



PETRONAS

PETRONAS Gas Berhad

Quarterly Results Briefing

Highlights for the 3rd Quarter ended 30 September 2015

2 November 2015

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Agenda

- Welcoming Remarks
- Opening Remarks
- Presentation
- Q & A

PGB Management



**Aida Aziza
binti Mohd
Jamaludin**
**Head
Finance**



Harris bin Harun
**Head
Investor Relations**

Key Highlights

High unrealised foreign exchange (forex) loss arising from reporting translation on RGTSU finance lease liabilities.

- This was resulted from severe weakening of MYR against USD during the quarter and period. No impact on actual lease payment as the actual MYR payment is a pass-through to the customer.

Improving plants liquid extraction performance

- Highest ever Ethane OEE achievement resulted from continuous effort on asset integrity.
- We achieved PBS in 5 out of 9 months, amounting to RM25.1million.

Upward revision of fuel gas tariff by RM1.50/mmbtu

- Effective 1 July 2015 from RM15.20/mmbtu to RM16.70/mmbtu.
- The higher cost was passed through to all utilities customers except electricity. There is no impact to Gas Processing and Transportation segments as fuel gas costs are free for utilisation within Agreed Operating Parameters.

Changes in the composition of the Group

- Achieved the intended 65% shareholdings in PLNG2. The change did not result in a loss of control. The financial statements of PLNG2 continues to be included in consolidated financial statements of the Group.

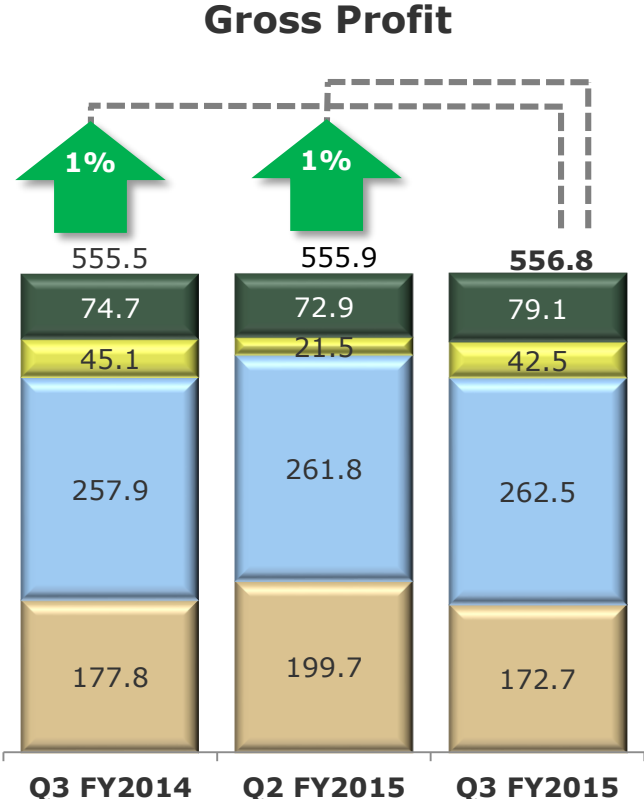
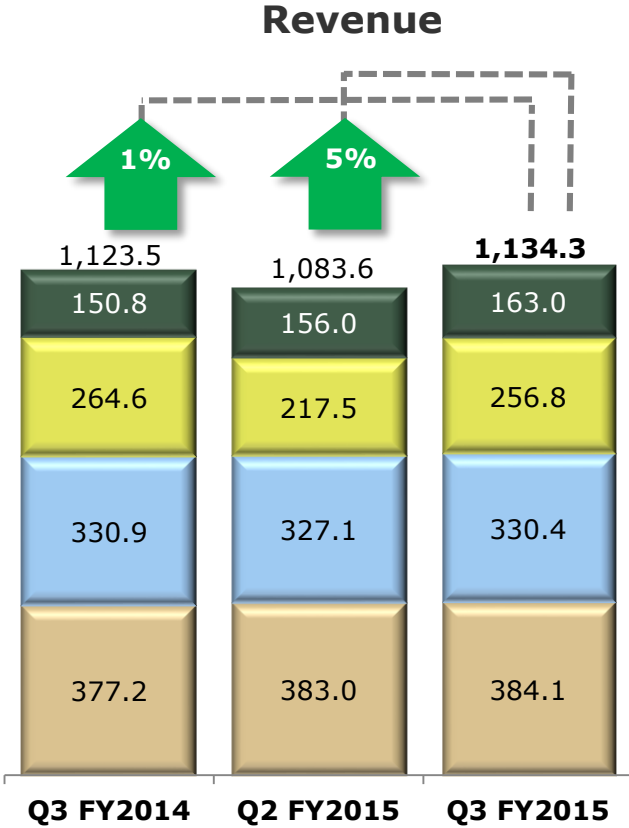
Recognition of Deferred Tax Asset (DTA)

- PGB had on 1 April 2015, recognised DTA of RM407.4M arising from Investment Tax Allowance (ITA) granted for the overall Plant Rejuvenation and Revamp project (PRR).

Key Highlights (Quarter Corresponding & Preceding)

Steady returns supported by Regasification and Transportation Business.

RM million



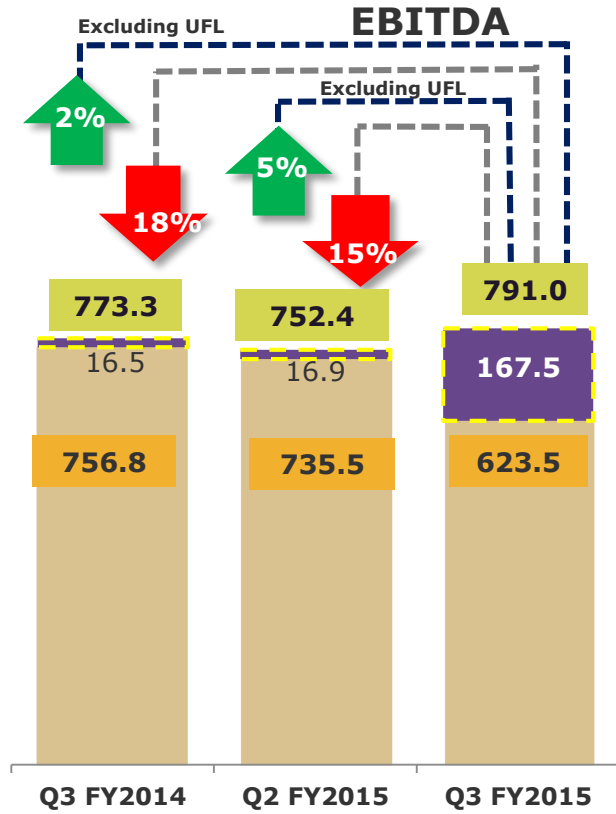
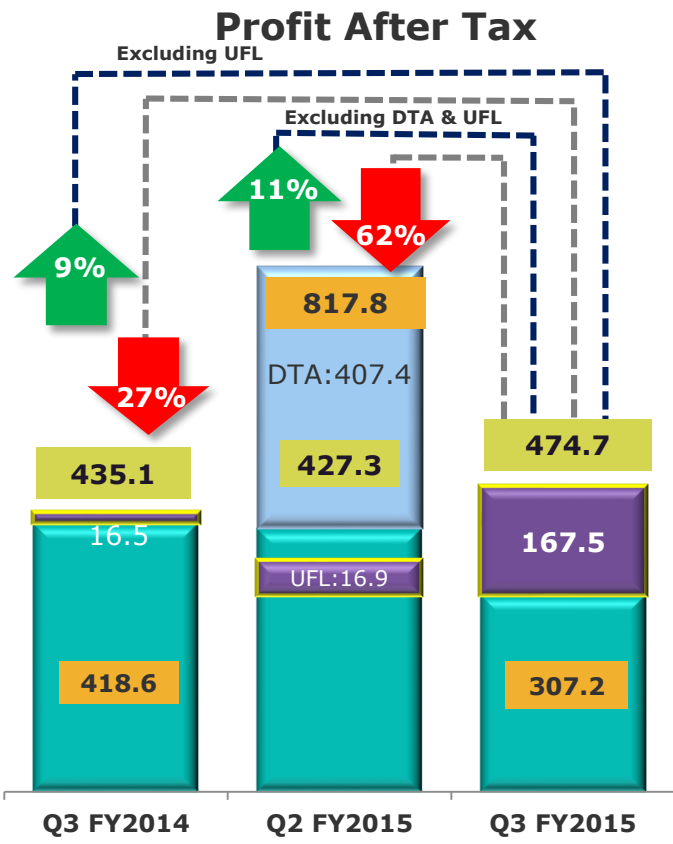
- Regasification Business
- Gas Transportation Business
- Utilities Business
- Gas Processing Business

	Q3 FY14	Q2 FY15	Q3 FY15	Q3 FY15 vs Q3 FY14	Q3 FY15 vs Q2 FY15
Gross Profit Margin (%)	49	51	49	● 0%	▼ 2%

Key Highlights (Quarter Corresponding & Preceding)

Stronger performance on normalised basis supported by higher revenue and other operating income.

RM million



- Unrealised forex loss (UFL)
 - Deferred Tax Asset (DTA) for ITA granted for PRR
 - Actual results
 - Normalised results
 - Excluding DTA or UFL
- EBITDA Earnings Before Interest, Taxes, Depreciation and Amortisation

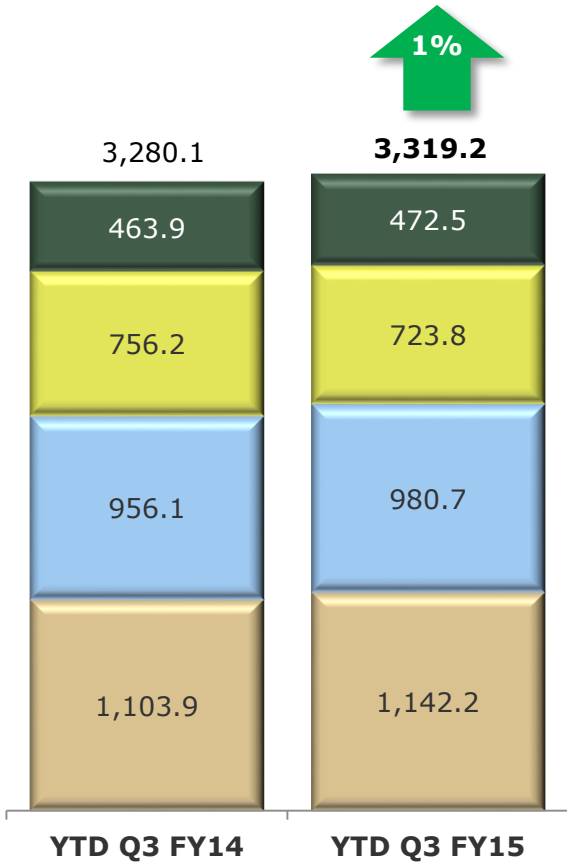
	Q3 FY14	Q2 FY15	Q3 FY15	Q3 FY15 vs Q3 FY14	Q3 FY15 vs Q2 FY15
EPS (sen)	21.16	41.34	15.41	↓ 27%	↓ 63%
EPS (sen), excl DTA & UFL	21.99	21.61	23.88	↑ 9%	↑ 11%

Key Highlights (Year-to-date)

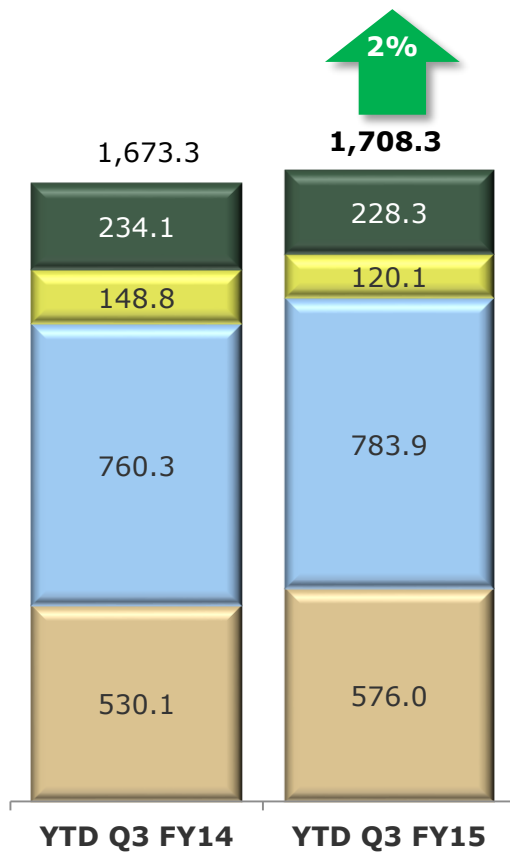
Sustainable performance for the nine months period supported by Gas Processing and Gas Transportation Business.

RM million

Revenue



Gross Profit



- Regasification Business
- Gas Transportation Business
- Utilities Business
- Gas Processing Business

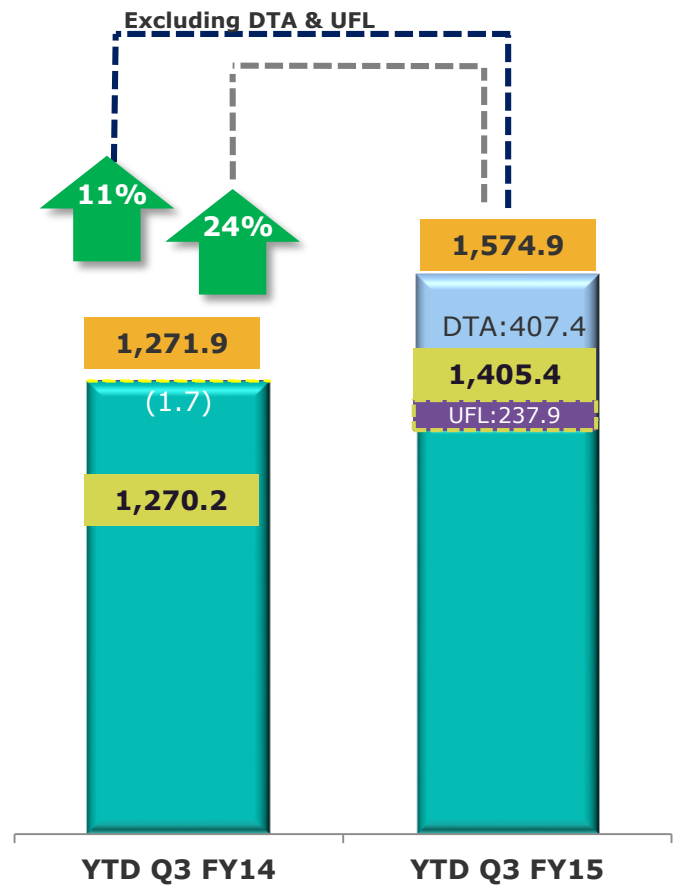
	YTD Q3 FY14	YTD Q3 FY15	YTD Q3 FY15 vs YTD Q3 FY14
Gross Profit Margin (%)	51	51	0%

Key Highlights (Year-to-date)

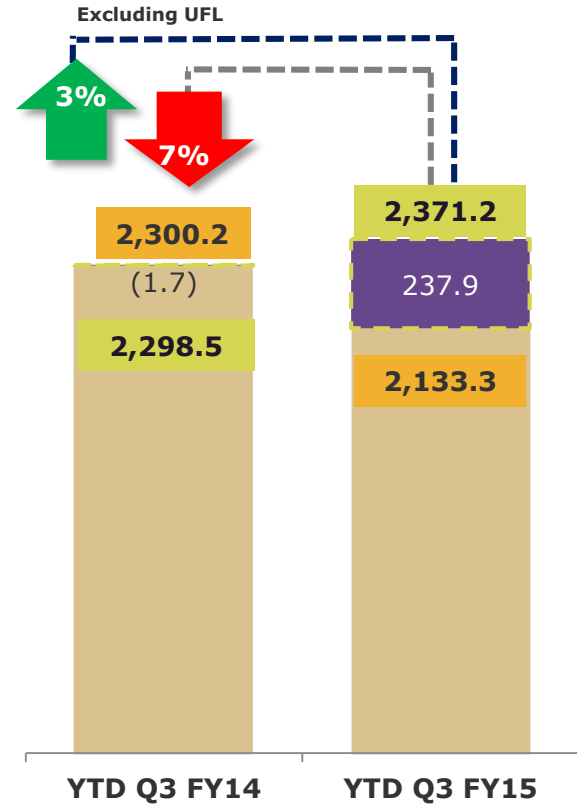
Sustainable performance for the nine months period supported by Gas Processing and Gas Transportation Business.

RM million





Profit After Tax



EBITDA



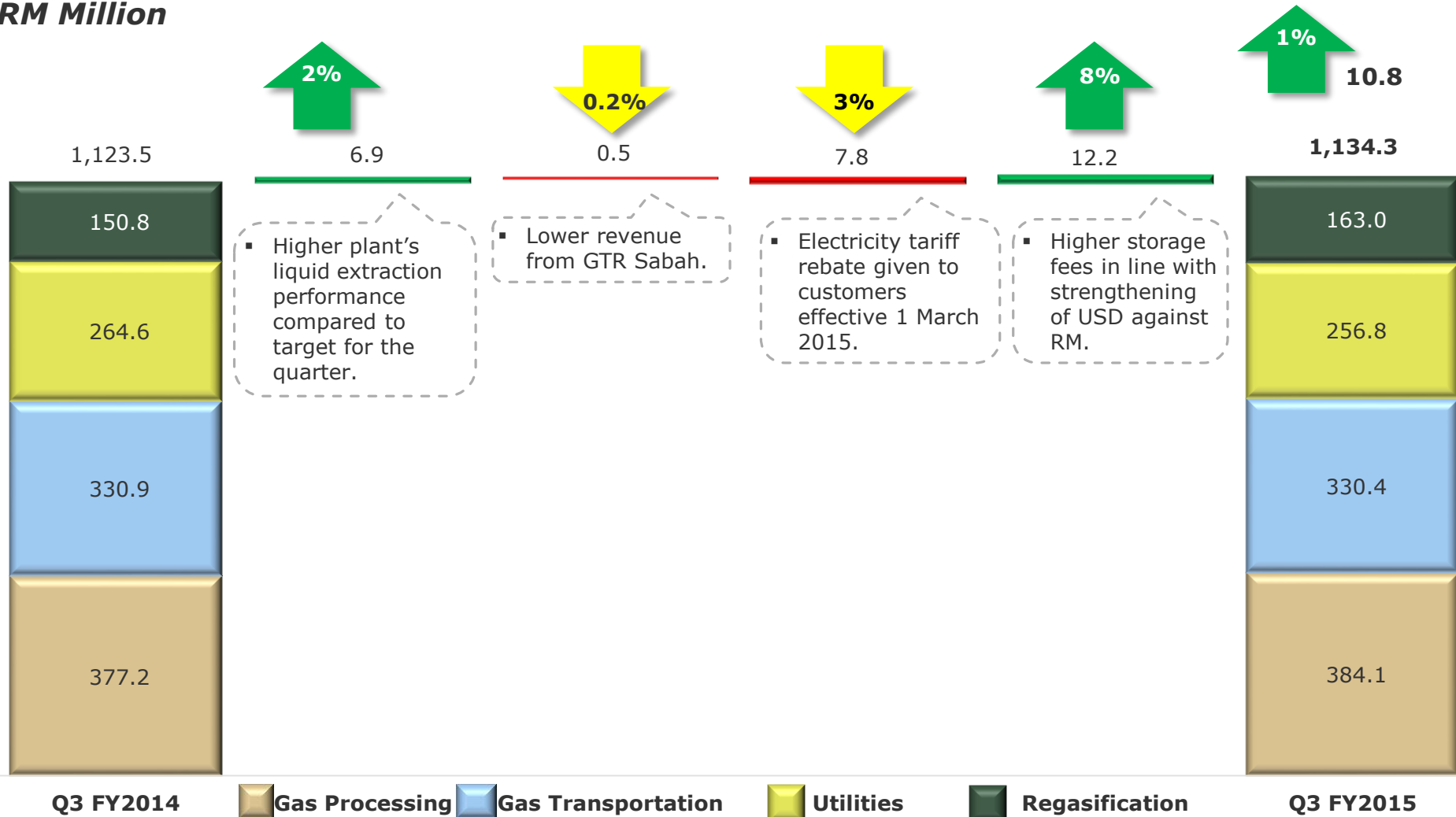
	YTD Q3 FY14	YTD Q3 FY15	YTD Q3 FY15 vs YTD Q3 FY14
EPS (sen)	64.28	79.49	↑ 24%
EPS (sen), excl DTA & UFL	64.19	70.92	↑ 11%

-  Unrealised forex loss (UFL)
 -  Deferred Tax Asset (DTA) for ITA granted for PRR
 -  Actual results
 -  Normalised results
 -  Excluding DTA or UFL
- EBITDA Earnings Before Interest, Taxes, Depreciation and Amortisation

Segmental Performance – Revenue

Higher revenue mainly contributed by higher Regasification revenue from storage fees in line with strengthening of USD against RM.

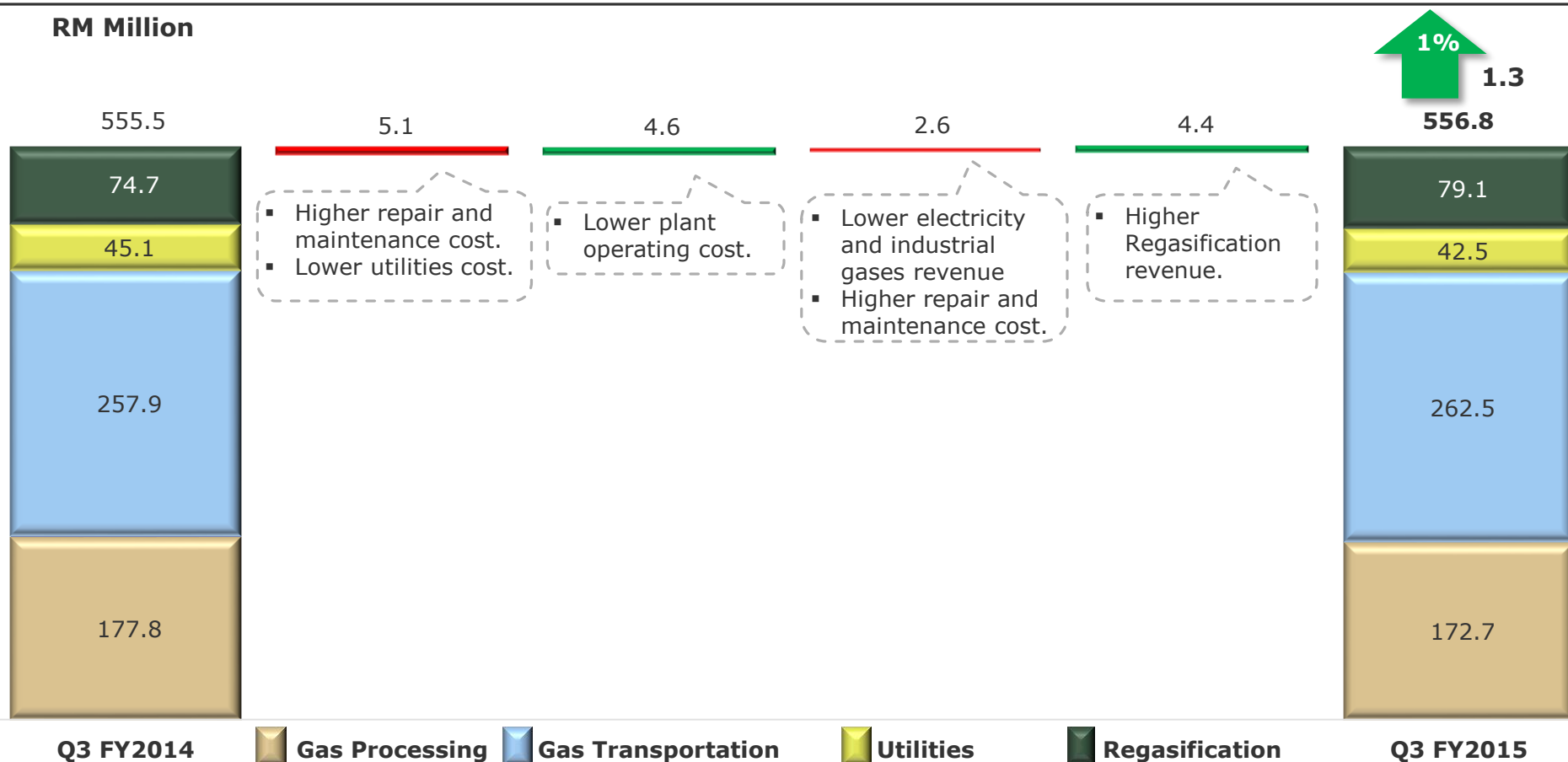
RM Million



Segmental Performance - Results

GP was higher by 1% mainly due to higher contribution by Gas Transportation and Regasification segment, partially offset by Gas Processing segment.

RM Million

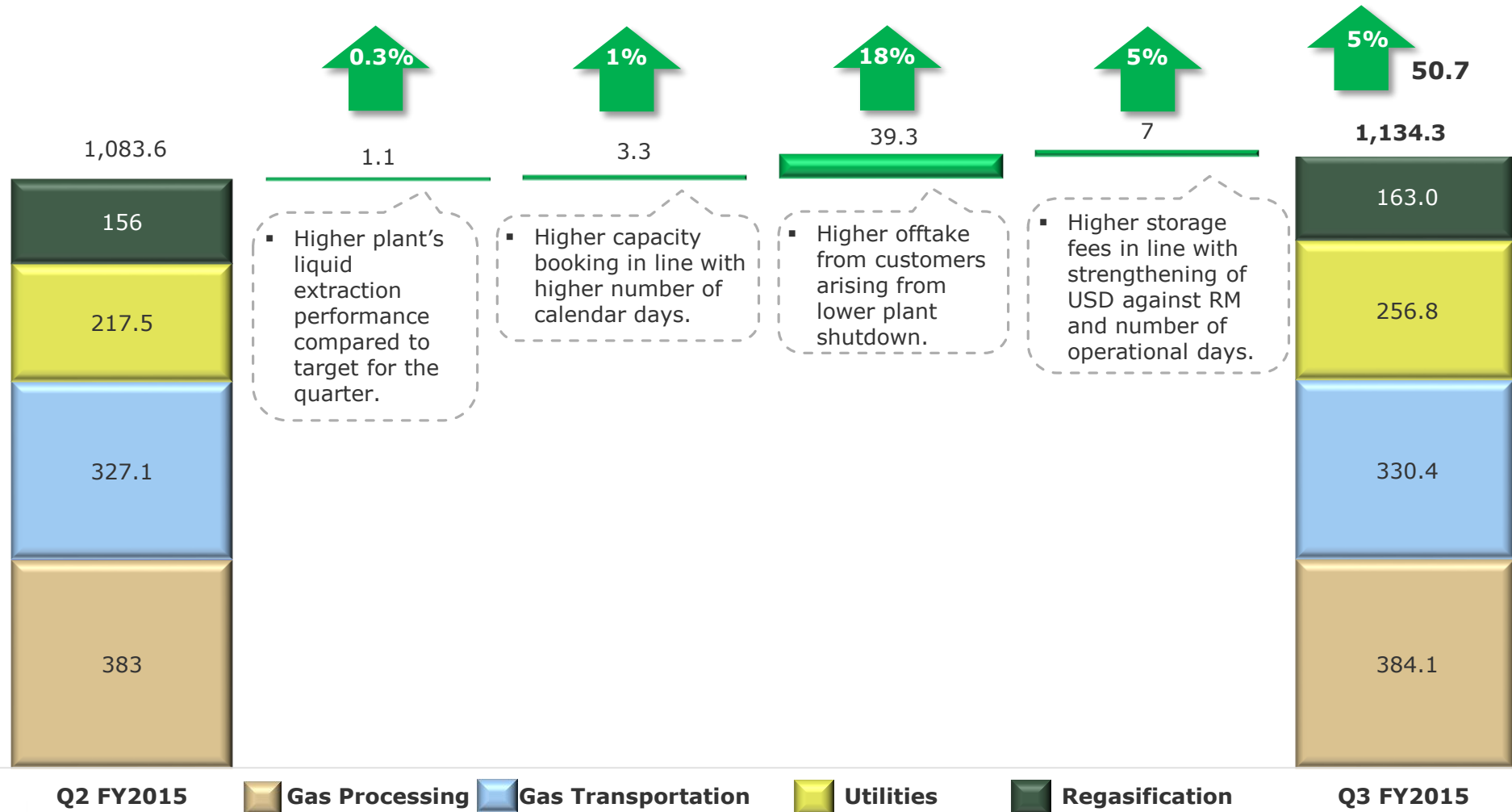


RM Million	Gas Processing			Gas Transportation			Utilities			Regasification		
	Q3 FY2015	Q3 FY2014	%	Q3 FY2015	Q3 FY2014	%	Q3 FY2015	Q3 FY2014	%	Q3 FY2015	Q3 FY2014	%
Revenue	384.1	377.2	1.8	330.4	330.9	(0.2)	256.8	264.6	(2.9)	163.0	150.8	8.1
Cost of Revenue	211.4	199.4	(6.0)	67.9	73.0	7.0	214.3	219.5	2.4	83.9	76.1	(10.2)
Gross Profit	172.7	177.8	(2.9)	262.5	257.9	1.8	42.5	45.1	(5.8)	79.1	74.7	5.9
GP Margin	45.0%	47.1%	(2.2)	79.4%	77.9%	1.5	16.5%	17.0%	(0.5)	48.5%	49.5%	(1.0)

Segmental Performance - Revenue

PGB Revenue was higher by 5% mainly contributed by higher performance from all business segments.

RM Million



Q2 FY2015

Gas Processing Gas Transportation Utilities Regasification

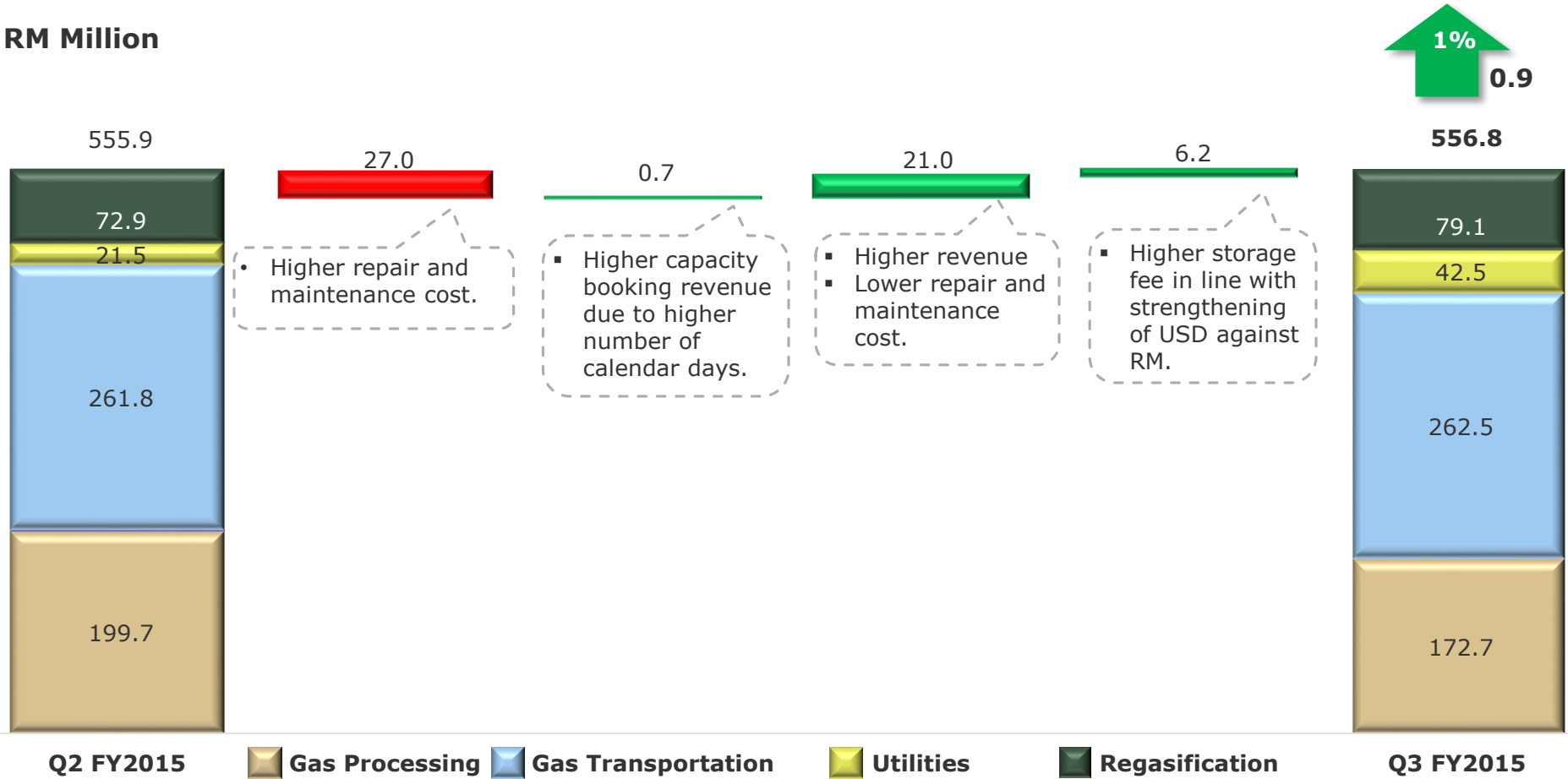
Q3 FY2015



Segmental Performance - Results

GP was slightly higher by 1% mainly due to higher contribution from Utilities segment.

RM Million

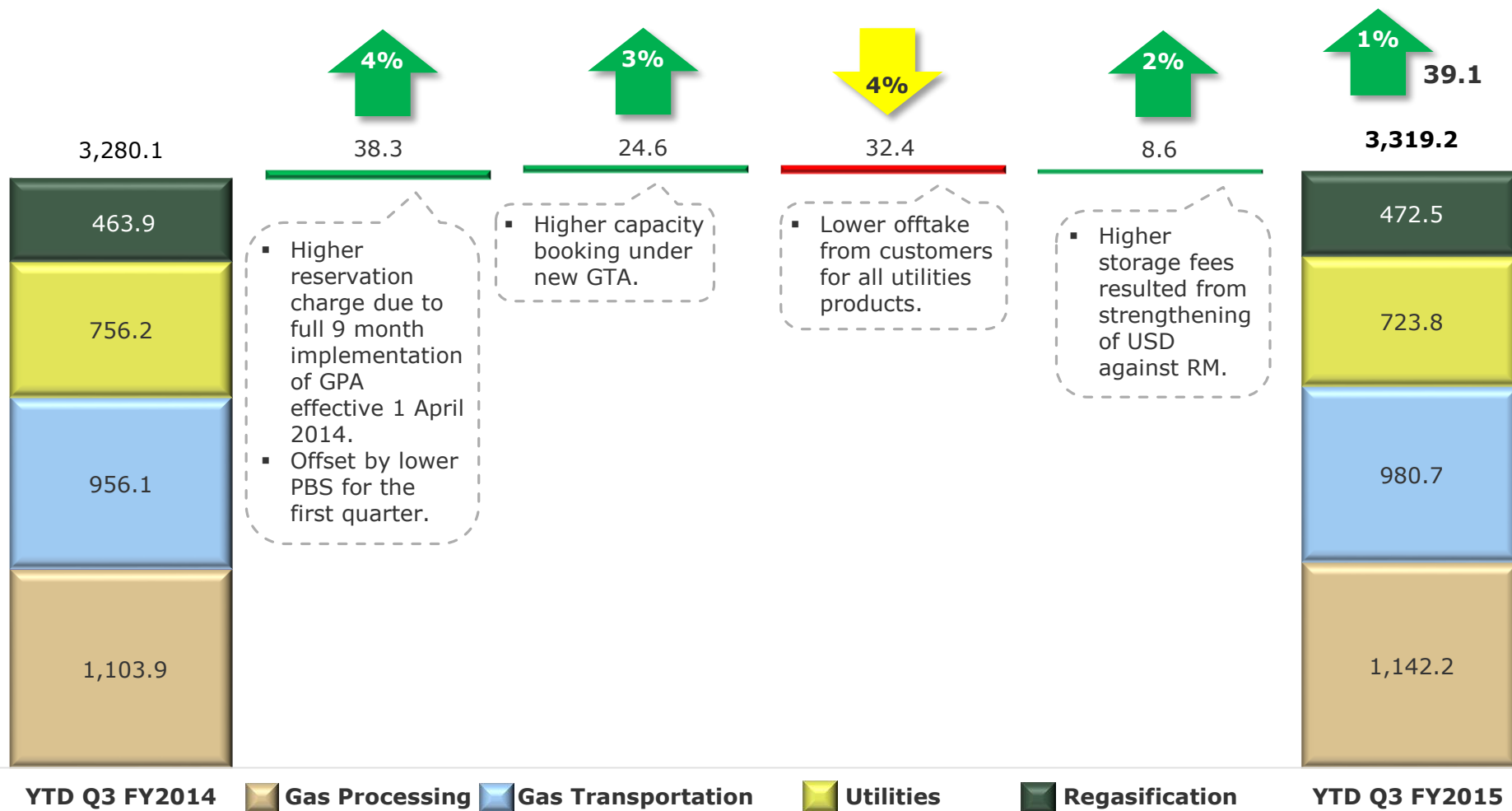


RM Million	Gas Processing			Gas Transportation			Utilities			Regasification		
	Q3 FY2015	Q2 FY2015	%	Q3 FY2015	Q2 FY2015	%	Q3 FY2015	Q2 FY2015	%	Q3 FY2015	Q2 FY2015	%
Revenue	384.1	383.0	0.3	330.4	327.1	1.0	256.8	217.5	18.1	163.0	156.0	4.5
Cost of Revenue	211.4	183.3	(15.3)	67.9	65.3	(4.0)	214.3	196.0	(9.3)	83.9	83.1	(1.0)
Gross Profit	172.7	199.7	(13.5)	262.5	261.8	0.3	42.5	21.5	97.7	79.1	72.9	8.5
GP Margin	45.0%	52.1%	(7.2)	79.4%	80.0%	(0.6)	16.5%	9.9%	6.7	48.5%	46.7%	1.8

Segmental Performance - Revenue

Higher revenue by 1% primarily contributed by Gas Processing and Gas Transportation segments.

RM Million

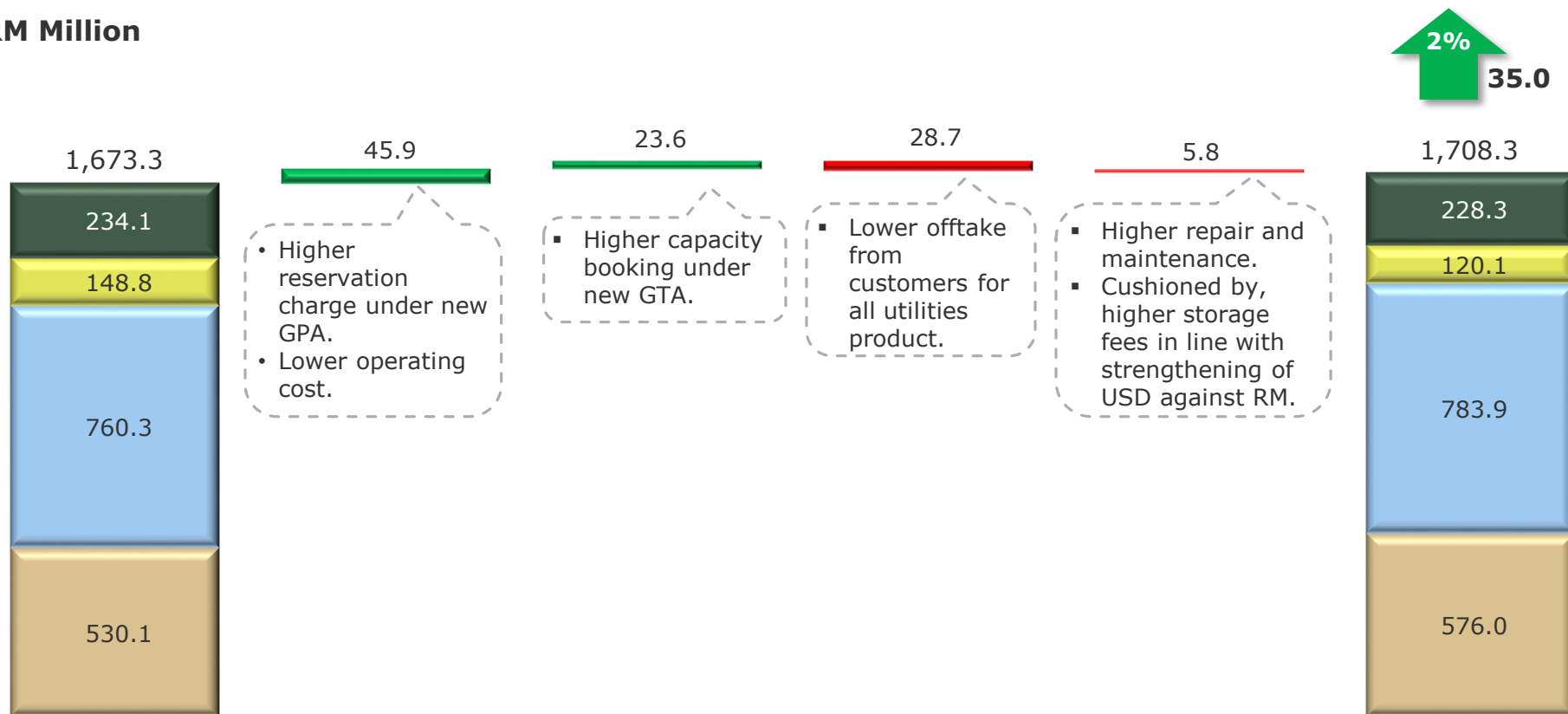


YTD Q3 FY15 VS.
YTD Q3 FY14

Segmental Performance - Results

GP was higher by 2% mainly contributed by Gas Processing and Gas Transportation segments.

RM Million



YTD Q3 FY2014



Gas Processing



Gas Transportation



Utilities



Regasification

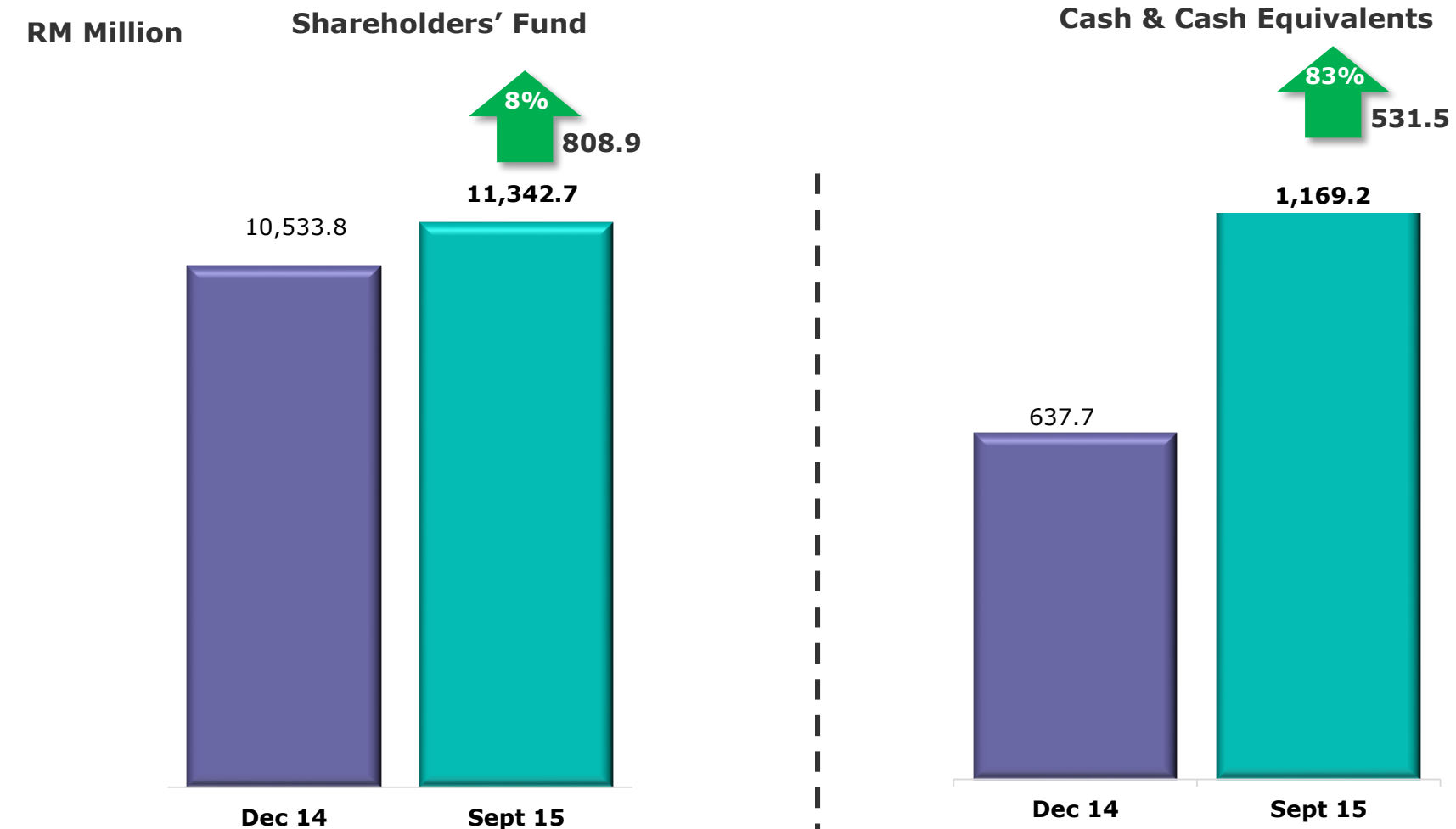
YTD Q3 FY2015


RM Million	Gas Processing			Gas Transportation			Utilities			Regasification		
	Q3 FY2015	Q3 FY2014	%	Q3 FY2015	Q3 FY2014	%	Q3 FY2015	Q3 FY2014	%	Q3 FY2015	Q3 FY2014	%
Revenue	1,142.2	1,103.9	3.5	980.7	956.1	2.6	723.8	756.2	(4.3)	472.5	463.9	1.9
Cost of Revenue	566.2	573.8	1.3	196.8	195.8	(0.5)	603.7	607.4	0.6	244.2	229.8	(6.3)
Gross Profit	576.0	530.1	8.7	783.9	760.3	3.1	120.1	148.8	(19.3)	228.3	234.1	(2.5)
GP Margin	50.4%	48.0%	2.4	79.9%	79.5%	0.4	16.6%	19.7%	(3.1)	48.3%	50.5%	(2.1)

Shareholders Fund and Cash & Cash Equivalents

Stronger shareholders' fund on the back of higher profit for the period partially offset by dividends paid to shareholders.

Stronger cash & cash equivalents mainly due to lower dividends paid and lower tax payment resulting from utilisation of tax benefit.





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Questions & Answer