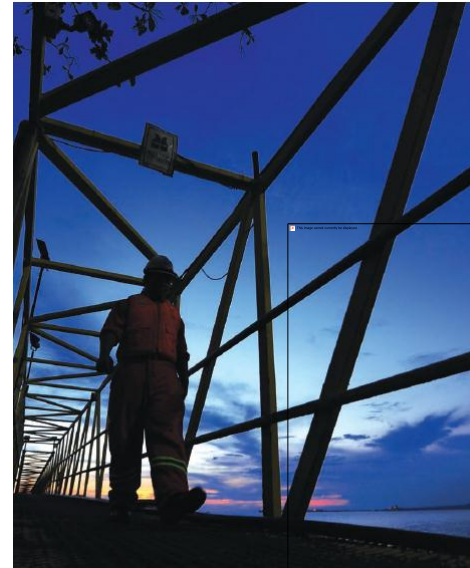
PGB remains committed to safeguard the health and safety of the people especially those living in the areas where we operate



Sustainability

We continue to build strong relationship with key stakeholders including government authorities

Marketplace



⊕ Ensuring **national supply security**

⊕ **32** visits to our facilities from various stakeholders including government agencies and 2 investors' plant visits

⊕ **Quarterly** analyst briefings

⊕ **2** corporate development briefings

⊕ **21** analyst meetings

⊕ Participated in **3** Investor Relations conferences

Sustainability

Committed to strengthening human competency and preserving the environment

Workplace



- ⊕ Gas Academy and Gas Transmission Academy
- ⊕ 243 interns enrolled in PGB Internship Programme

Environment



- ⊕ Installed Flare Gas Recovery Unit at GPS and GPK
- ⊕ Installed high pressure online washing Gas Turbines inlet at UK, GPK and GPS
- ⊕ Conducted Environment Impact Assessment prior to any projects

Sustainability

Reaching out to the community wherever we operate, focusing on education and helping the less fortunate

Community



⊕ Program Sentuhan Ilmu PETRONAS (PSIP)

- 4 adopted schools in Melaka, Johor, Pahang and Terengganu
- Monthly fun learning programmes

⊕ Bakti Dihulur Kasih Di Semai CSR programmes

- 36 staff-driven CSR programmes
- 1,369 total number of staff participated

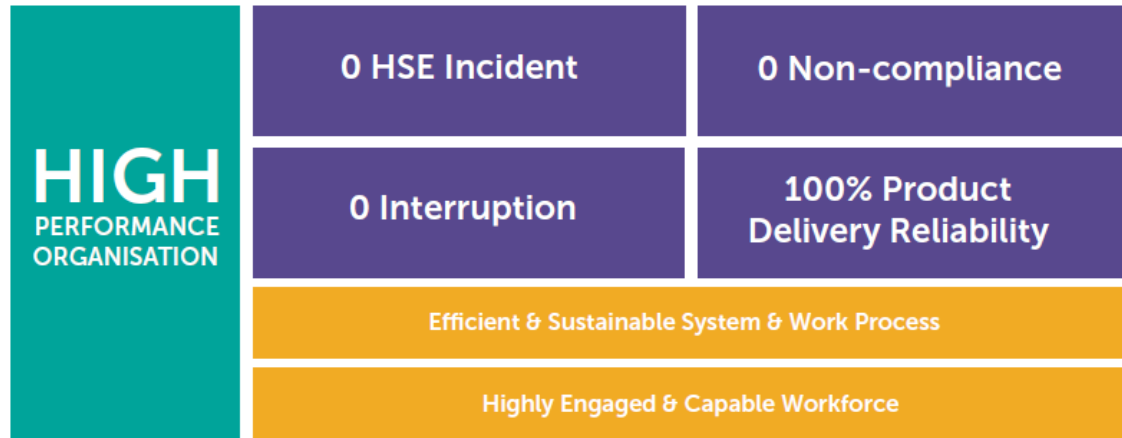


STRATEGIC FOCUS

Key Thrusts : Focusing on HSE and Operational Excellence

Next wave of transformation aimed at elevating PGB's performance to the next level

3ZERO100 PGB TRANSFORMATION



KEY STRATEGIC THRUSTS



Outlook : Steady Revenue Base

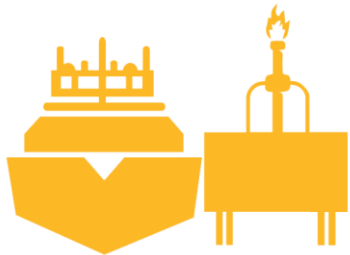
PGB strong business fundamentals will ensure sustainable revenue base



Steady revenue base from GPA and GTA

Improved margins through greater efficiencies throughout our operations

Income from utilities will be driven
by **DEMAND** from petrochemical customers



Regasification revenue is expected to
contribute **POSITIVELY** to the Group
on the back of capacity reservation from PETRONAS

Outlook : Growth Projects

Our immediate growth is further underlined by a pipeline of projects that support PETRONAS' expansion of its refining and petrochemical businesses.

LNG REGASIFICATION TERMINAL PENGERANG (RGTP)

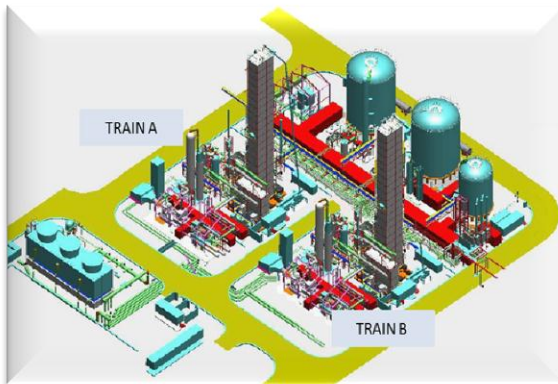
to serve gas demand for Pengerang Integrated Complex



⊕ Facilities	Regasification terminal & two LNG storage units
⊕ Capacity	3.5 mtpa
⊕ Target Commissioning	Q4 FY2017
⊕ Current Status	Early stage of construction phase

AIR SEPARATION UNIT (ASU)

to supply for industrial gases to Pengerang Integrated Complex



⊕ Facilities	2 Trains
⊕ Capacity	1,600 TPD oxygen 1,800 TPD nitrogen
⊕ Target Commissioning	Q4 FY2018
⊕ Current Status	In collaboration with partner to achieve FID



**THANK
YOU**