

PETRONAS Group Financial Results Announcement

Quarter and Financial Year Ended
31 December 2012



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Forward-looking statements involve inherent risks and uncertainties. Should one or more of these or other uncertainties or risks materialise, actual results may vary materially from those estimated, anticipated or projected. Specifically, but without limitation, capital costs could increase, projects could be delayed, and anticipated improvements in capacity, performance or profit levels might not be fully realised. Although PETRONAS believes that the expectations of its management as reflected by such forward-looking statements are reasonable based on information currently available to it, no assurances can be given that such expectations will prove to have been correct. Accordingly, you are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date they are made. PETRONAS undertakes no obligation to update or revise any of them, whether as a result of new information, future developments or otherwise.

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PETRONAS Group Financial Results Announcement

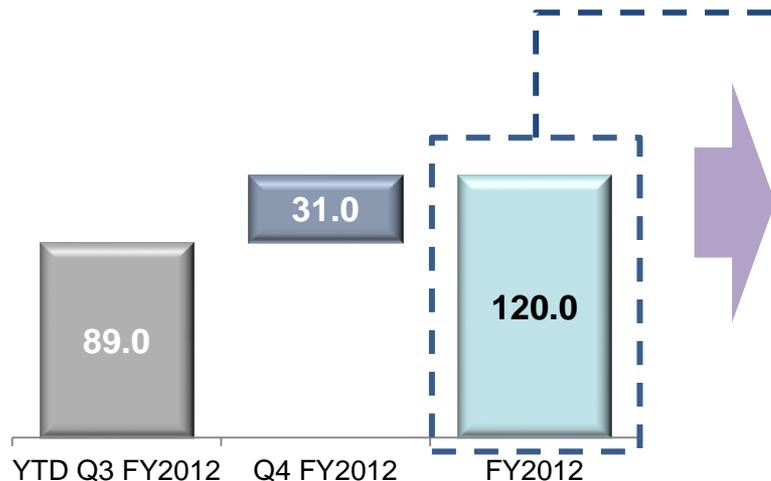
Datuk George Ratilal
Executive Vice President
Finance



Sustained operating performance under challenging circumstances...

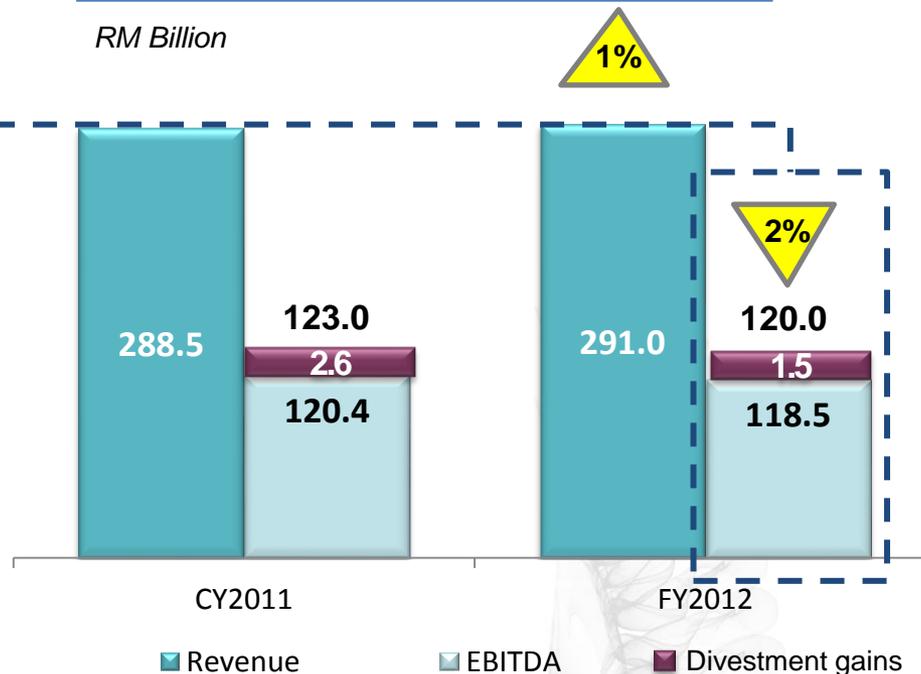
YTD Q3 & Q4 EBITDA

RM Billion



FY2012 KEY FINANCIAL INDICATORS

RM Billion



Avg Dated Brent
(USD/bbl)

Avg monthly JCC
(USD/bbl)

Avg Dated Brent
(USD/bbl)

Avg monthly JCC
(USD/bbl)

YTD Q3	Q4	% Change	YTD Q3	Q4	% Change
112	110	2%	117	106	10%

2011	2012	% Change	2011	2012	% Change
111	111	0%	102	114	12%

Exchange rate
(MYR/USD)

YTD Q3	Q4	% Change
3.099	3.057	0.04

Exchange rate
(MYR/USD)

2011	2012	% Change
3.059	3.088	0.03

EBITDA sustained at RM120 billion...

Year-on-year performance...

- Avg Brent stable at USD111/bbl;
- Avg JCC (LNG) better by 12%;
- Better production, ex-South Sudan;

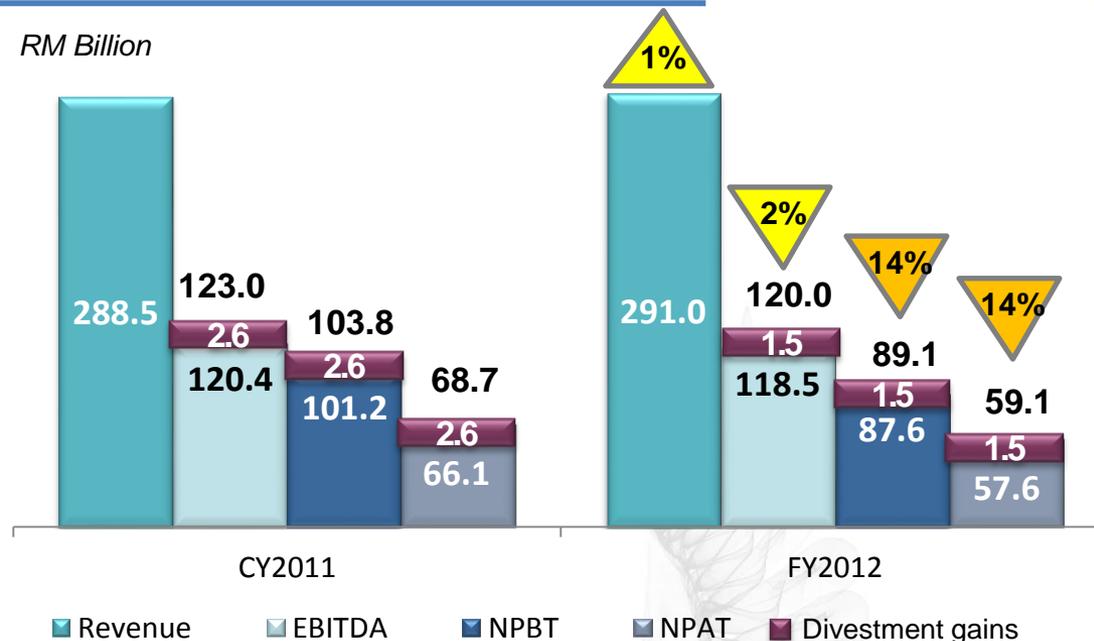
But NPAT affected by:

- Cessation of South Sudan operations – loss of ~120 kboe/day of production;
- Impairment on Egypt investments.

2012 National Trust Fund contribution - RM2 billion (2011: RM1 billion)

FY2012 KEY FINANCIAL INDICATORS

RM Billion

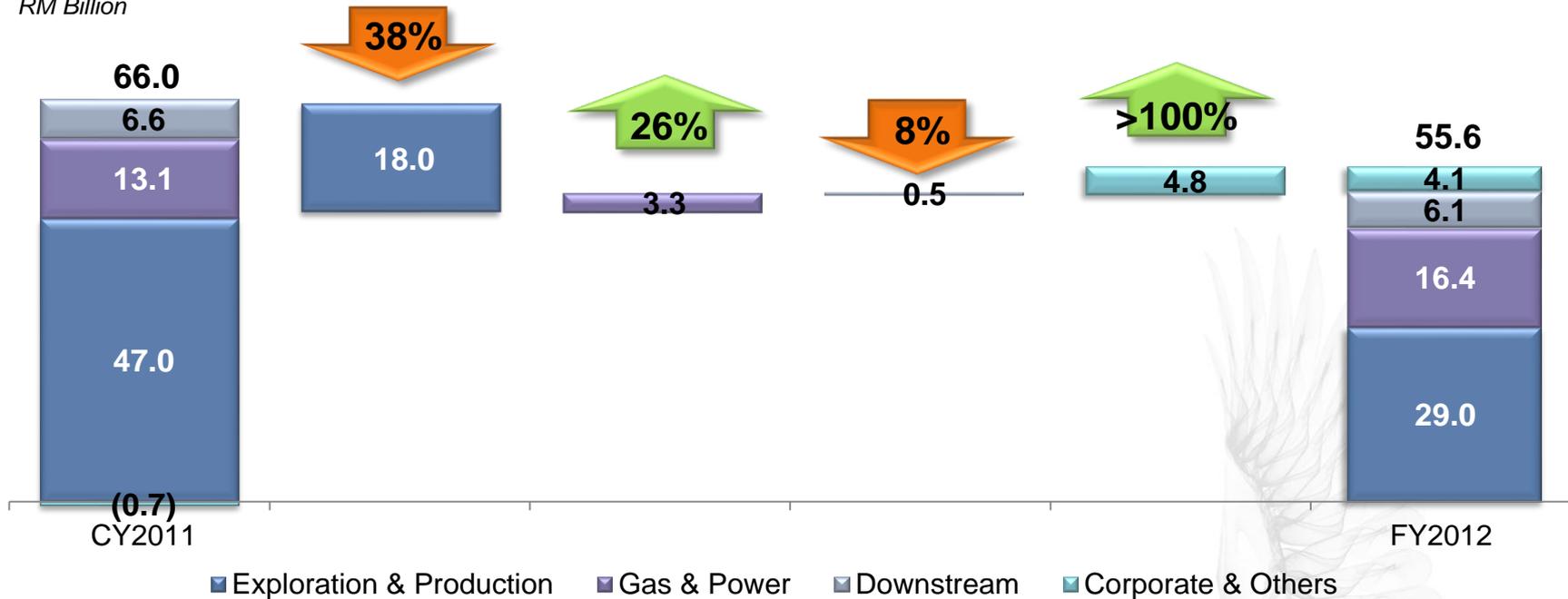


PETRONAS EBITDA sustained at ~ RM120 billion, despite operational challenges

Gross NOPAT affected by operational challenges and impairments

GROSS NOPAT BY BUSINESS SEGMENTS

RM Billion



Operational challenges including geopolitical challenges in Sudan & Egypt affected Gross NOPAT

1) NOPAT : Net Profit After Tax excluding financing cost, share of profits of associates and jointly controlled entities and other non-operating income and expenses
 2) Gross NOPAT include both third party and inter-segment transactions

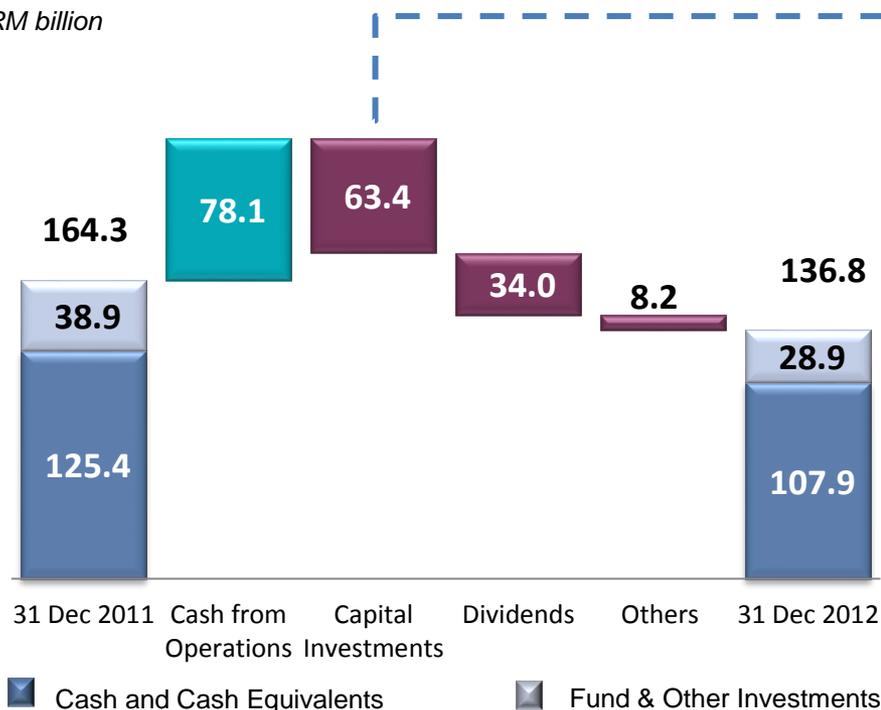
PETRONAS is in a position to support its CAPEX Programme ...

	31 Dec 2011	31 Dec 2012
Total Assets	RM475.1b	RM488.3b
Return on Average Capital Employed	20.4%	17.2%
Gearing	15.5%	12.2%

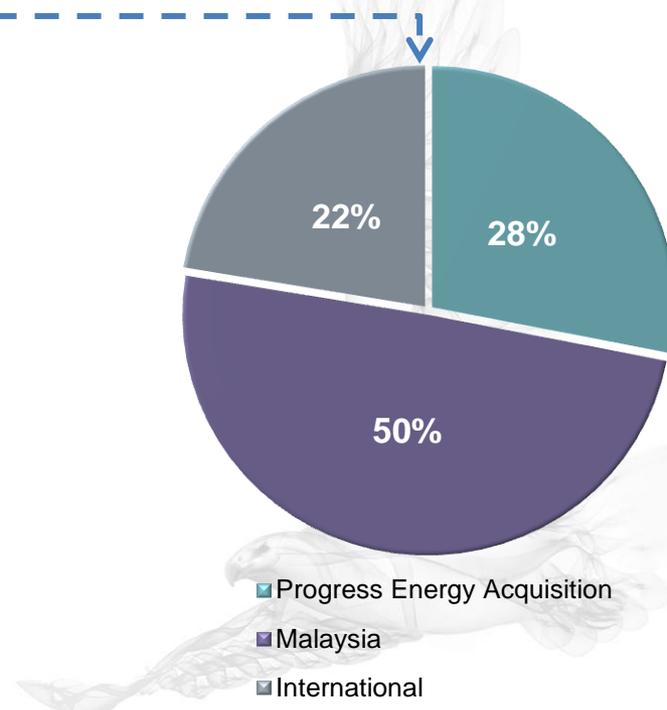
- Strong Balance Sheet
- Conservative Gearing
- Strong Cash Reserves for capital investments

CHANGES IN GROUP CASH BALANCE

RM billion

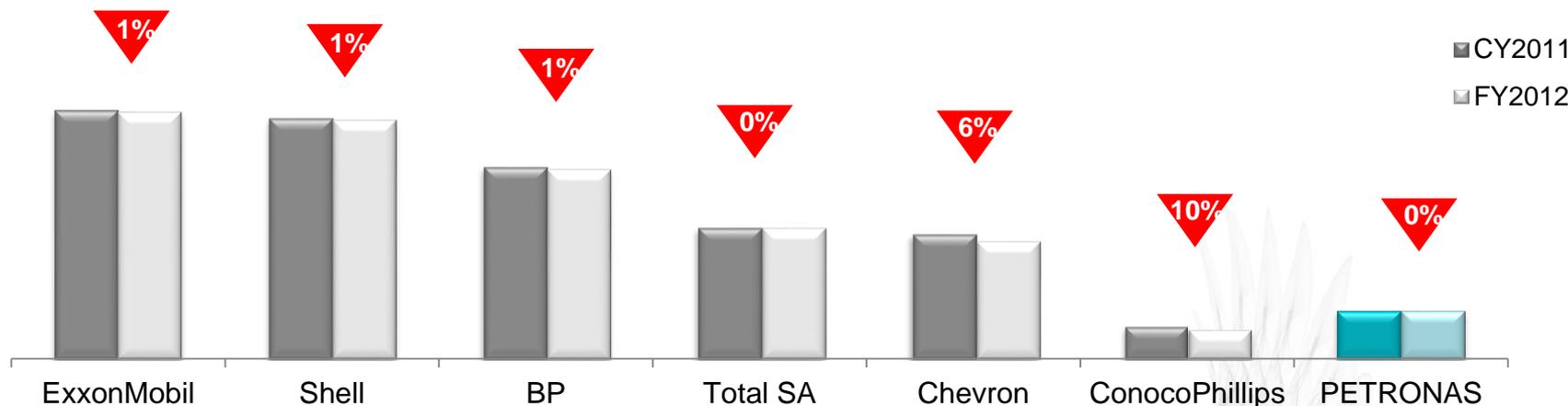


CAPITAL INVESTMENTS SPENT FY2012

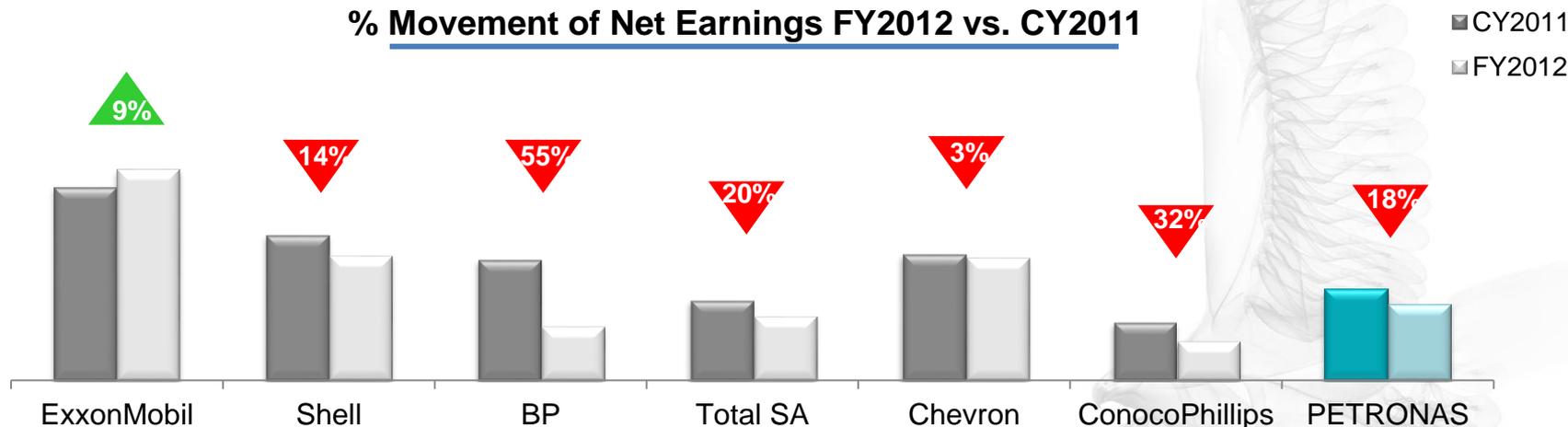


Industry was adversely impacted by volatile prices and production challenges

% Movement of Revenue FY2012 vs. CY2011



% Movement of Net Earnings FY2012 vs. CY2011



¹ Information on other oil companies were sourced from their Annual Reports & US SEC 10-Q Filings. We are not responsible to ensure the accuracy or completeness of such information. ²Net Earnings is based on Net Profit attributable to shareholders of the Company

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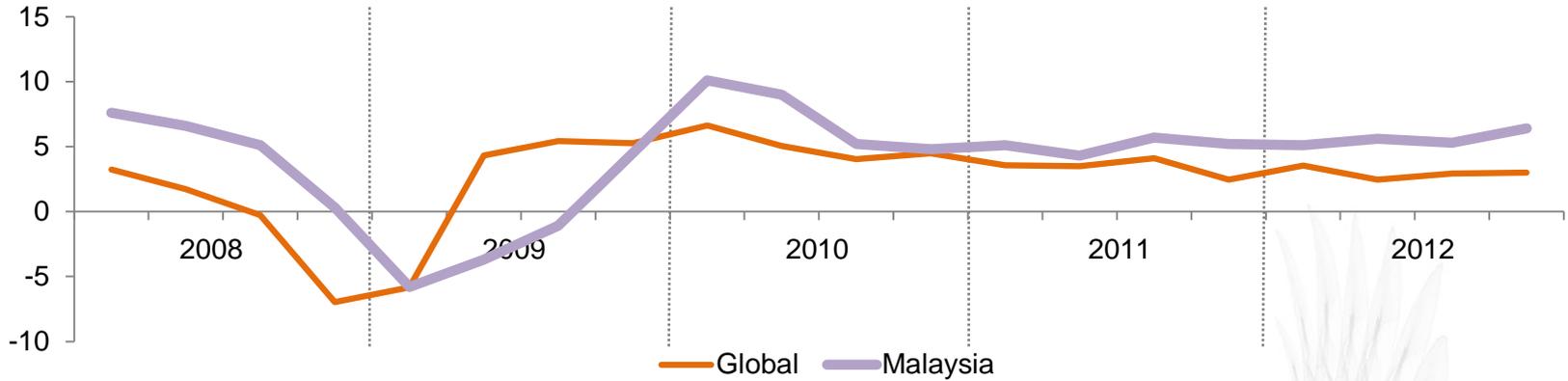
Tan Sri Dato' Shamsul Azhar Abbas
President & Group CEO
PETRONAS



Global Economy & Oil Markets remain volatile

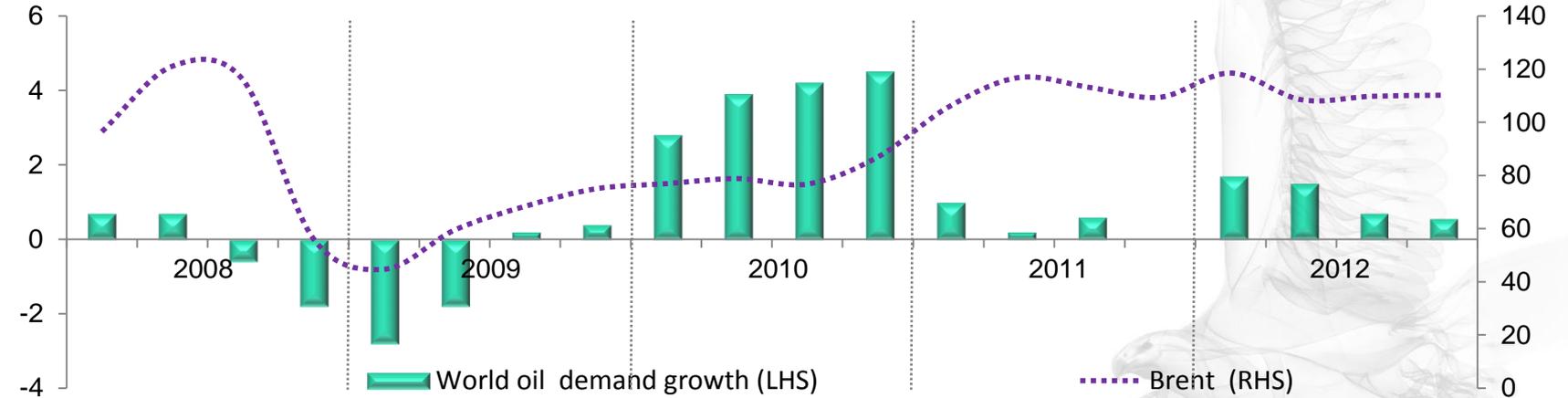
Y-o-Y % change

GDP Growth



Y-o-Y % change

World Oil Demand Growth & Brent Price



***Ownership &
Accountability***

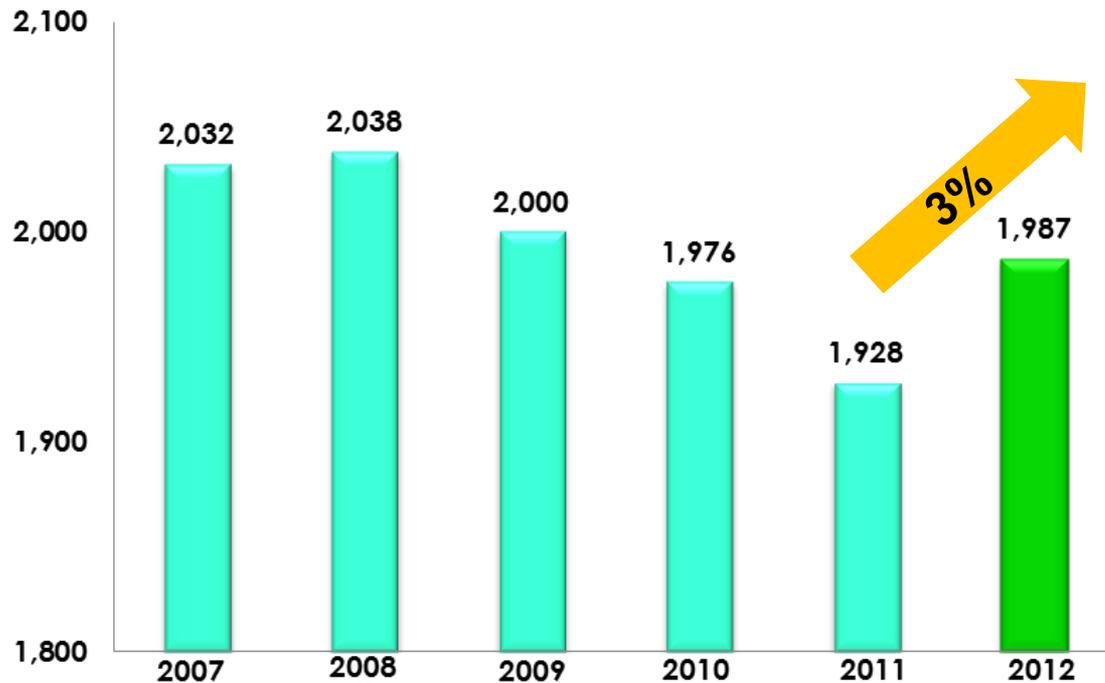
***Governance &
Transparency***

***Focus
Resources to
Core Business***

***Succession
Planning &
Leadership
Development***

E&P Total Production

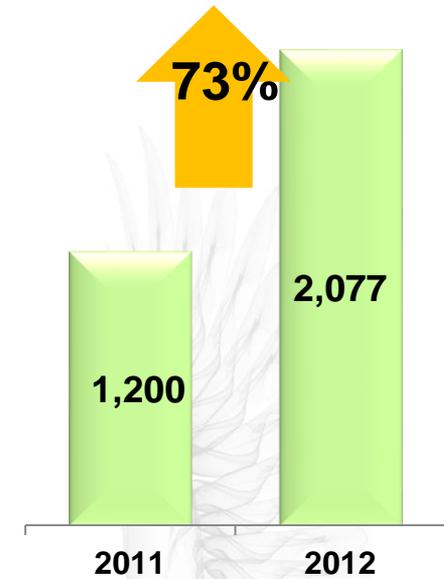
In '000 BOE per day



*Note: Production excludes Sudan and South Sudan

Resource Addition

In '000 BOE



Overall Resource Replenishment Ratio "ORRR" is **2x**



Malaysia

- 9 Production Sharing Contracts
- 2 Risk Service Contracts



Production

32 first oil/gas production
(11 Greenfields, 21 Brownfields)



Exploration

- **24** Discoveries (22 Malaysia, 2 International)
- **3** new exploration blocks



FLNG

FLNG 1 - **FID** in **March 2012**, **EPCC award** in **June 2012**

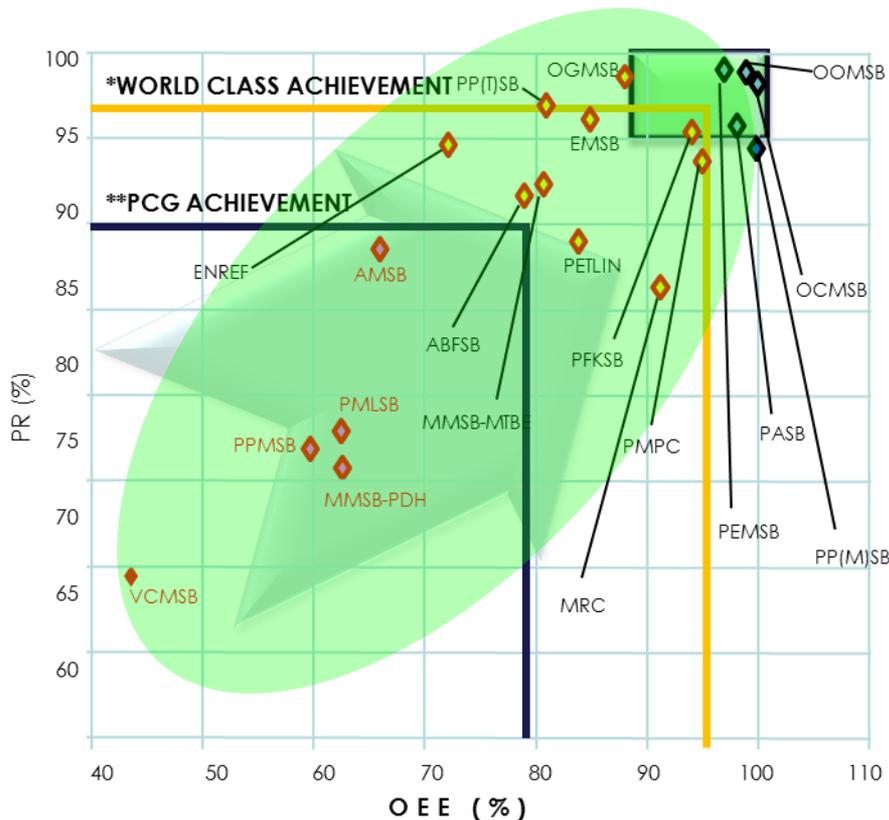


Domestic Energy Security

- RGT - **commercial operation** by **mid 2013**
- Renewed GSA with Gas Malaysia Bhd in February 2012 at prevailing imported price of gas

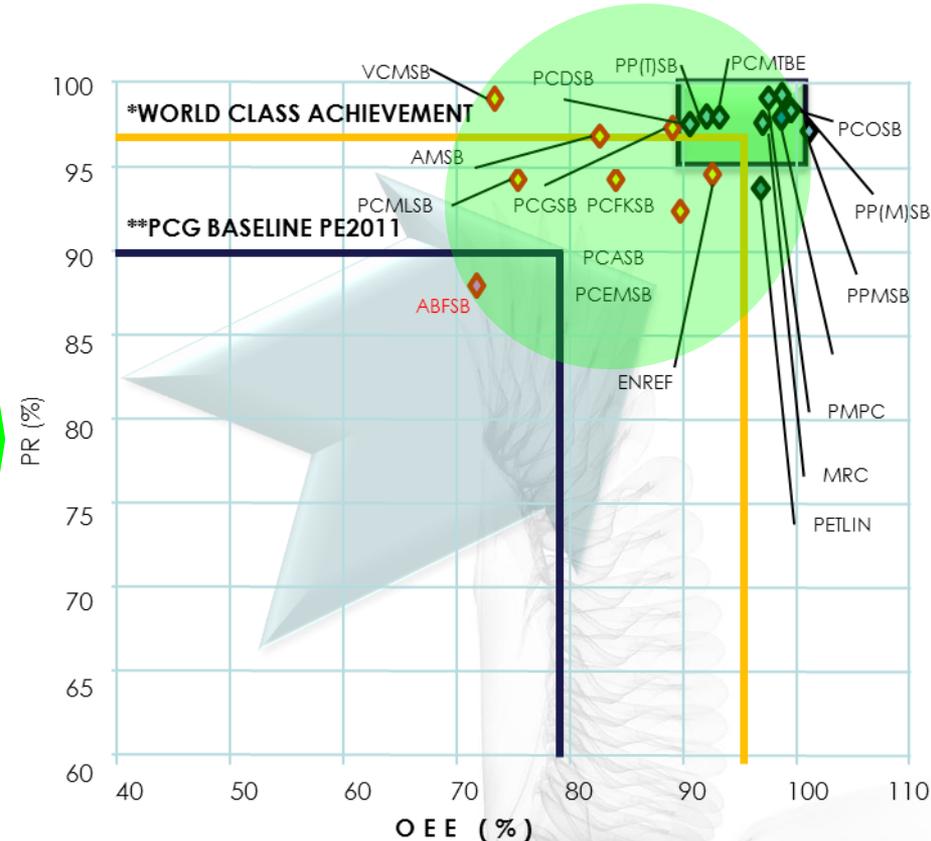


PE 2011



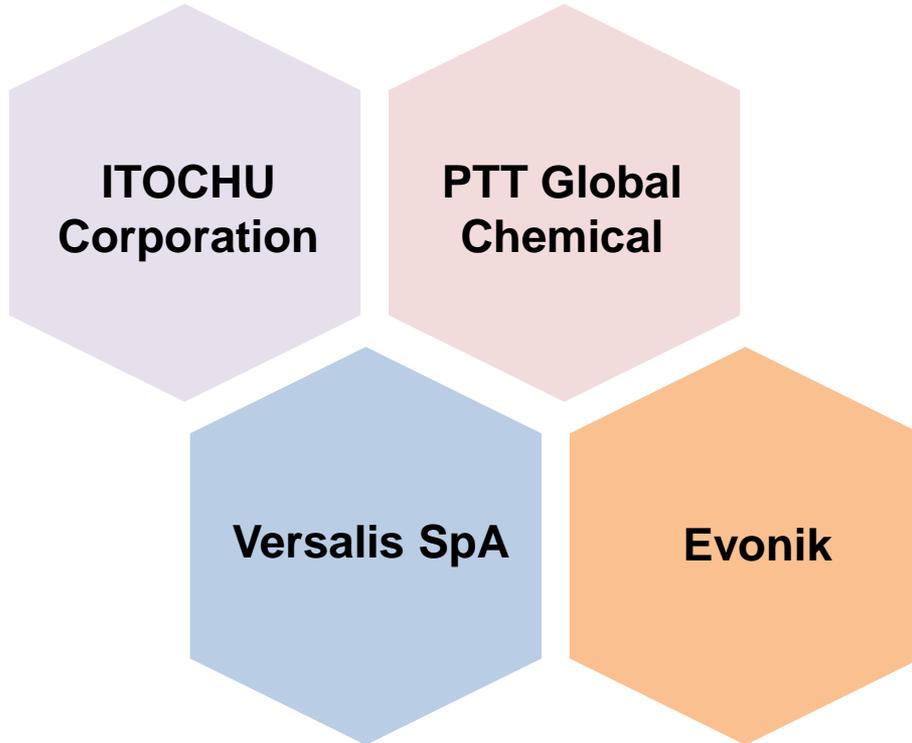
Note: Overall Equipment Effectiveness (OEE)

FY 2012



Refineries and Petchem Plants reached **World Class Levels** in 2012

Heads of Agreements (HOAs) Signed



EVONIK

- ***Technology provider for C4 within RAPID***
- ***Evonik is one of the world leaders in specialty chemicals***





- **PETRONAS second lease of life – augment reserve base**
- **Integrated presence from upstream to gas marketing**
- **Long term supply** in meeting buyers requirement
- Pacific Northwest LNG plant to be online by **2018**



Exploration and Production Business



E&P Business delivered good performance and strong growth outlook



ORRR 2.0x
**Excluding Progress Canada*



Malaysia
9 PSCs
2 Risk Service Contract



32 first oil/gas production
11 Greenfields
(including RSC Berantai)
21 Brown fields



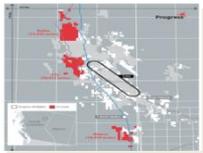
24 Discoveries
Malaysia : 22
International : 2



Kepodang & Ketapang, GSA signed
Development commenced



2012 Production 3% above 2011
**Excluding Sudan/South Sudan*



Canada Progress Energy Acquisition



New Exploration Blocks
Myanmar : 2
Sierra Leone : 1



Malaysia, “stand-out performer” in SEA upstream exploration discovery
Source : Jakarta Post, 19 Feb 2013



Higher Malaysia production across all products

Crude

- Higher mainly due to production optimisation initiatives and better well performance in Peninsular Malaysia.

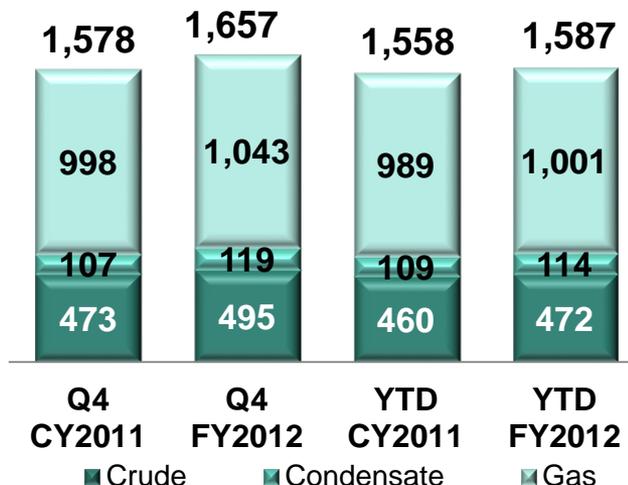
Gas and Condensate

- Higher mainly due to inclusion of production from PM2 and PM301 unitisation in Peninsular Malaysia.

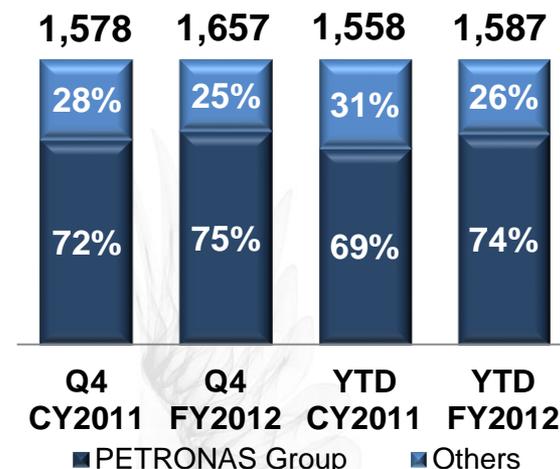
Entitlement

- Higher entitlement in line with higher production.

Malaysia Production by Hydrocarbon Type (kboe/d)



PETRONAS Group Entitlement % (kboe/d)



Malaysia Production By Region (kboe/d)

	CY2011	FY2012	+/-
Peninsular Malaysia	523	589	13%
Sarawak	865	817	(5%)
Sabah	170	181	6%

Higher gas production hampered by lower crude production due to geopolitical issue

Gas and Condensate

- Higher mainly due to new production ramp up in Turkmenistan and production enhancement activities in Egypt.

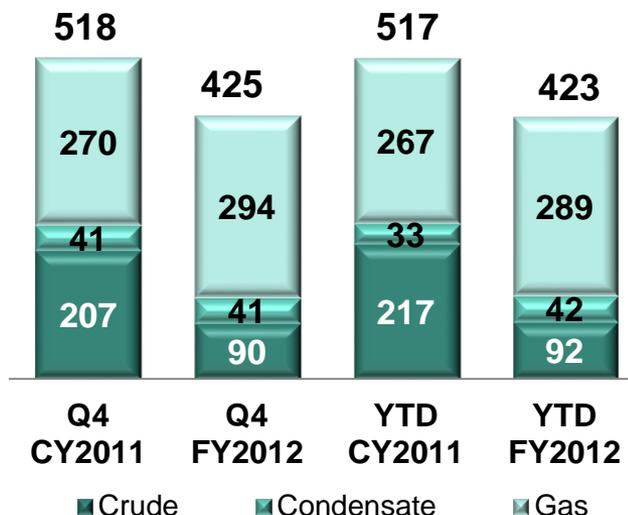
Crude

- Lower due to production cessation in South Sudan

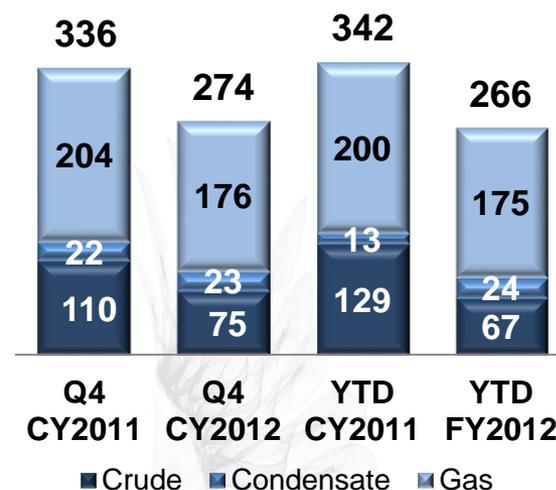
Entitlement

- Lower entitlement mainly due to production cessation in South Sudan.

International Production by Hydrocarbon Type (kboe/d)



International Entitlement by Hydrocarbon Type (kboe/d)



Top Producing Countries/ Area (kboe/d)

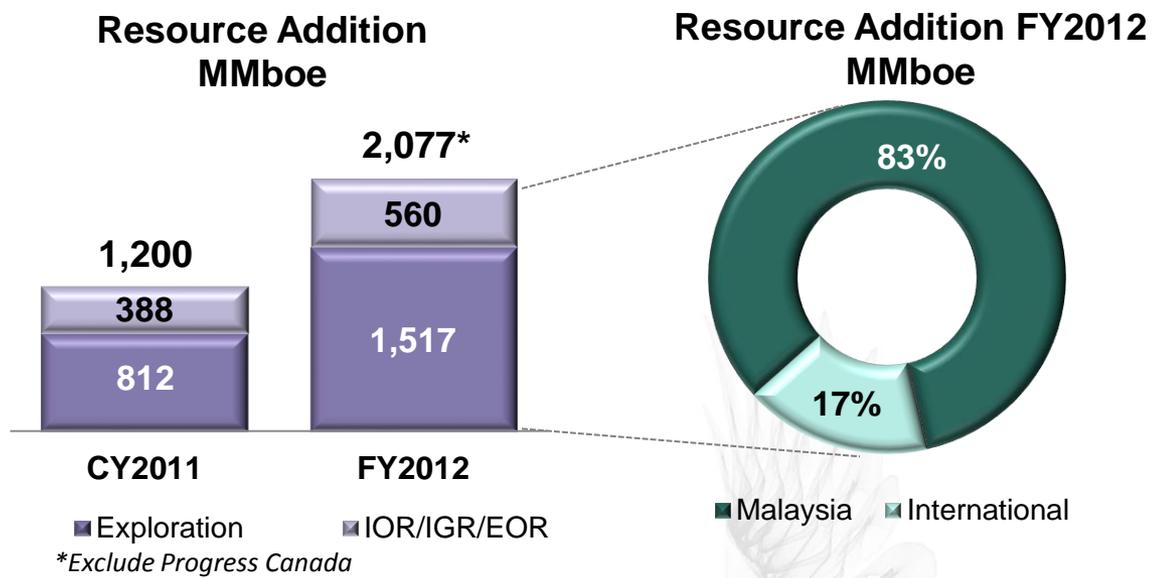
	CY2011	FY2012	+/-
Egypt	118	125	6%
MTJDA	102	104	2%
Turkmenistan	22	42	87%
Indonesia	32	33	1%
Chad	40	36	(11%)
Sudan & South Sudan	147	23	(84%)

Significant resource addition resulted from improved exploration and acquisition

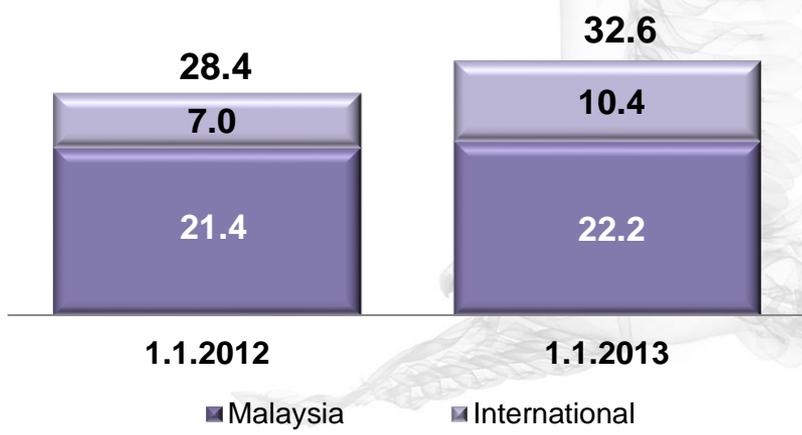
**Resource Addition
(2P reserves + 2C discovery)**

- Higher than 2011 mainly resulting from major gas discoveries in Malaysia
- 24 successful discoveries (22 Malaysia and 2 International)
- 24 IOR/EOR/IGR (21 Malaysia and 3 International)

- Higher Malaysia resources in 1.1.2013 mainly from major gas new discoveries
- Higher International resources in 1.1.2013 mainly from newly acquired Progress Energy assets in Canada
- Overall Resources Replenishment Ratio (ORRR) is 3.49x



**PETRONAS Group Petroleum Resources
(Billion barrels of oil equivalent)**



Gas & Power Business



- Awarded **EPCC for PETRONAS Floating LNG 1** in June 2012, target completion by 2015
- Awarded **Dual FEED for PETRONAS Floating LNG 2** in June 2012
- Achieved **FID** and awarded **EPCC for Solar Power Plant** in Gebeng in June 2012
- Signed **Power Purchase Agreement** between **Sabah Electricity Sdn. Bhd. & Kimanis Power Sdn. Bhd** on 16 February 2012
- **Renewed GSA with Gas Malaysia Bhd** in February 2012 for another 10 years from 1 January 2013 which includes the supply of additional gas volume of up to 192 mmscfd **at prevailing market price**
- **Portfolio high grading - divested 17% stake in APA Group and 3.9% stake in Centrica Plc**

GROWTH IMPERATIVES



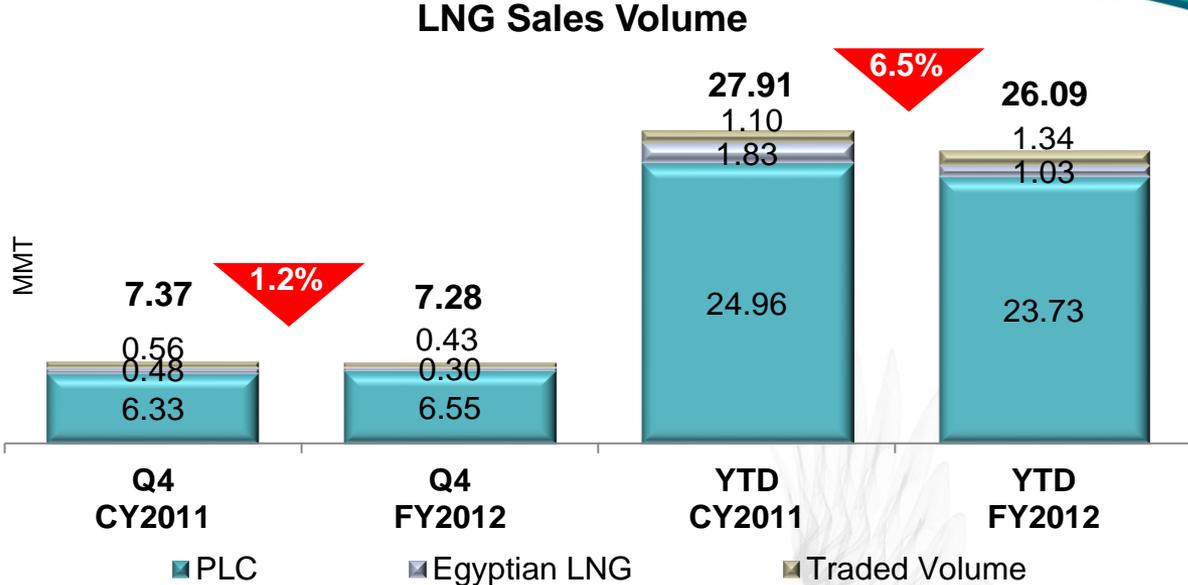
- *Secure supply and maximise value of gas for Malaysia*
- *Strengthen and grow LNG position in Asia Pacific & Atlantic*
- *Establish and grow energy trading in Europe*
- *Pursue and develop Power Business in Malaysia & Emerging Markets*



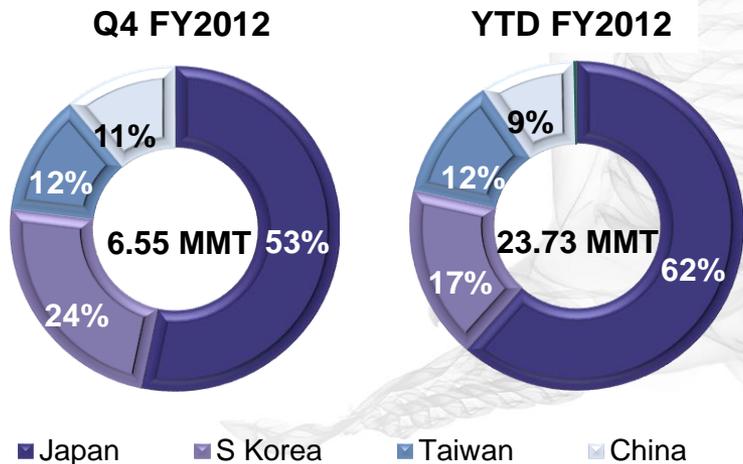
Lower LNG sales volume from lower PLC production and PICL (Egypt) entitlement

LNG Sales Volume (↓ 6.5%):

- Lower mainly due to lower production from the PETRONAS LNG Complex (“PLC”) in Bintulu, Sarawak attributed by its scheduled maintenance as well as lower entitlement from operations in Egypt.
- Exports of LNG from PLC were mostly shipped to Japan, South Korea & Taiwan.



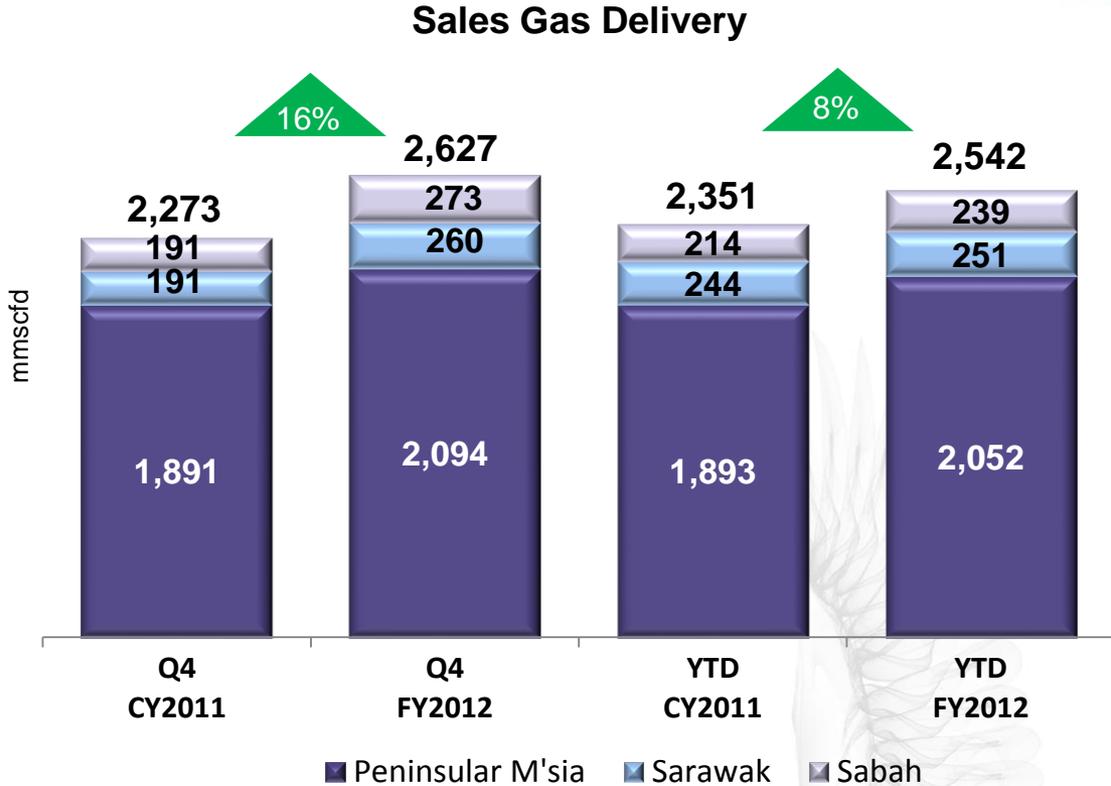
**PETRONAS LNG Complex (PLC)
% sales by country**



Higher delivered volume due to higher supply from MTJDA & domestic Kertih

Sales Gas (↑ 8%):

- Higher average sales gas delivery mainly from higher feedgas supply from MTJDA and domestic Kertih, Terengganu.
- PETRONAS Gas Berhad continued to maintain world-class reliability levels for its PGU pipeline.



Reliability Level Attained (%)	Q4		YTD	
	CY2011	FY2012	CY2011	FY2012
GPP	99.90%	*99.70%	99.67%	*99.90%
PGU	99.98%	99.99%	99.96%	99.99%

*GPP sales gas reliability including standby plant

Downstream Business



Q4 FY2012 HIGHLIGHTS

Project RAPID is progressing as planned with the following achievements in the current period

- **Site preparation work for area under Phase 1 commenced** on 18th October 2012.
- **Appointed BNP Paribas as the Financial Advisor** for Project financing.
- **Signed Strategic Partnership Agreements with Evonik Industries AG** on 16th January 2013 to jointly own, develop, construct and operate facilities for the production of hydrogen peroxide, C4 co-monomer and oxo-products within RAPID.
- **Phase II of the land acquisition hearing was concluded** on 17th January 2013.

GROWTH IMPERATIVES



- *Strengthen presence and pursue opportunistic growth in selected markets*
- *High grade asset portfolio*
- *Grow refining and petrochemical capacity and product range*
- *Build global trading and marketing portfolio*



Higher YTD petrochemical sales volume recorded due to better plant performance

Petrochemical Products
(↑ 6%):

- YTD volume increased mainly due to better plant performance.

Crude (↓ 18%):

- YTD volume decreased mainly due to production limitation resulting from geopolitical challenges in some international operations.

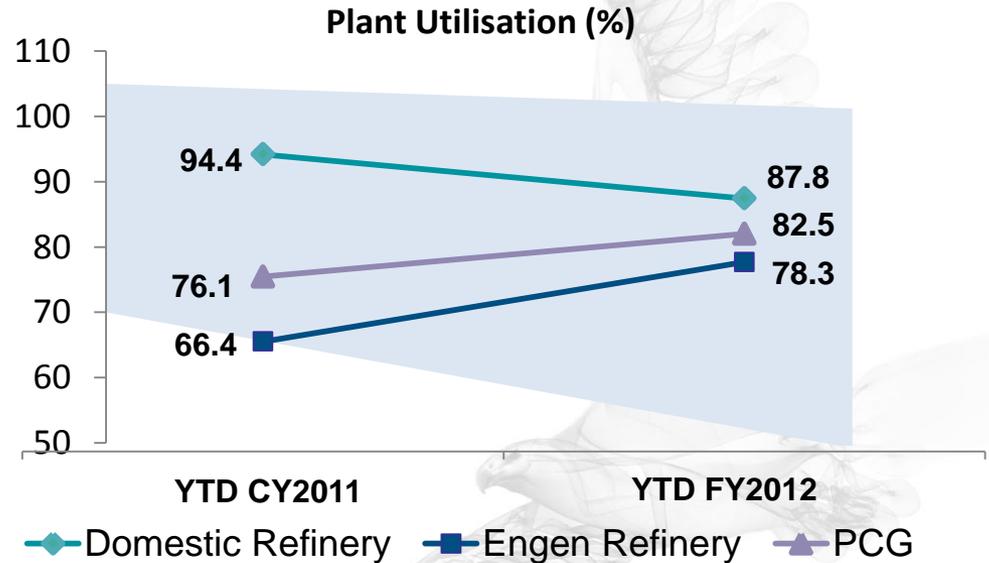
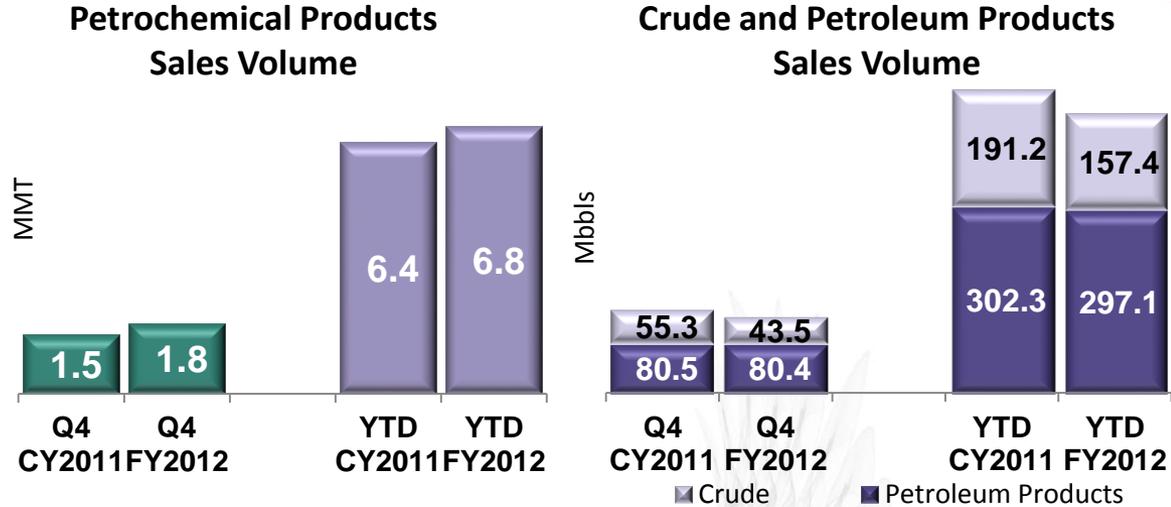
Petroleum Products (↓ 2%):

- YTD volume decreased mainly due to limited trading opportunities affected by the high price environment.

Domestic refineries and PCG

Plants performance:

- Lower plant utilisation for Domestic Refinery on the back of higher level of maintenance activities.
- Higher plant utilisation by Engen and PCG mainly due to better plant performance.



Thank You

