



**NOVEMBER 25, 2016
MEDIA RELEASE
FOR PUBLICATION & BROADCAST**

PETRON SUSTAINS STRONG SALES, POSTS RM47 MILLION IN 3rd QUARTER

KUALA LUMPUR – Amid a challenging environment, leading player Petron Malaysia Refining & Marketing Bhd (PMRMB) posted a net income of RM47 million in the 3rd quarter of 2016. Despite the Company's strong domestic sales, income was lower than the profit of RM74 million over the same period last year due to narrowing price differentials between crude oil and finished products which affected margins of refineries in the region.

PMRMB's domestic sales grew by 5% to 5.5 million barrels in the 3rd quarter of the year from 5.2 million over the same period in 2015. Sales remained strong as station volumes continue to grow with ongoing brand differentiation efforts including new product and service offerings. Increased demand from strategic sectors helped PMRMB grow its commercial business.

“Our fundamentals remain strong with our robust sales performance in the first nine months of the year. This is a direct result of our focused programs namely new retail sites and improving our end-to-end value chain,” PMRMB Chairman Ramon S. Ang said.

PMRMB's total sales volumes grew by 700,000 barrels in the first three quarters of 2016 to 23.8 million compared to the same period last year. This was driven by domestic sales which surged by 7% over the period. This translated to revenues of RM 5.3 billion, lower than RM 6.3 billion in 2015, due to lower oil prices. Dated Brent averaged US\$42 per barrel during the first nine months from US\$55 per barrel in the same period in 2015.

PMRMB posted a net income of RM125 million in the first nine months of 2016.

The Company remained on track with key programs aimed at growing its market presence. Together with its sister companies under the Petron Malaysia Group, PMRMB continues to stream new service stations. The Group now has around 580 stations nationwide.

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To give customers more choices, the Petron Malaysia Group recently launched the new **Turbo Diesel Euro 5** - a powerful premium diesel with an ultra-low sulfur content (50 times less sulfur than the current Euro 2M). It also offers the high-end **Blaze 100 Euro 4M** – the only gasoline in the market with 100 octane. In October, the Group launched a new prepaid fleet card targeted for SME businesses and corporate customers in addition to its Petron Fleet Card program.

“We are keen on making further investments in Malaysia. The Malaysian economy is dynamic and we aim to expand our presence so we can make a significant contribution to its growth,” Mr. Ang added.

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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 about 580 stations nationwide, it retails premium fuels namely Blaze 100, Blaze 97, 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.