



# **PETRONAS Gas Berhad Quarterly Results Briefing**

**Highlights for the 4<sup>th</sup> Quarter ended 31 December 2016**

**24 February 2017**

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# Agenda

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

# PGB Management



**Aida Aziza  
Mohd Jamaludin**  
Chief Financial Officer



**Harris Harun**  
Head Investor Relations

# Content Outline

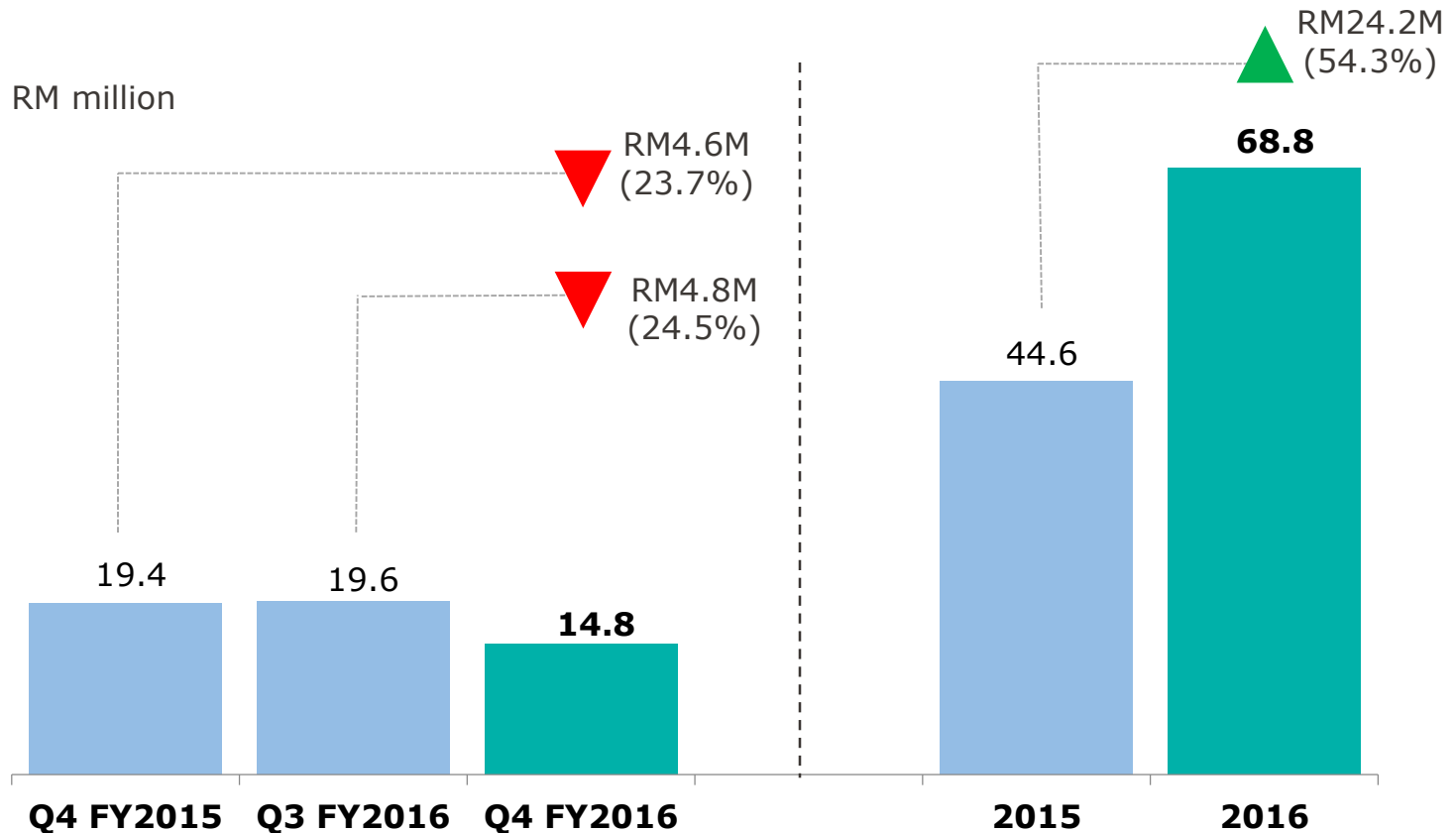
- 1 Key Highlights**
  - 2 Financial Performance**
  - 3 Major Project Updates**
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# Key Highlights for Q4 FY2016

1

## Performance Based Structure Income

- PGB has exceeded the OEE target for plant liquid extraction performance.
- Achieved PBS income (Q4 FY2016: 3 months, FY2016 : 12 months)



# Key Highlights for FY2016

## 2 Revision of Fuel Gas Tariff

- Upwards revision of fuel gas tariff by RM1.50/mmbtu effective 1 Jan and 1 July 2016 respectively.
- 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 Adoption of Hedge Accounting

- As of 1 January 2016, PGB has adopted cash flow hedge accounting to remove impact of unrealised forex on USD finance lease liability due to accounting mismatch.
- No impact on realised payment.

# Content Outline

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



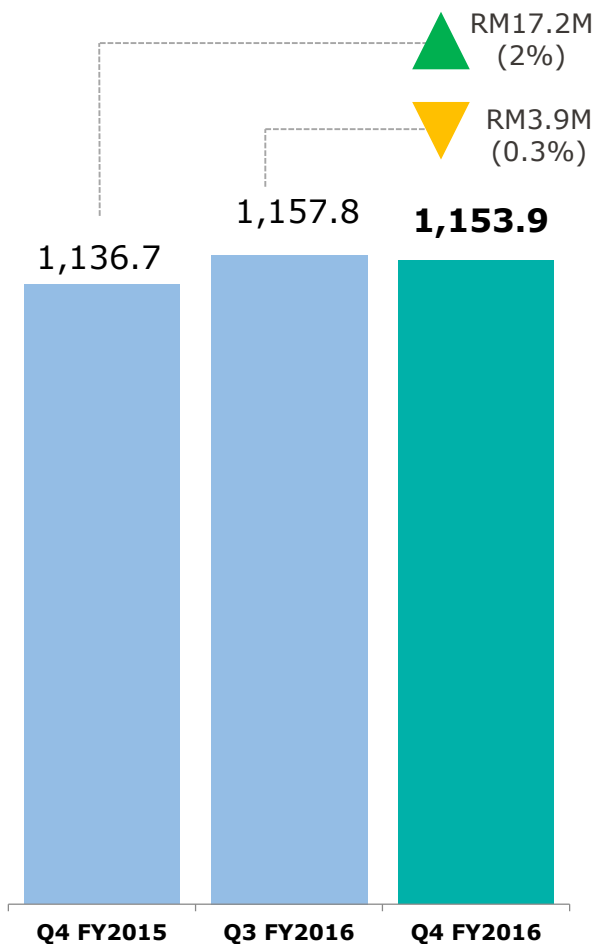


# Financial Performance

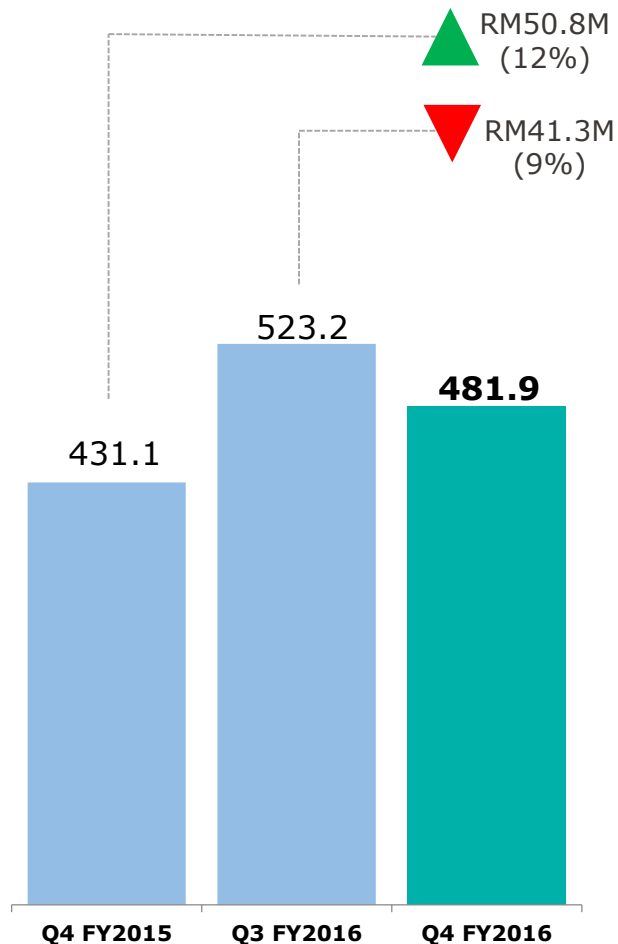
## Key Financial Highlights for Q4 FY2016

RM Million

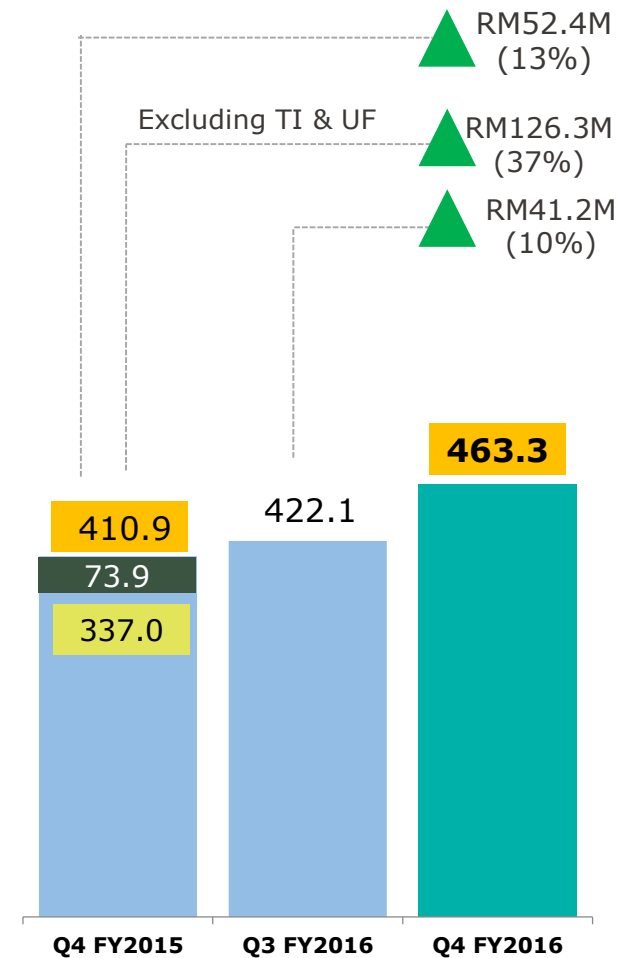
### Revenue



### Gross Profit



### Profit After Tax



Net Impact of unrealised forex (UF) and tax incentives (TI)

Actual results

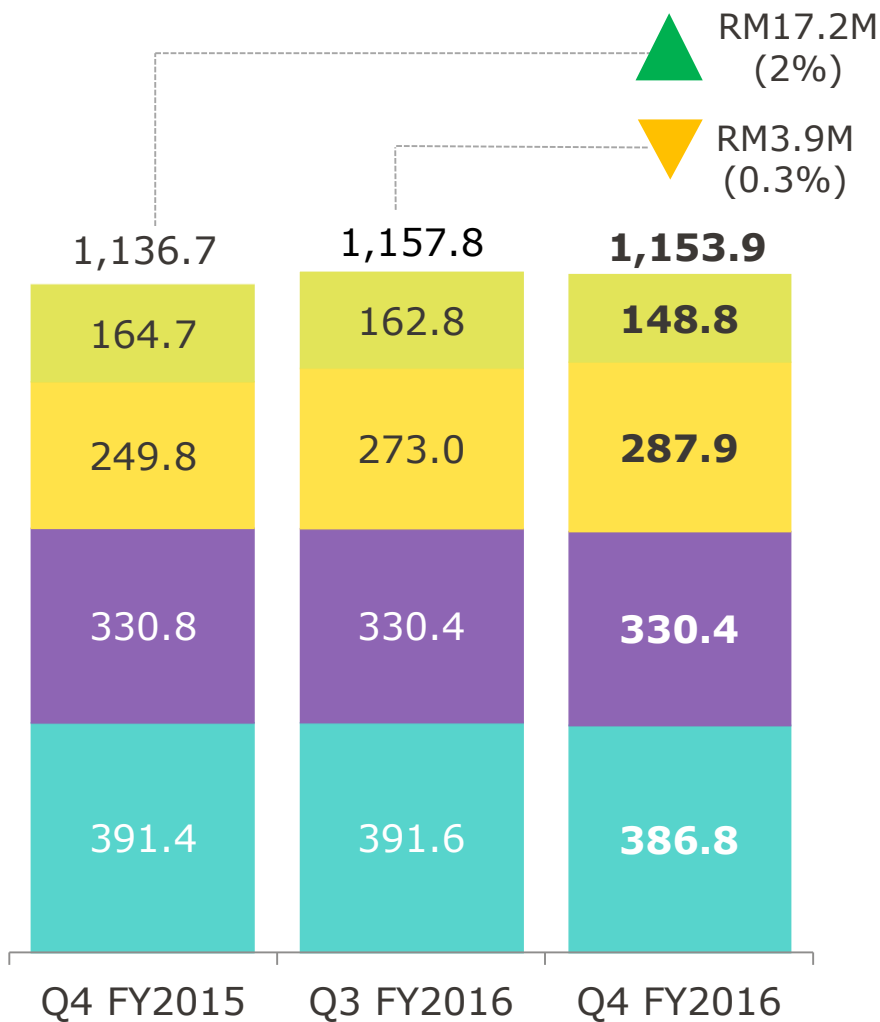
Normalised results (excluding TI and UF)

# Financial Performance



## Revenue for Q4 FY2016

RM Million



### Q4 FY2016 vs Q4 FY2015

#### *(Corresponding)*

- **Higher** UT revenue in line with upward revision of fuel gas price effective 1 January and 1 July 2016.
- Offset by **lower** RGT revenue as a result of pass through of downward **revision** of FSU OPEX charter hire rate to customer.

### Q4 FY2016 vs Q3 FY2016 *(Preceding)*

- **Lower** RGT revenue due to pass through of downward revision of FSU OPEX charter hire rate to customer.
- **Lower** tier of PBS income.
- Offset by **higher** UT revenue.

Gas Processing

Gas Transportation

Utilities

Regasification

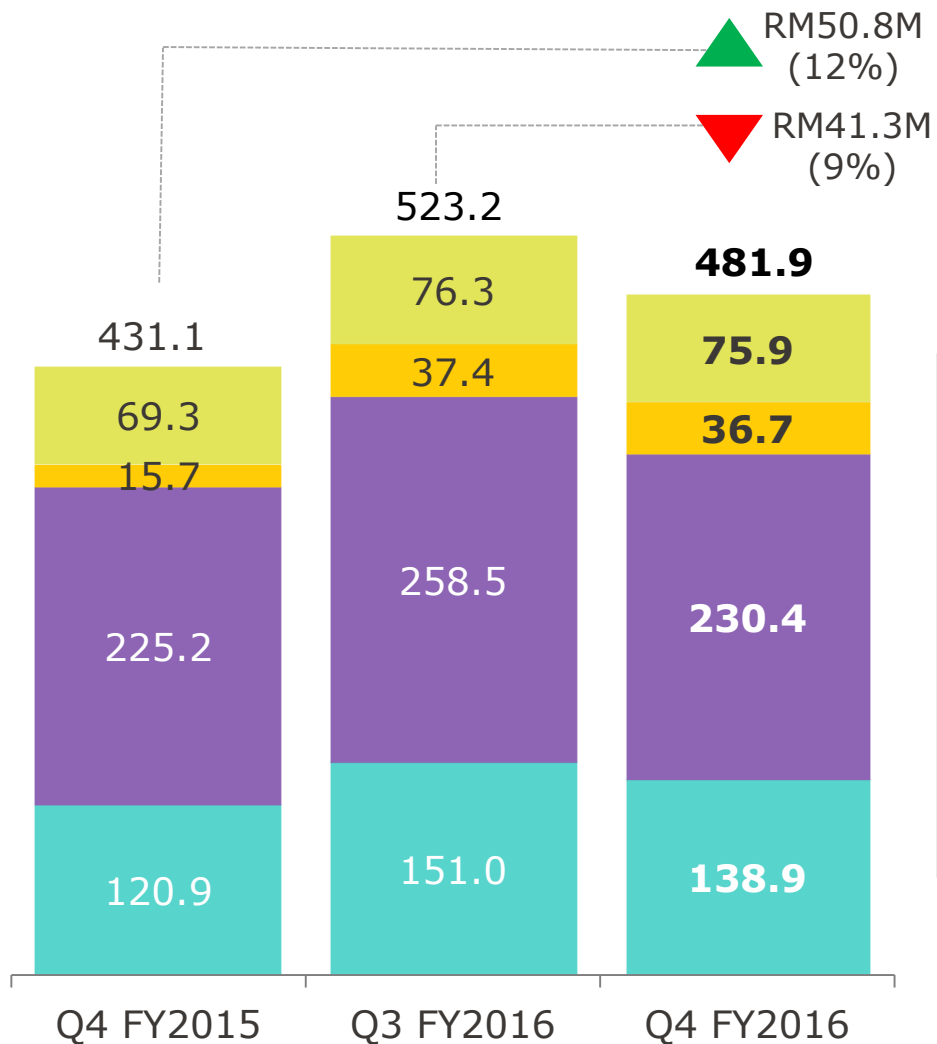
# Financial Performance



## Gross Profit for Q4 FY2016

RM Million

### Gross Profit



- GP Q4 FY2016 vs Q4 FY2015  
*(Corresponding)*
  - ✓ **Lower** operating costs due to lower repair & maintenance and plant utilities costs.
  - ✓ **Higher** revenue.
- GP Q4 FY2016 vs Q3 FY2016  
*(Preceding)*
  - ✓ **Higher** operating costs due to higher repair & maintenance.
  - ✓ **Lower** revenue.

Gas Processing Gas Transportation Utilities Regasification

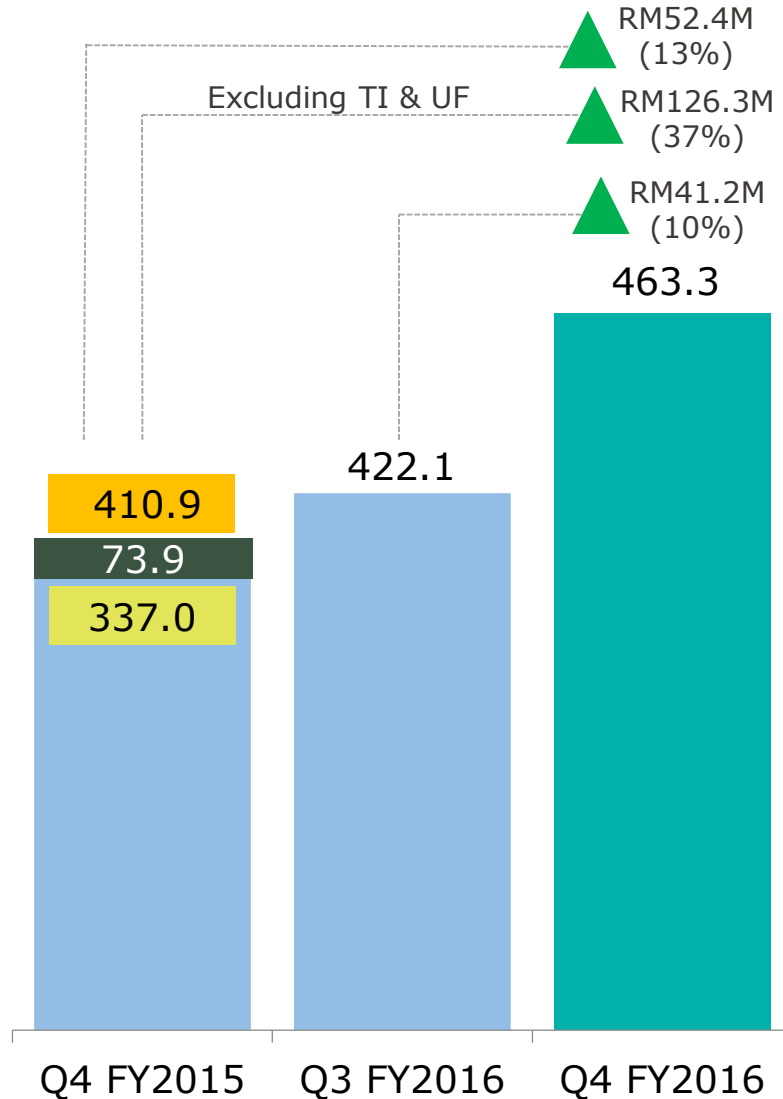
# Financial Performance



## Profit After Tax (PAT) for Q4 FY2016

RM Million

PAT



### Q4 FY2016 vs Q4 FY2015 (Corresponding)

- **Higher** gross profit.
- **Lower** tax expense due to overprovision of tax expense in prior years.
- Excluding TI and UF, **higher** by 37%.

### Q4 FY2016 vs Q3 FY2016 (Preceding)

- **Lower** tax expense due to overprovision of tax expense in prior years.
- Partially offset by **lower** gross profit.

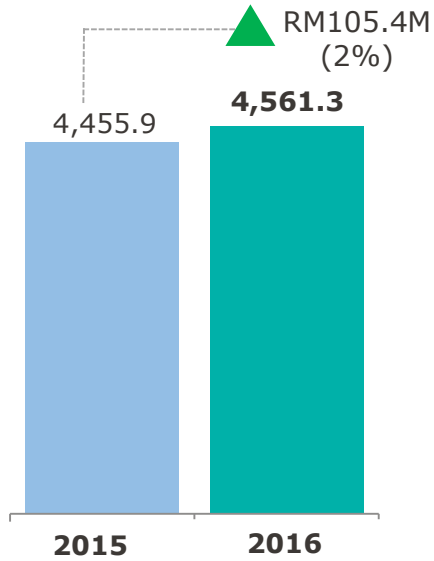
# Financial Performance

## Key Financial Highlights for FY2016

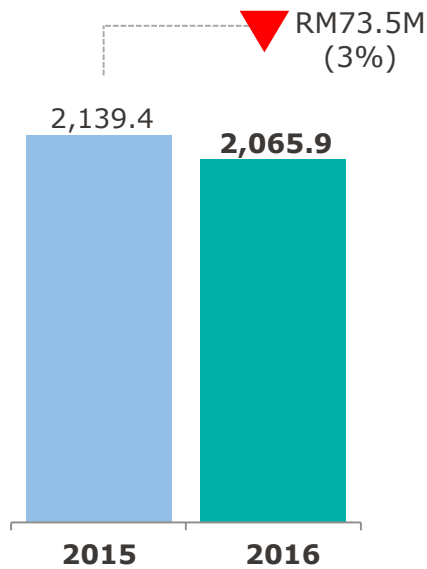


RM Million

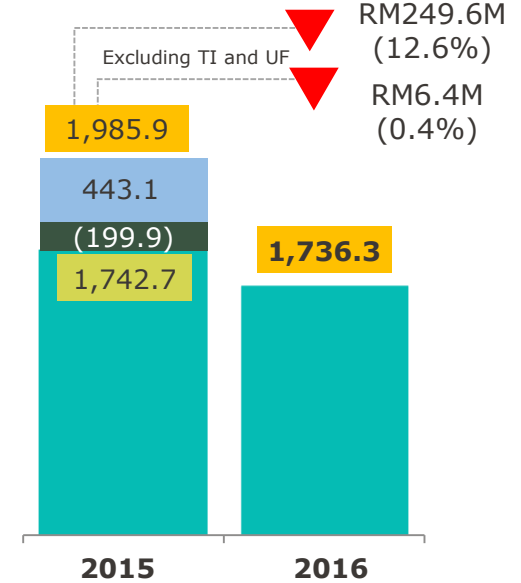
### Revenue



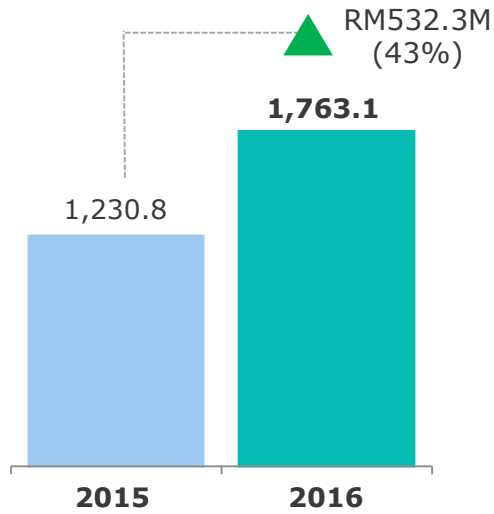
### Gross Profit



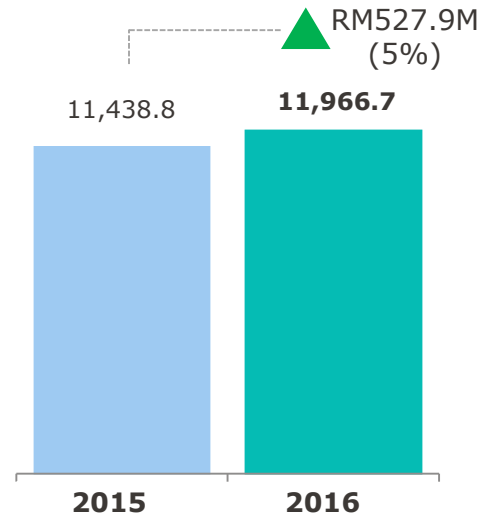
### Profit after Tax



### Cash



### Shareholders' Fund



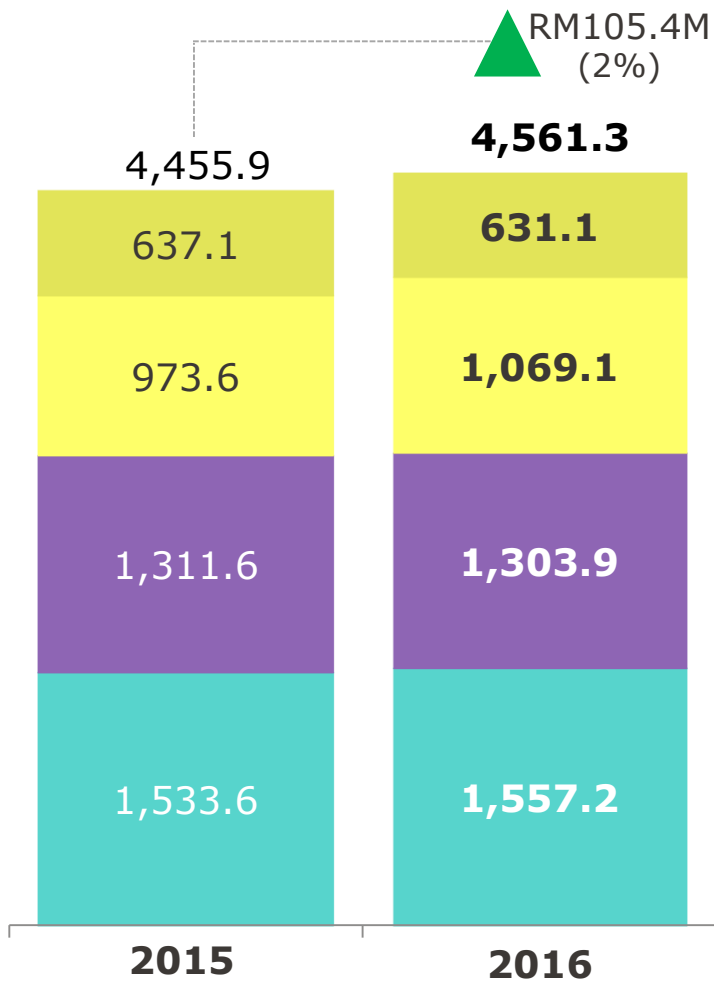
- Unrealised Forex (UF)
- Tax incentives (TI)
- Actual results
- Normalised results (excluding TI and UF)

# Financial Performance



## Revenue for 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.
- Partially offset by:
  - ✓ **Lower** GT Sabah revenue upon finalisation of tariff revision in April 2016.
  - ✓ **Lower** RGT revenue due to pass through of downward revision of FSU OPEX charter hire rate to customer.

Gas Processing Gas Transportation Utilities Regasification

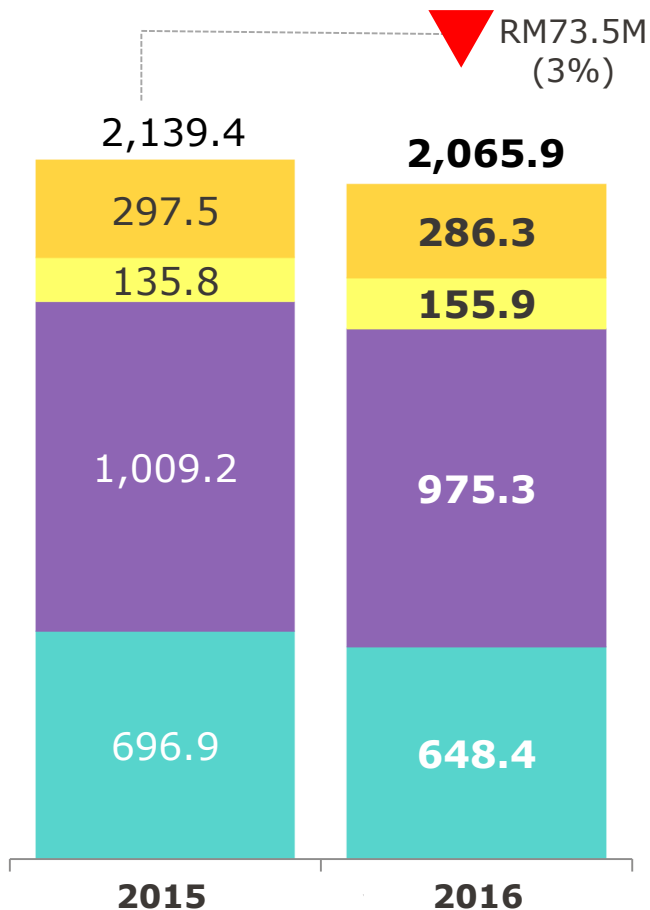
# Financial Performance



## Gross Profit for FY2016

RM Million

### Gross Profit



- ✓ **Higher** operating costs due to higher depreciation, utilities cost of sales and repair & maintenance .
- ✓ Partially offset by **higher** revenue.

Gas Processing Gas Transportation Utilities Regasification

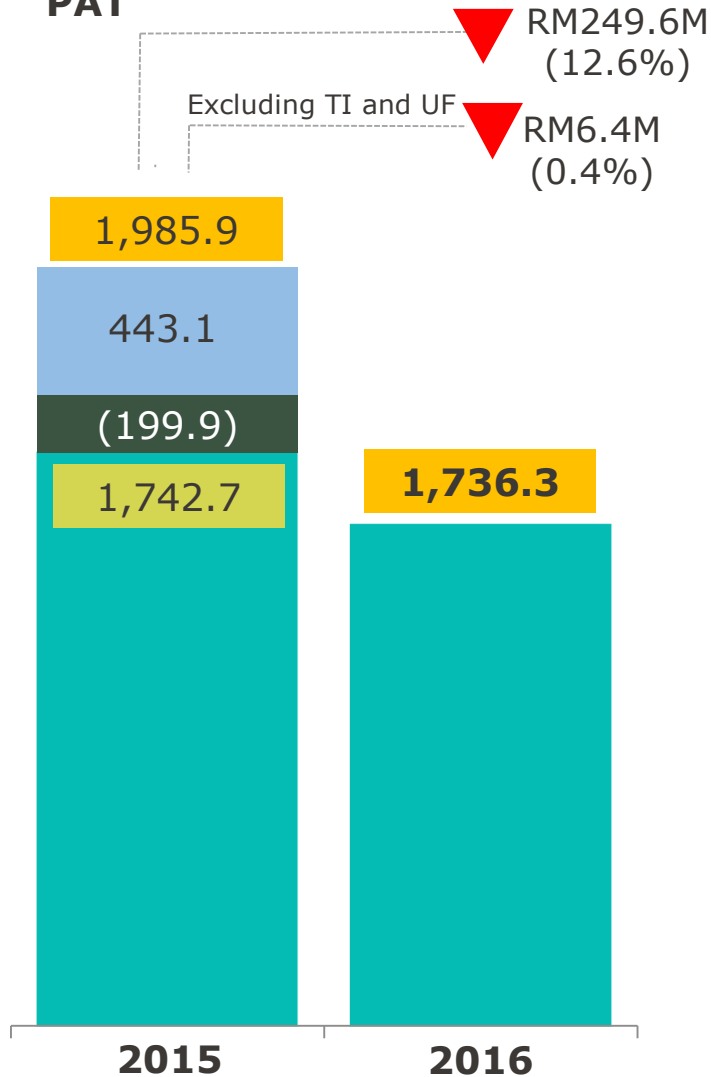
# Financial Performance



## Profit After Tax (PAT) for FY2016

RM Million

PAT



✓ **Higher** tax expense due to recognition of DTA arising from TI in corresponding year partially offset by UF.

✓ Excluding TI and UF, **lower** PAT was in line with lower gross profit.



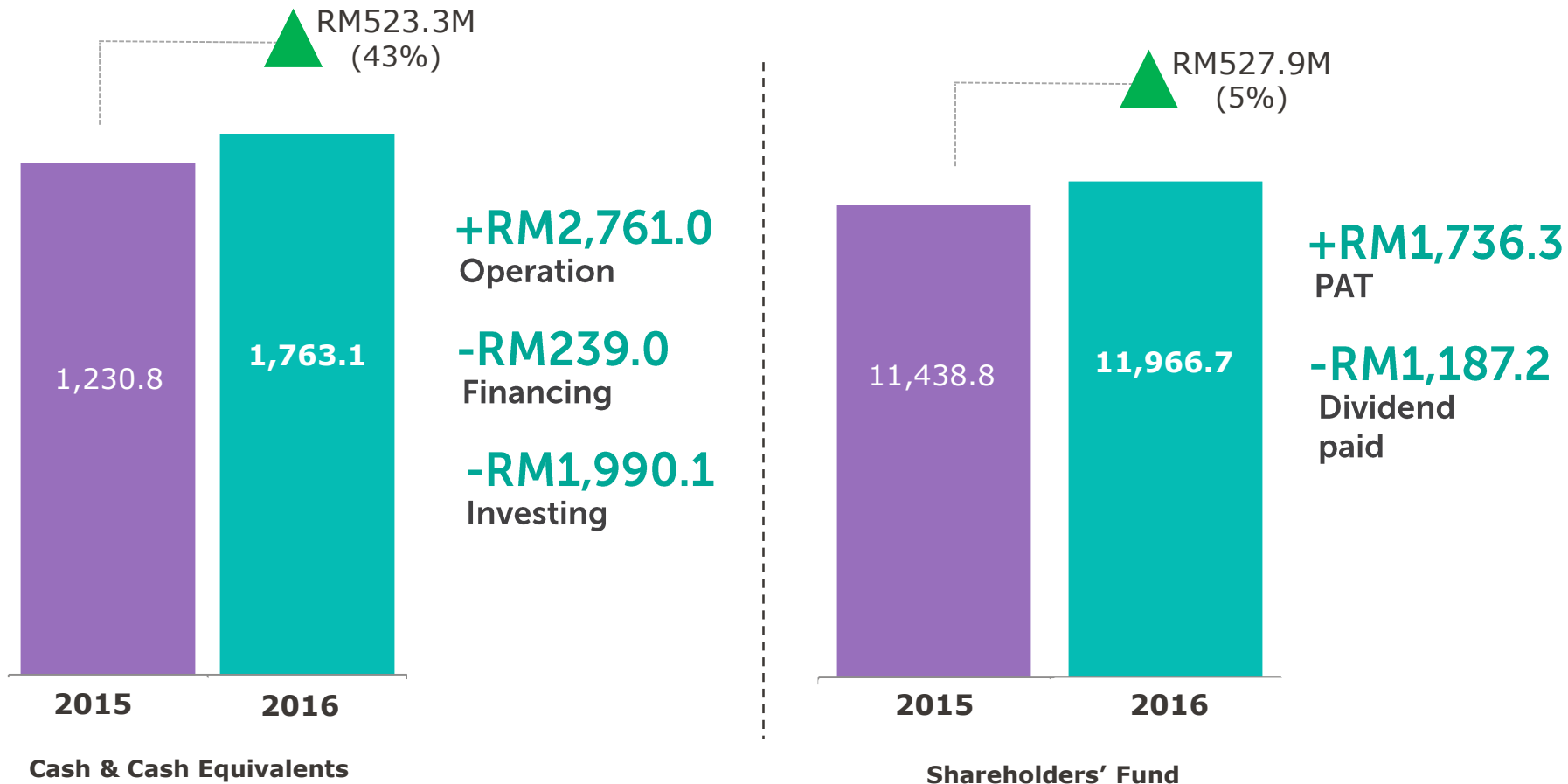
# Financial Performance



## Shareholders' Fund and Cash & Cash Equivalents

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

**RM Million**



# Content Outline

- 1 Key Highlights
- 2 Financial Performance
- 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 75%** to date
- Target Commissioning **Q4 FY2017**

### Pengerang Gas Pipeline (PGPP)

- Overall **progress 92%** to date
- Target Commissioning **Q2 FY2017**



### Air Separation Unit Pengerang (ASU)



- Overall **progress 11%** to date
- Target Commissioning **Q4 FY2018**

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**TRANSFORM**  
to **PERFORM**  
Results Matter



**PETRONAS**

**Thank you**

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# Questions & Answer