



PETRONAS Gas Berhad Quarterly Results Briefing

Highlights for the 3rd Quarter ended 30 September 2016

3 November 2016

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Agenda

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

PGB Management



**Aida Aziza binti
Mohd Jamaludin**
**Chief Financial
Officer**



Harris bin Harun
**Head
Investor Relations**

Content Outline

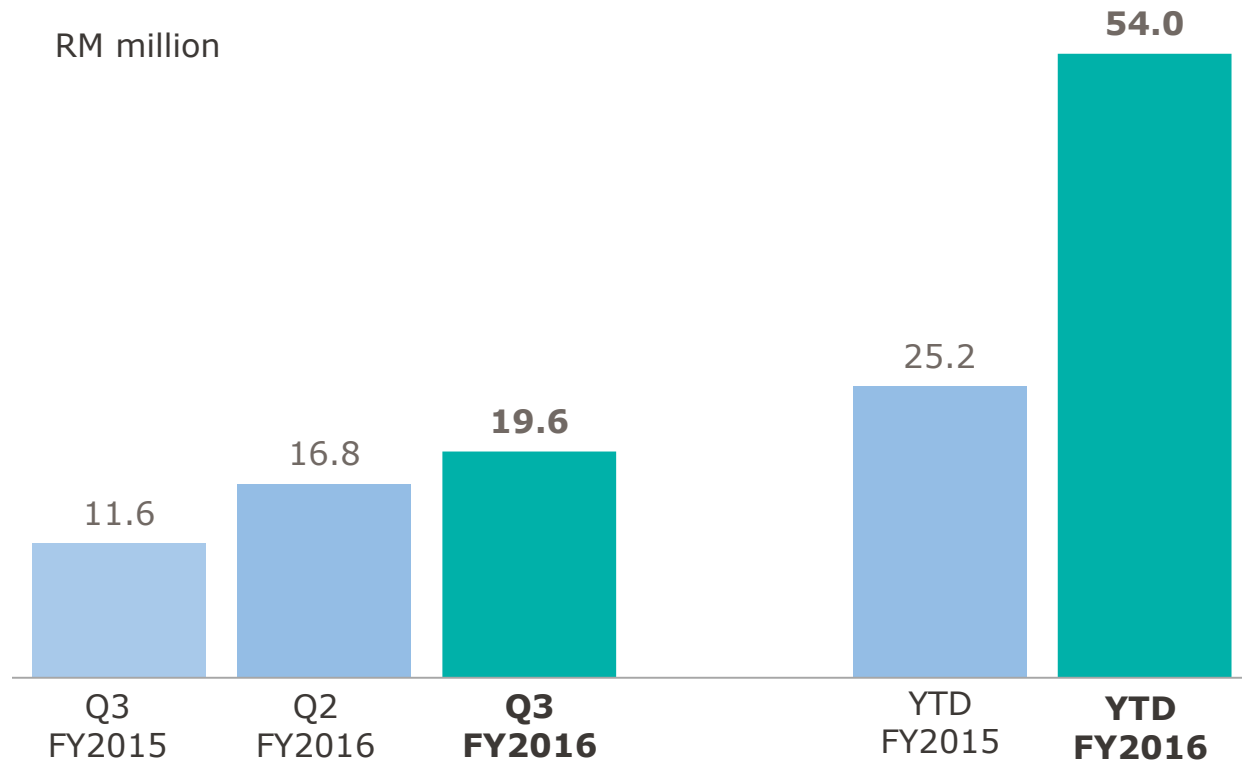
- 1 Key Highlights**
 - 2 Financial Performance**
 - 3 Major Project Updates**
- 

Key Highlights for Q3 FY2016

1

Performance Based Structure Income

PGB has exceeded the OEE target for plant liquid extraction performance resulted to achievement of 3 months PBS income for the quarter and 9 months PBS income on YTD basis.



Key Highlights for Q3 FY2016

2 Revision of Fuel gas tariff

Upwards revision of fuel gas tariff by RM1.50/mmbtu effective from 1 July 2016. No significant impact to the results as the increase in price is passed through to utilities customers except for electricity.

Price	Initial	1 Jan 14	1 Mar 15	1 July 15	1 Jan 16	1 July 16
Fuel gas (RM/mmbtu)	13.70	15.20	15.20	16.70	18.20	19.70

3 Formation of a JV Company

On 12 August 2016, PGB has entered into a Shareholders Agreement (SHA) with Linde Malaysia Sdn. Bhd. (Linde) for the formation of Pengerang Gas Solution Sdn. Bhd., a joint venture company to undertake the development of an Air Separation Unit Plant (ASU) at Pengerang, Johor.

Total ASU project cost is estimated at USD172M with PGB's portion of cost amounting to USD88M.

Content Outline

- 1 Key Highlights
- 2 Financial Performance
- 3 Major Project Updates

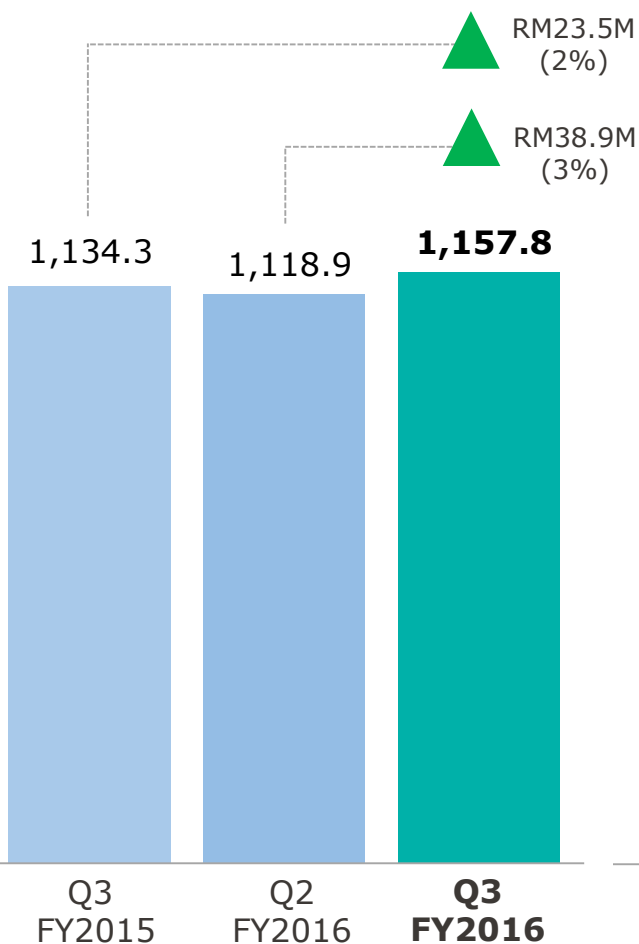


Financial Performance

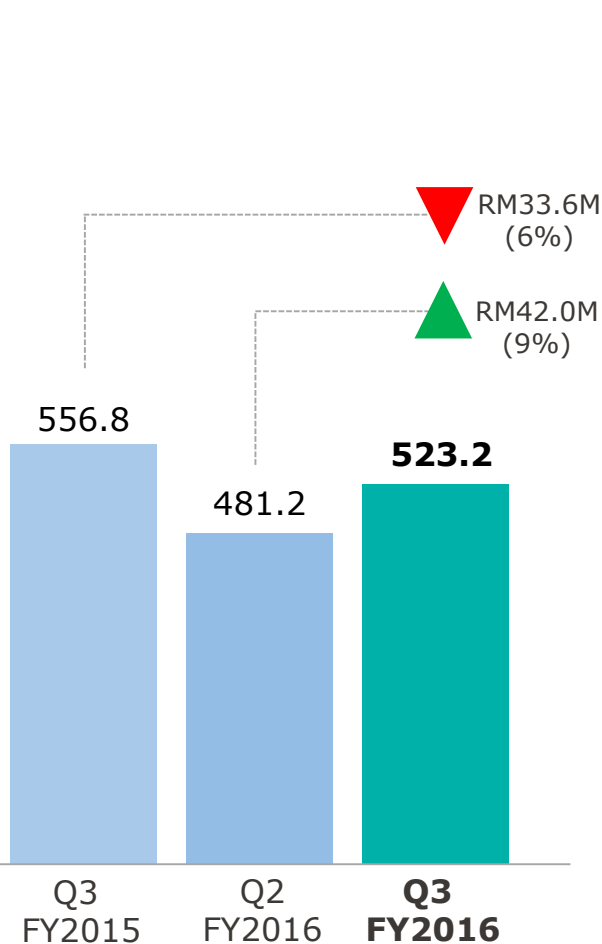
Key Financial Highlights for Q3 FY2016

RM Million

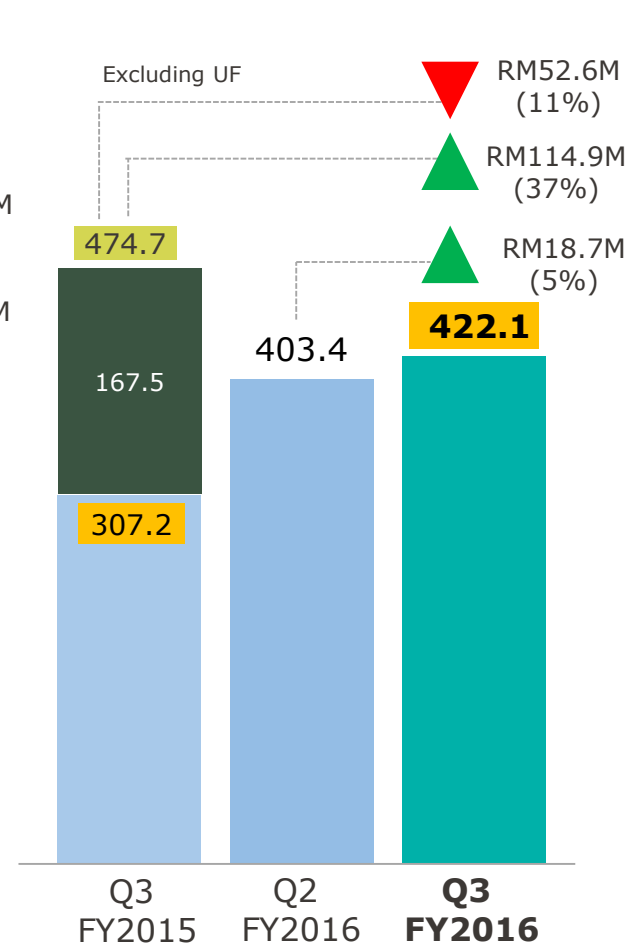
Revenue



Gross Profit



Profit After Tax



Normalised results (excluding UF)

Net Impact of unrealised forex (UF)

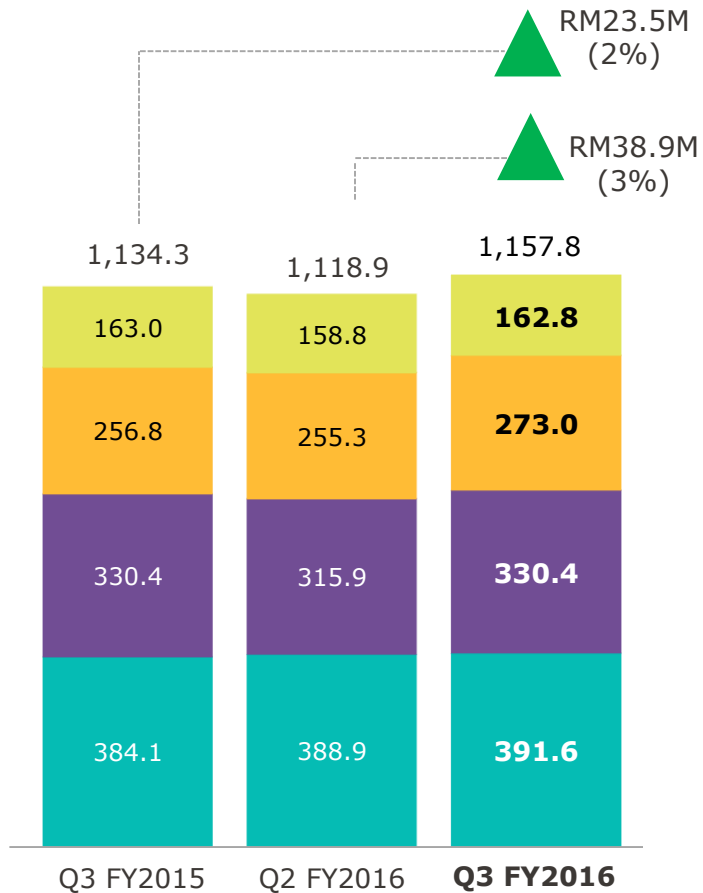
Actual results

Financial Performance



Revenue for Q3 FY2016

RM Million



- Q3 FY2016 vs Q3 FY2015 (**Corresponding**)
 - ✓ **Higher** UT revenue in line with higher offtake by customers and upward revision of fuel gas price effective 1 July 2016.
 - ✓ **Higher** GP revenue mainly contributed by Ethane PBS income.
- Q3 FY2016 vs Q2 FY2016 (**Preceding**)
 - ✓ **Higher** UT revenue in line with upward revision of fuel gas price.
 - ✓ **Higher** GT revenue due to GT Sabah adjustment in preceding quarter.

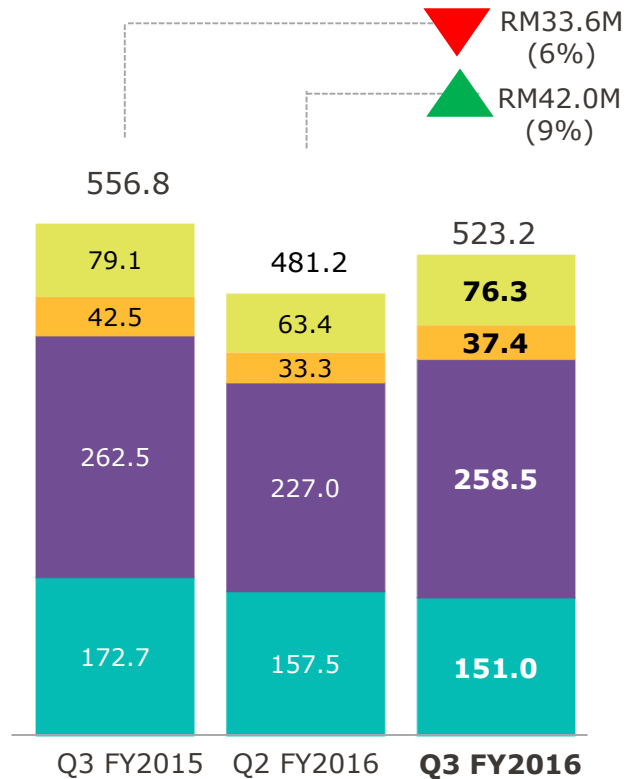
Financial Performance



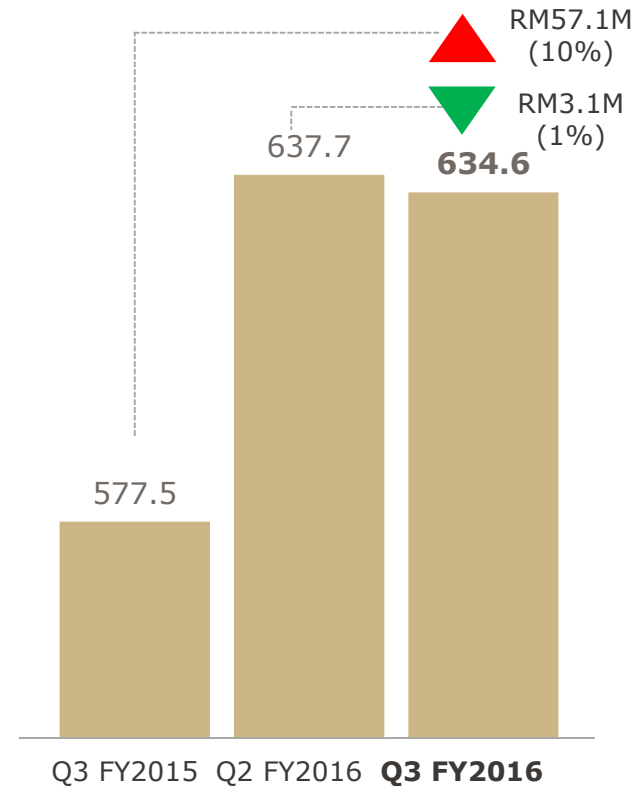
Gross Profit & Cost of Revenue (COR) for Q3 FY2016

RM Million

Gross Profit



COR



■ Gas Processing
 ■ Gas Transportation
 ■ Utilities
 ■ Regasification

- GP Q3 FY2016 vs Q3 FY2015 (*Corresponding*)
 - ✓ **Higher** operating costs due to higher depreciation and utilities cost of sales.
 - ✓ Offset by **higher** revenue.
- GP Q3 FY2016 vs Q2 FY2016 (*Preceding*)
 - ✓ **Higher** revenue.

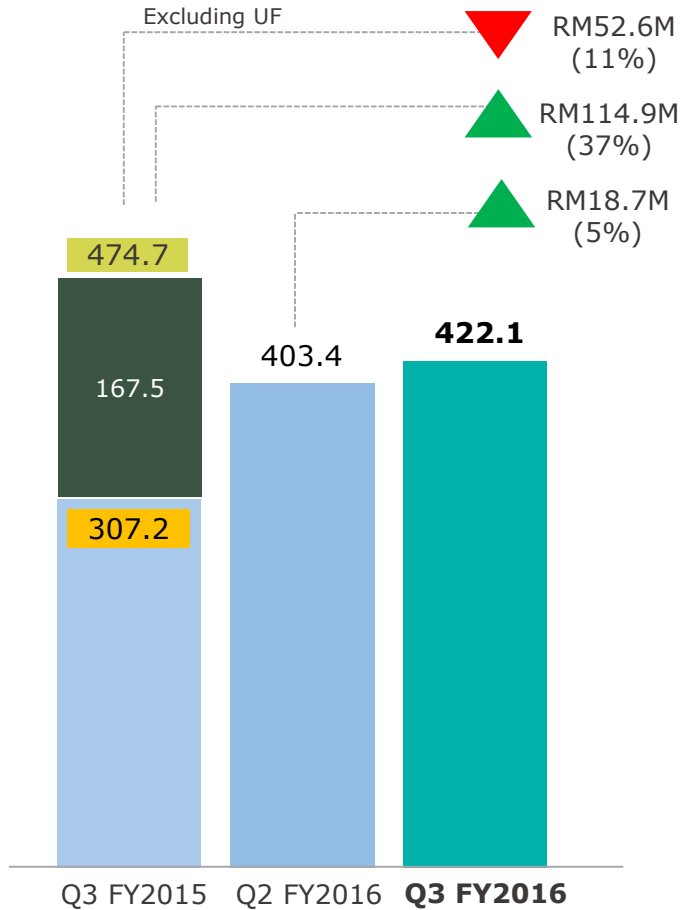
Financial Performance



Profit After Tax (PAT) for Q3 FY2016

RM Million

PAT



- Q3 FY2016 vs Q3 FY2015 (*Corresponding*)
 - ✓ **Lower** UF on finance lease liabilities due to adoption of hedge accounting in FY2016 and tax expenses due to recognition of DTA in corresponding period.
 - ✓ Excluding TI and UF, **lower** by 11%.
- Q3 FY2016 vs Q2 FY2016 (*Preceding*)
 - ✓ **Higher** revenue.

Normalised results (excluding UF)

Net impact of unrealised forex (UF)

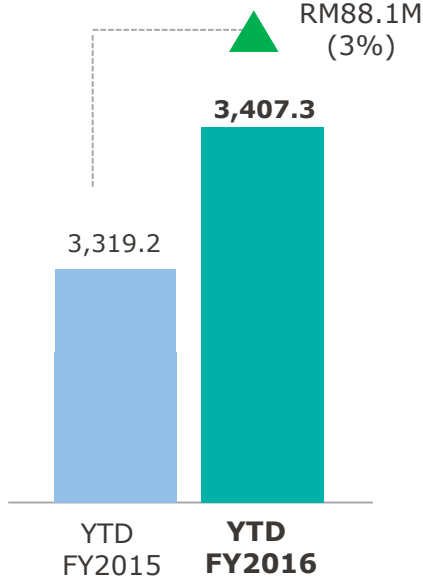
Financial Performance



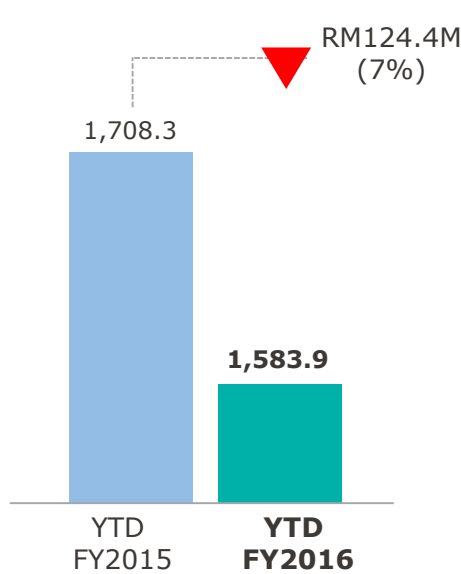
Key Financial Highlights for YTD FY2016

RM Million

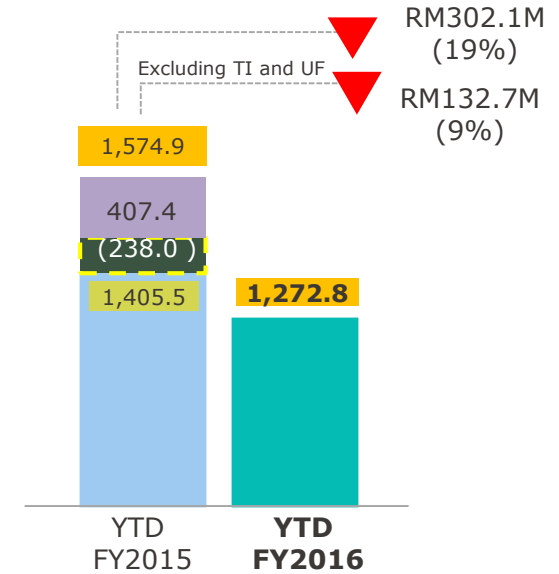
Revenue



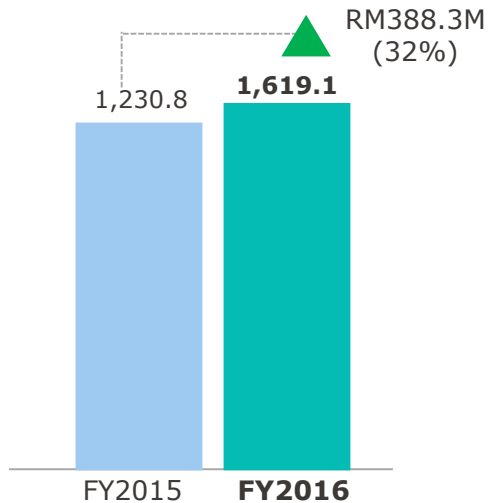
Gross Profit



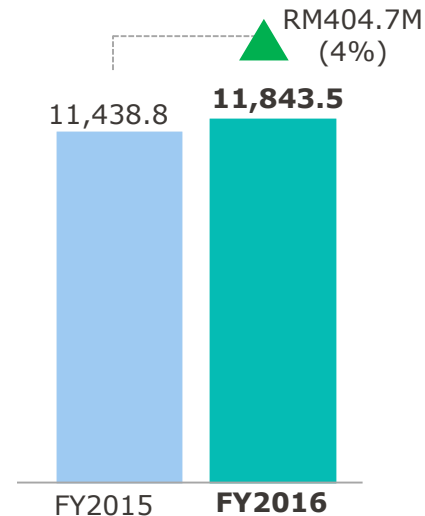
Profit after Tax



Cash



Shareholders' Fund



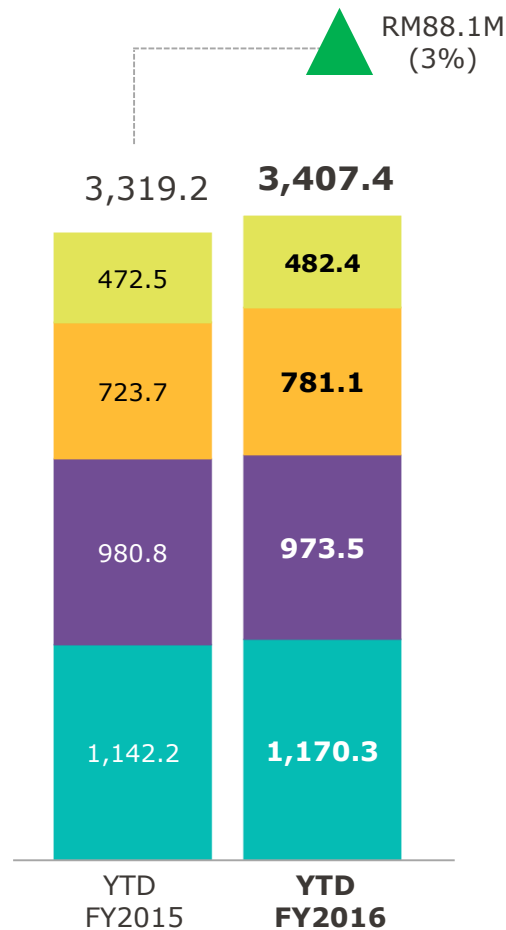
- Unrealised Forex (UF)
- Tax incentives (TI)
- Actual results
- Normalised results (excluding TI and UF)

Financial Performance



Revenue for YTD FY2016

RM Million



- ✓ **Higher** UT revenue in line with upward revision of fuel gas price effective 1 January and 1 July 2016.
- ✓ **Higher** GP revenue mainly contributed by Ethane PBS.
- ✓ **Higher** RGT storage fees due to weakening of RM.
- Partially offset by:
 - ✓ **Lower** GT Sabah revenue upon finalisation of tariff revision in April 2016.

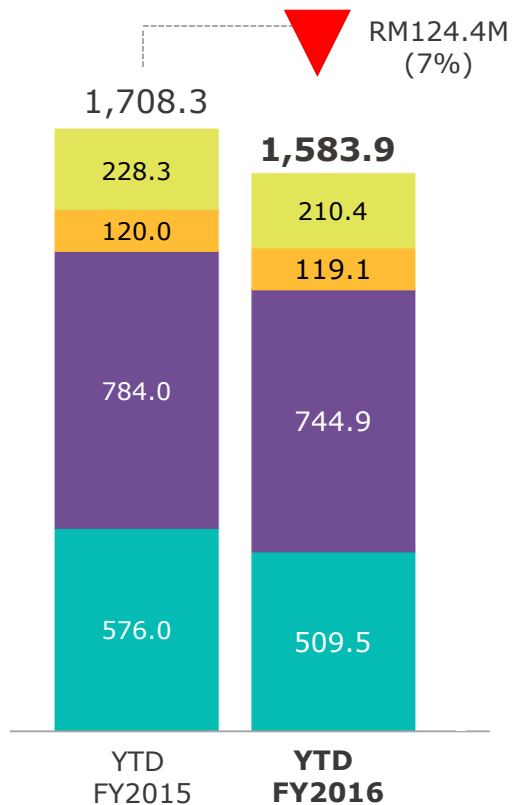
Financial Performance



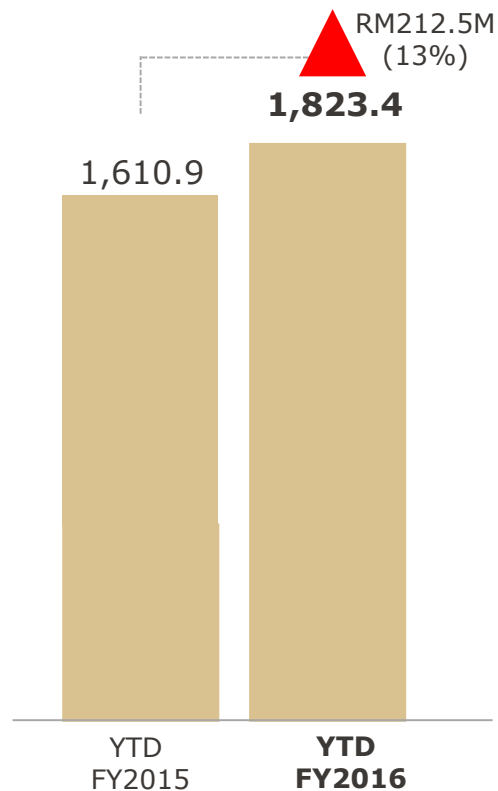
Gross Profit & Cost of Revenue (COR) for YTD FY2016

RM Million

Gross Profit



COR



Gas Processing Gas Transportation Utilities Regasification

- ✓ **Higher** COR due to higher depreciation, utilities cost of sales and repair & maintenance .
- ✓ **Lower** GP in line with higher operating costs, partially offset by higher revenue.

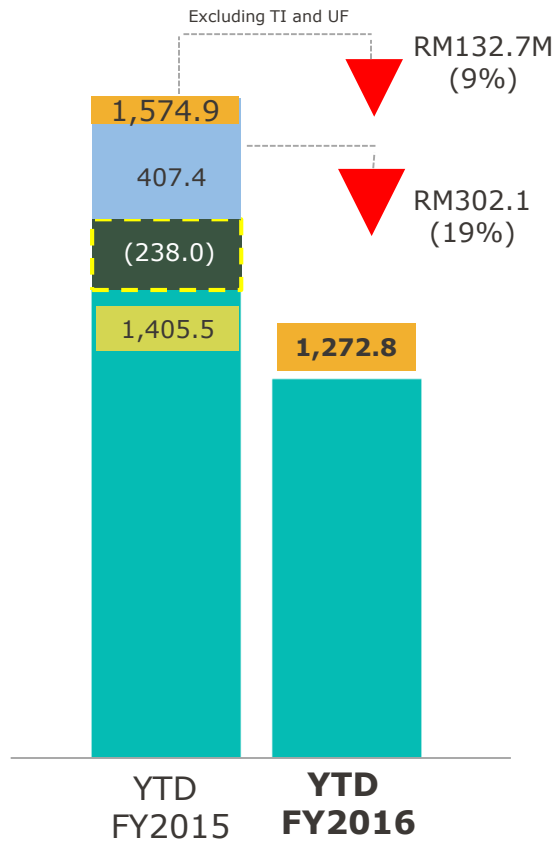
Financial Performance



Profit After Tax (PAT) for YTD FY2016

RM Million

PAT



- ✓ **Lower** due to lower tax expenses in the corresponding period due to recognition of DTA partially offset by lower UF.
- ✓ Excluding TI and UF, **lower** due to **higher** operating costs, partially offset by **higher** revenue.

■ Unrealised forex (UF) ■ Tax incentives (TI) ■ Actual results ■ Normalised results (excluding TI and UF)

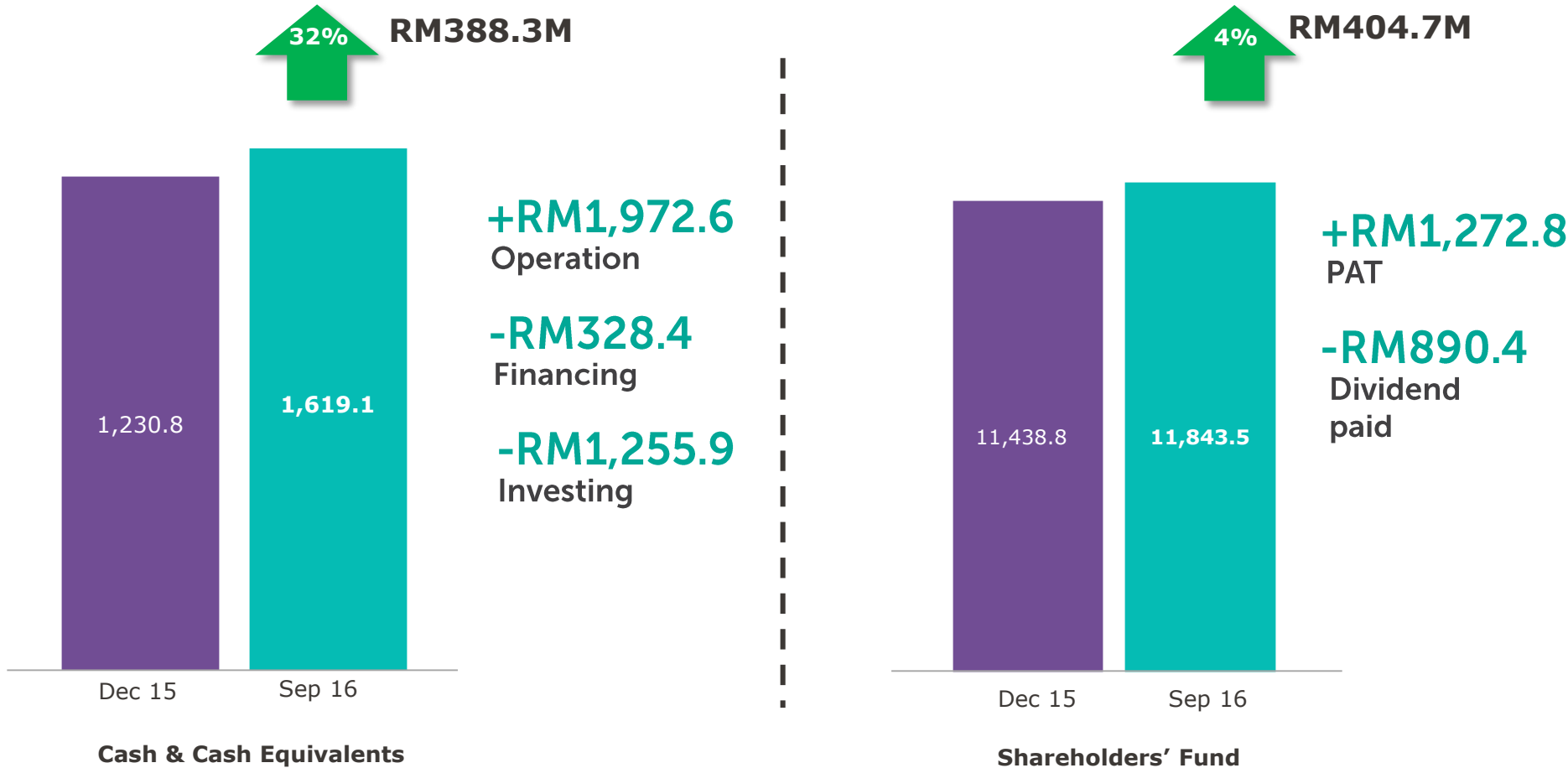
Financial Performance



Shareholders' Fund and Cash & Cash Equivalents

- Stronger shareholders' fund on the back of stable profit for the period.
- Sufficient cash from operations for dividends payment and financing CAPEX.

RM Million



Content Outline

- 1 Key Highlights
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- 3 Major Project Updates

Major Project Updates



RGTP, ASU & PGPP

Our projects supporting development of Pengerang Integrated Complex are on track and progressing well

LNG Regasification Terminal Pengerang (RGTP)



- Overall **progress 53%** to date
 - Tank 1: complete installation of inner shell course
 - Tank 2: installation of rebar roof in progress
 - Regas area: complete installation of 108 marine glass, piping, instrument air dryer and Liquid Nitrogen skid
- Target Commissioning **Q4 FY2017**

Air Separation Unit Pengerang (ASU)



- Overall **progress 1%** to date
- Target Commissioning **Q4 FY2018**

Pengerang Gas Pipeline (PGPP)

- Overall **progress 92%** to date
- Target Commissioning **Q4 FY2016**



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TRANSFORM
to **PERFORM**
Results Matter



PETRONAS

Thank you

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Questions & Answer