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PETRONAS Group
Financial Results Announcement
Financial Highlights

Datuk George Ratilal
Executive Vice President &
Group Chief Financial Officer
**Key External Indicators**

### Daily Dated Brent USD/bbl

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>108</td>
<td>54</td>
</tr>
<tr>
<td>Q2</td>
<td>110</td>
<td></td>
</tr>
<tr>
<td>Q3</td>
<td>102</td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td>76</td>
<td></td>
</tr>
</tbody>
</table>

**Average Dated Brent (USD/bbl)**

- **FY2014:** 108.2 USD/bbl
- **FY2014:** 76.3 USD/bbl
- **FY2015:** 54.0 USD/bbl
- **Change:** ↓50%

### Daily Exchange Rate USD/MYR

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>3.30</td>
<td>3.62</td>
</tr>
<tr>
<td>Q2</td>
<td>3.23</td>
<td></td>
</tr>
<tr>
<td>Q3</td>
<td>3.19</td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td>3.36</td>
<td></td>
</tr>
</tbody>
</table>

**Average Exchange Rate (USD/MYR)**

- **2014:** 3.30 USD/MYR
- **2015:** 3.62 USD/MYR
- **Change:** ↑10%

**Source:** Platts, Reuters
## Q1 FY2015 Operational Indicators

<table>
<thead>
<tr>
<th>Production* (kboe/d)</th>
<th>Q1 FY2014</th>
<th>Q1 FY2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crude oil &amp; Condensates</td>
<td>847</td>
<td>967</td>
</tr>
<tr>
<td>Gas</td>
<td>1,415</td>
<td>1,398</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,262</td>
<td>2,365</td>
</tr>
</tbody>
</table>

- **Production** 2,365 kboe/d
  - 5% ↑: better oil production volumes from Malaysia & Vietnam
  - Turkmenistan - Higher gas demand
  - Canada better well performance
- Negated by:
  - Egypt higher natural decline rate
  - Power sector lower gas demand

<table>
<thead>
<tr>
<th>Entitlement**</th>
<th>Q1 FY2014</th>
<th>Q1 FY2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>1,825</td>
<td>1,672</td>
</tr>
</tbody>
</table>

- **Entitlement** 1,672 kboe/d
  - 9% ↓ due to lower price

<table>
<thead>
<tr>
<th>LNG Sales Volume (MMT)</th>
<th>Q1 FY2014</th>
<th>Q1 FY2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLC</td>
<td>6.72</td>
<td>6.93</td>
</tr>
<tr>
<td>Others</td>
<td>0.93</td>
<td>1.14</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7.65</td>
<td>8.07</td>
</tr>
</tbody>
</table>

- **LNG Sales Volume** 8.07 MMT
  - 5% ↑ driven by sales from PLC

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*Represents Total Malaysia’s production and PETRONAS Group’s international equity production volume.
**Represents PETRONAS Group’s entitlement to Malaysia’s production and PETRONAS Group’s international entitlement volume

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Financial Results Announcement 31 Mar 2015, Financial Highlights | Page 2
**Group Results**

### Revenue (RM Bil)

- Q1 FY2014: 84.0
- Q4 FY2014: 79.4
- Q1 FY2015: 66.2

### EBITDA (RM Bil)

- Q1 FY2014: 34.6
- Q4 FY2014: 26.3
- Q1 FY2015: 21.9

### Profit before Tax (RM Bil)

- Q1 FY2014: 27.2
- Q4 FY2014: 20.2
- Q1 FY2015: 17.0

### Profit after Tax (RM Bil)

- Q1 FY2014: 18.8
- Q4 FY2014: 11.4
- Q1 FY2015: 11.4

**Profit before tax**

**RM17.0b (↓ 38%)**

- impacted by lower revenue due to 50% drop in benchmark crude price

  *partly offset by*

- higher crude oil, processed gas trading and LNG sales volume
- favourable movement of the USD exchange rate against the Ringgit
- pre-tax margin over revenue: 25.7% (Q1 2015) vs. 32.4% (Q1 2014)
- no significant impairments
Business Segment Results

PAT by Business Segment (includes inter-segment adjustments)

**Upstream**
RM7.9b (↓ 48%)
- Lower crude oil price *partly offset by* higher production and LNG sales volume

**Downstream**
RM1.9b (↑ 6%)
- Improved Refining Margins from domestic and international refineries

**Corporate & Others**
Other Financial Highlights

Cash Flows YTD 2015

RM Bil

- **35.8**
- **0.4**
- **18.1**
- **17.3**

Net Inflows

- Cash from operations
- New USD5 bil sukuk/notes issuance
- Net cash inflows from Other Financing
- Dividends to Minority Interest and Other cash outflows
- Dividends to Government
- Capital Investments

Net Outflows

- **45%**
- **55%**

- **12.1**

Capital Investments YTD 2015

- Issued **USD1.25 bil** of Islamic trust certificates and **USD3.75 bil** of conventional bonds in March 2015
- **Total assets - RM563.1 bil** (↑ 5% from Q4 2014)
- **Gearing was 13%** (↑ from 9.4% as at Q4 2014)

RM12.1 bil
Operational Highlights
Upstream significant milestones achieved in delivering long-term sustainable growth

Operational

5% Higher production Q1’15 vs. Q1’14

2 Greenfields 1st HC

3 Exploration Discoveries

ORRR 1.4x
RRR 1.6x

LNG Business

PETRONAS’ First Floating LNG Project Surpasses 12 Million Hours Without Lost Time Injury

2 Signing of Key LNG Agreements

GLNG delivers 1st Gas into LNG Plant

Ventures

3 PSC Signed/Awarded

1 Farm-in

Bintulu Integrated Facility (BIF) Operatorship Transfer

Others

CORAL 2.0 - “Reimagining Cost Competitiveness”

PETRONAS Advanced Computing Environment (PACE)
The fastest computing environment in Malaysia
Operational Highlights
Upstream production for Q1 FY2015 is higher than Q1 & Q4 FY2014

Higher than 2014 corresponding period
- Q1 FY2014 (↑ 5%)
- Q4 FY2014 (↑ 0.3%)

Better Upstream performance:
- Prodn. enhancement, new prodn. & ramp up from Malaysia crude + Vietnam
- Turkmenistan higher demand
- Canada better well performance

Negated by:
- Egypt higher natural decline rate
- Power sector lower gas demand

### Production (kboe/d)

<table>
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<tr>
<th>Quarter</th>
<th>Crude</th>
<th>Condensate</th>
<th>Gas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 FY2014</td>
<td>678</td>
<td>169</td>
<td>1,415</td>
</tr>
<tr>
<td>Q4 FY2014</td>
<td>788</td>
<td>166</td>
<td>1,405</td>
</tr>
<tr>
<td>Q1 FY2015</td>
<td>797</td>
<td>170</td>
<td>1,398</td>
</tr>
</tbody>
</table>

Financial Results Announcement 31 March 2015, Upstream | Page 2
Operational Highlights

LNG sales volume were higher however lower sales gas delivered were recorded.

- Higher driven by increase in trading volume & higher sales from PLC*

<table>
<thead>
<tr>
<th></th>
<th>LNG Sales Volume (mil tonnes)</th>
<th>Sales Gas Delivery (mmscfd)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 FY2014</td>
<td>7.65</td>
<td>2,882</td>
</tr>
<tr>
<td>Q4 FY2014</td>
<td>7.77</td>
<td>2,707</td>
</tr>
<tr>
<td>Q1 FY2015</td>
<td>8.07</td>
<td>2,633</td>
</tr>
</tbody>
</table>

*PLC: PETRONAS LNG Complex, Bintulu, Sarawak

- Lower power sector demand in Peninsular Malaysia
Downstream Business
Downstream Business
Driving Superior Project Execution

**RAPID: 28 main contract packages** have been awarded consisting of **Site Preparation, Construction Infrastructures, Refinery & Steam Cracker Complex (SCC), Utilities, Interconnecting & Offsite (UIO)** while remaining packages are currently under tendering activities namely **PETCHEM EPCC** contracts and expect to award remaining major packages by **Q1 2016**.

The contracts awarded in Q1 2015 are to support Construction namely Operations & Management (O&M) of Temporary Common Camp Facilities, Infrastructure, Construction Waste Management and Security Services.

**RGT2** is progressing as per milestone with completion of **1st LNG** tank load test on **21 March 2015** and has clocked 181,942 cumulative safe man-hours to-date.

**SAMUR** has achieved **90% completion** and is expected to be fully completed in **March 2016**.
**Downstream Business**

YTD Crude and Petrochemical Products Sales Volume was higher

**Crude and Petroleum Products Sales Volume**

- **Crude (↑ 29%)** and Petroleum Product (↓ 1%):
  - Crude: Higher marketing and trading activities
  - Petroleum Product: Lower domestic retail sales volume and lower trading volume

**Petrochemical Products Sales Volume**

- **Petrochemical Products (↑ 14%)**:
  - Higher sales for methanol, urea and ammonia in line with higher production supported by improved feedgas supply and better plant reliability. Also no statutory maintenance activities.
Downstream Business

Improvement in petrochemical and domestic refineries performance

- **Domestic Refineries** – less shutdown and slowdown
- **Petrochemical Plants** – better plant reliability and improved methane gas supply
- **Gas Processing Plants** – lower feedgas processed due to lower salesgas demand
- **Engen Refinery** – additional maintenance activities

### Plant Utilisation (%)

- **Q1 FY2014**
  - Gas Processing Plants: 91.4%
  - Domestic Refineries: 81.9%
  - Petrochemical Plants: 79.7%
  - Engen Refinery: 79.2%

- **Q1 FY2015**
  - Gas Processing Plants: 90.1%
  - Domestic Refineries: 88.4%
  - Petrochemical Plants: 77.6%
  - Engen Refinery: 77.3%

### Plant Reliability (%)

- **Q1 FY2014**
  - Gas Processing: 100.00%
  - Gas Transmission: 99.90%

- **Q1 FY2015**
  - Gas Processing: 99.97%
  - Gas Transmission: 95.30%
Thank You