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MEDIA RELEASE
FOR PUBLICATION & BROADCAST**



PETRON INCOME HITS RM109 MILLION FOR THE 1st Q 2017, 6X HIGHER THAN LAST YEAR

KUALA LUMPUR – Leading player Petron Malaysia Refining & Marketing Bhd. (PMRMB) started 2017 strong with a first quarter net income of RM109 million, six times higher than last year’s RM17 million profit over the same period. The Company’s notable performance was due to the strong growth in domestic sales, better margins, and operating efficiencies.

PMRMB’s domestic volumes grew by 7% driven by its Retail and Commercial businesses. The launch of its revolutionary fuels namely **Blaze 100 Euro 4M** and **Turbo Diesel Euro 5**, the **Fuel Happy** campaign and its aggressive network expansion were key to driving growth. Meanwhile, its commercial business was bolstered by the increase in volumes of jet fuel, diesel and LPG.

In the first three months of 2017, Dated Brent crude gradually recovered to average US\$54 per barrel versus US\$34 last year. As oil prices rallied, margins also improved. The margin improvement together with increased sales of higher-margin products brought gross profit up to RM183 million versus RM76 million over the same period. Operating income for the quarter surged to RM137 million from RM32 million for the same period in 2016.

PMRMB’s total sales volumes of 8.3 million barrels in the first quarter of 2017 slightly improved from 8.2 million over the same period last year tempered by lower export sales. The Company produced less export products namely Low Sulphur Waxy Residue and Naphtha.

Reflecting higher oil prices and increased domestic sales, revenues increased by 54% to RM2.6 billion.

“Petron’s strong performance is a direct result of our strategic programs that have helped build the brand, increased our market presence, and unleashed more benefits from our value chain,” PMRMB Chairman Ramon S. Ang said.

“We are definitely on track to deliver an even better performance than last year,” Mr. Ang added.

(ends)

CAUTIONARY NOTE: Statements in this release relating to future plans, projections, events, or conditions are forward-looking statements. Actual results, including project plans, timing, and capacities, could differ materially due to changes in long-term oil or gas prices or other market conditions affecting the oil and gas industry; political events or disturbances; the outcome of commercial negotiations; changes in technical or operating conditions; and other factors.

About Petron in Malaysia:

Petron Malaysia is a leading company in Malaysia's downstream oil market. Its 88,000 barrel-per-day Port Dickson Refinery produces a wide variety of world-class fuels which is distributed through seven terminals strategically located across the country. Through more than 580 stations nationwide, it retails premium fuels namely Blaze 100 Euro 4M, Blaze 97 Euro 4M, Blaze 95, Turbo Diesel Euro 5 and Diesel Max. Petron is committed to its vision to be the leading provider of total customer solutions in the oil sector and allied businesses. Please visit www.petron.com.my.

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