



4Q & FY2016 Analyst Presentation



March 6, 2017

Industry and Business Environment

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- OPEC and Non-OPEC countries agreed to cut oil production, driving prices higher. Average December Dubai oil price was \$52.1/bbl, \$8.8 higher than the average price in September
- Industry gross refining margins in the fourth quarter averaged \$6.7/bbl, \$1.6 higher than the third quarter
- Industry demand for fuel products remained strong with year-to-date diesel and gasoline growth at 3.6% and 10.5%, respectively
- Thai GDP increased by 3.0% in the fourth quarter driven by expansion in the agricultural and manufacturing sectors, resulting annual GDP in 2016 grew by 3.2%



Headline Results

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Fourth quarter

- Earnings of Baht 2.4B, increased from negative Baht 0.4B in the previous quarter
- Gross Refining Margins improved to \$10.5/bbl from \$2.0/bbl in third quarter
- Cash flow from operations of Baht 2.8B
- Launched Esso new fuel formula providing improved vehicle performance and fuel efficiency

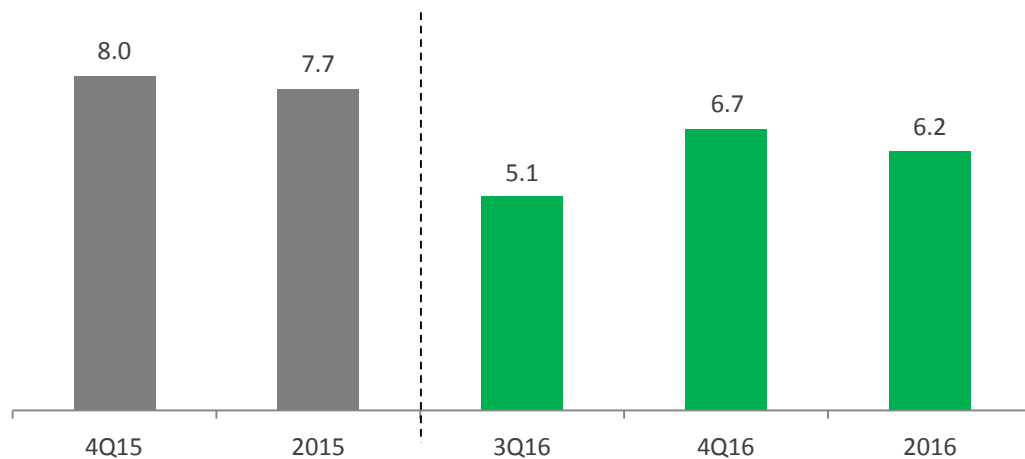
Full year

- Record Earnings of Baht 6.7B compared to Baht 1.7B in 2015
- Cash flow from operations of Baht 7.3B
- Achieved full-year flawless operations with best-ever annual safety performance
- Highest Retail sales volumes since IPO
- Record low year-end debt level and debt to equity ratio

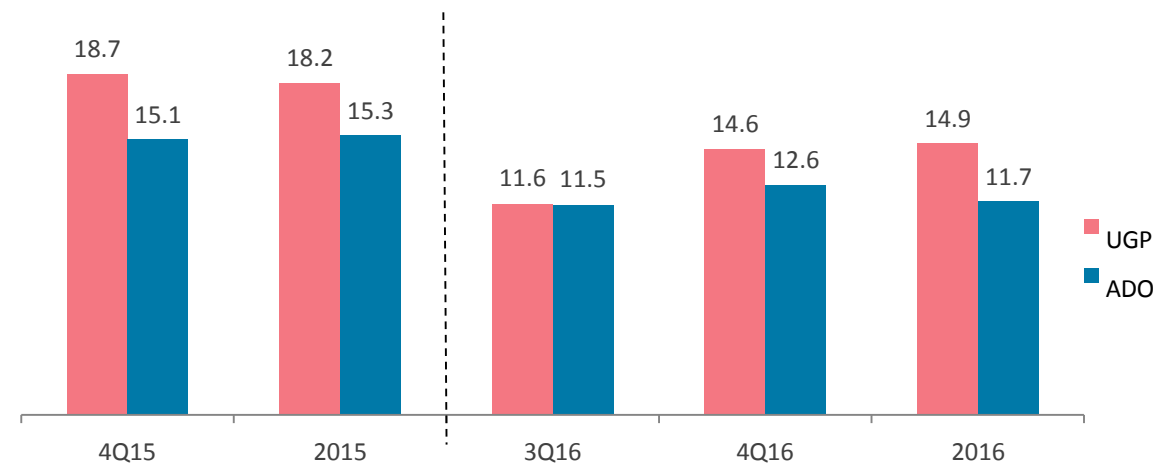
Margins and Crude Intake

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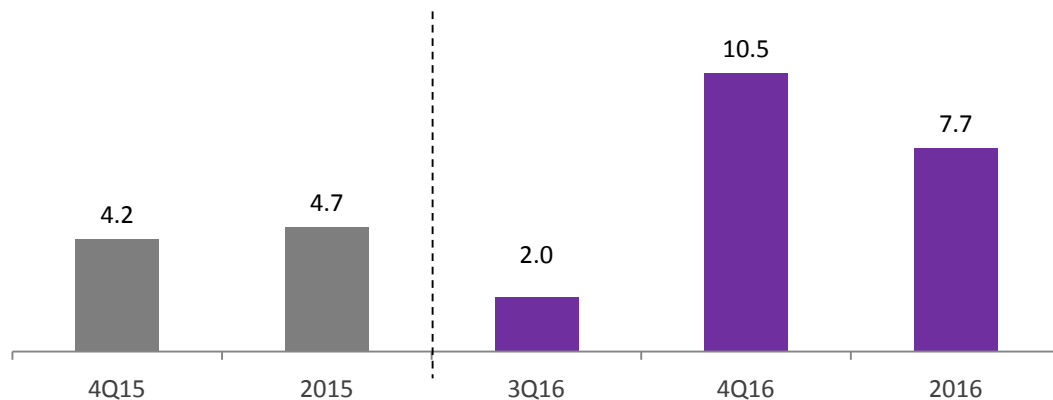
Industry Gross Refining Margin (\$/bbl)



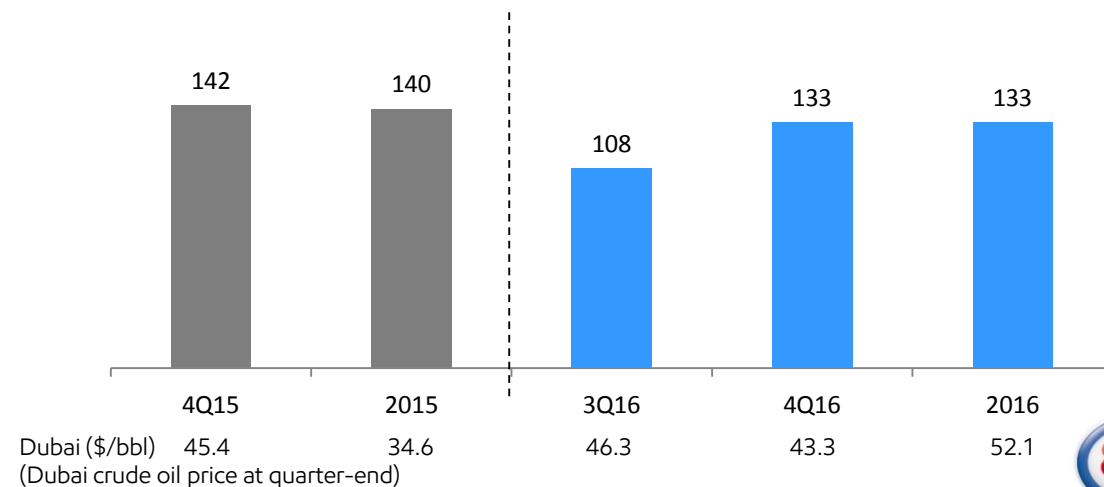
Crack Spread (\$/bbl)



Gross Refining Margin (\$/bbl)



Crude Intake (KBD)



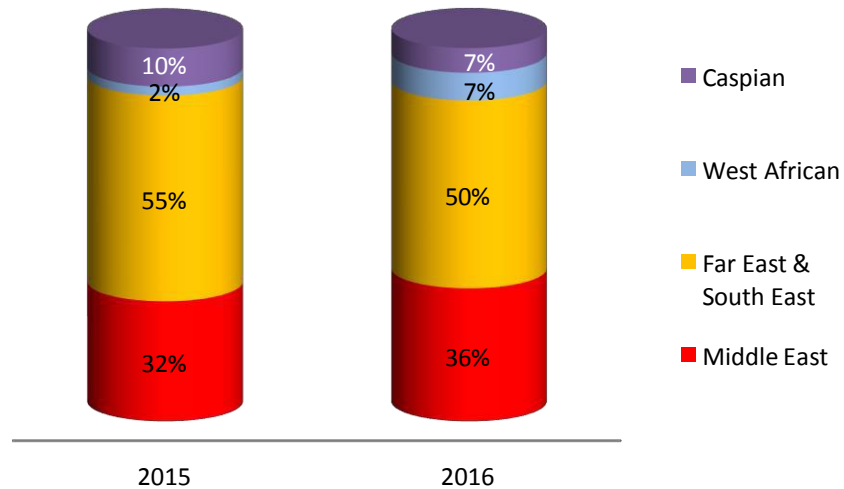
Industry GRM and Crack Spread Source: Reuters



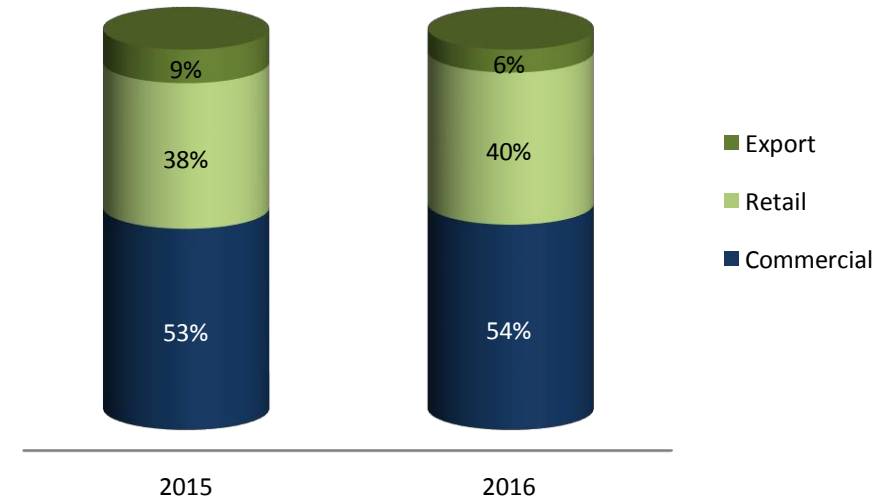
Crude Source and Sales Channels

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Crude Intake by source



Sales Channel



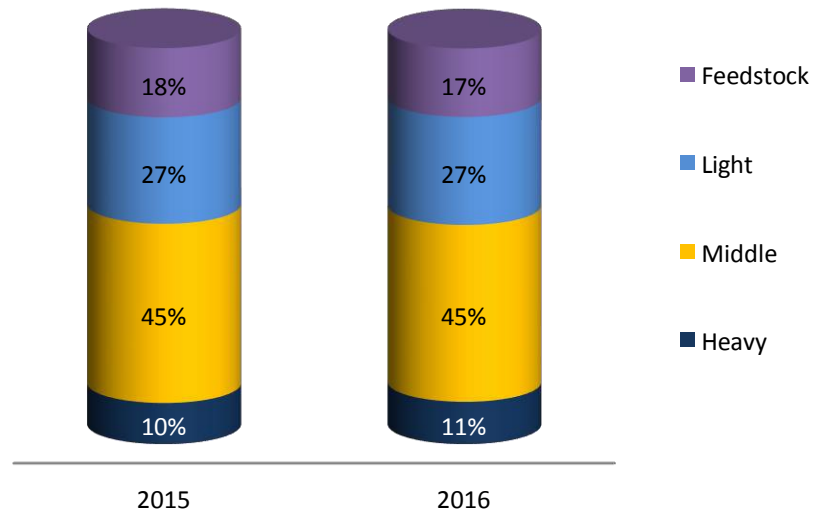
- Processed 12 new challenged crudes, optimizing yield and strengthening cost competitiveness
- Captured demand growth in higher margin outlets by increasing retail and commercial sales with reduction in exports



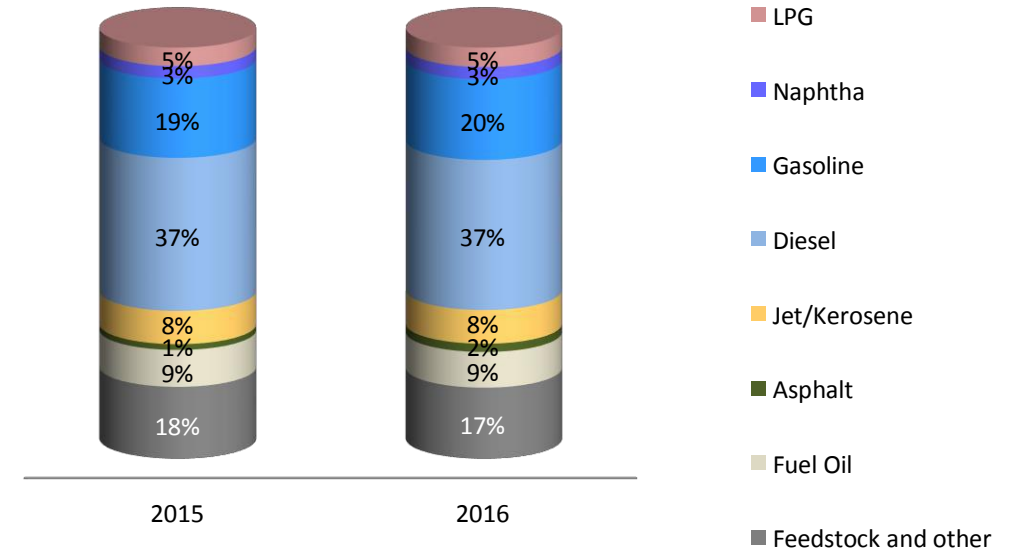
Refinery Yields

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Production by Type



Product Yields



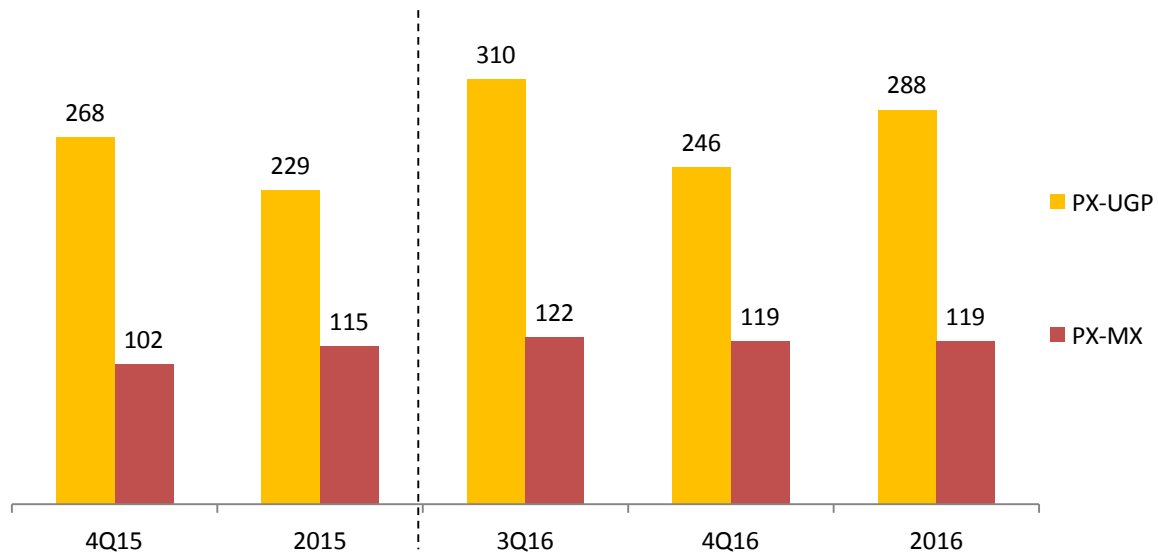
- Light and heavy product yields increased, resulting from higher demand for gasoline and asphalt



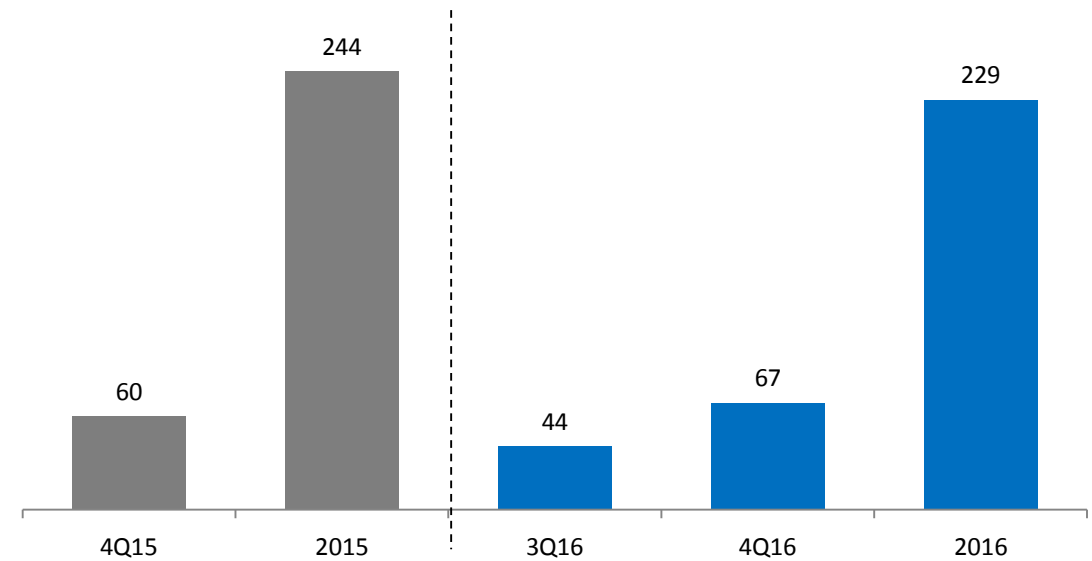
Petrochemical Spreads and Production

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Px Spread (\$/Ton)



Px Production (K Ton / quarter)



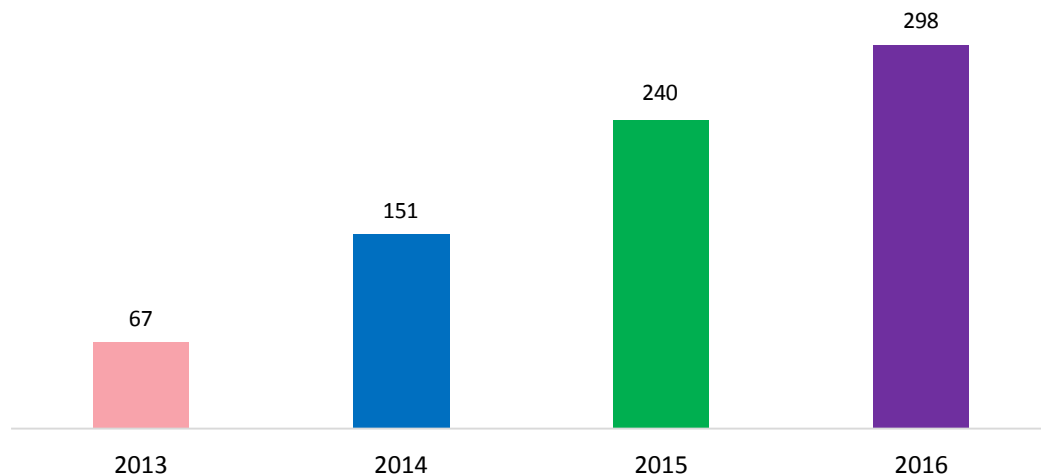
- Paraxylene spreads improved by 26% from previous year, driven by a decline in gasoline price
- 2016 Paraxylene Production was 229 Ktons, 16 Ktons lower than the previous year due primarily to planned maintenance



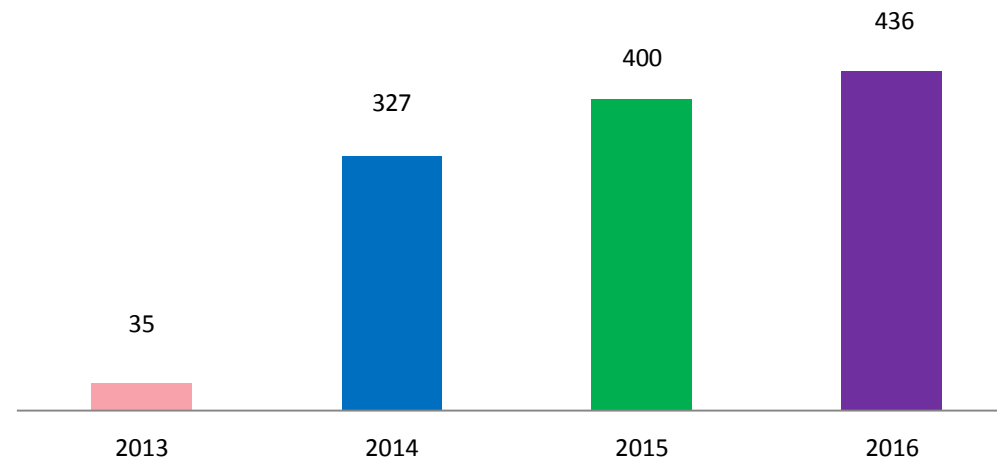
Marketing Business Update

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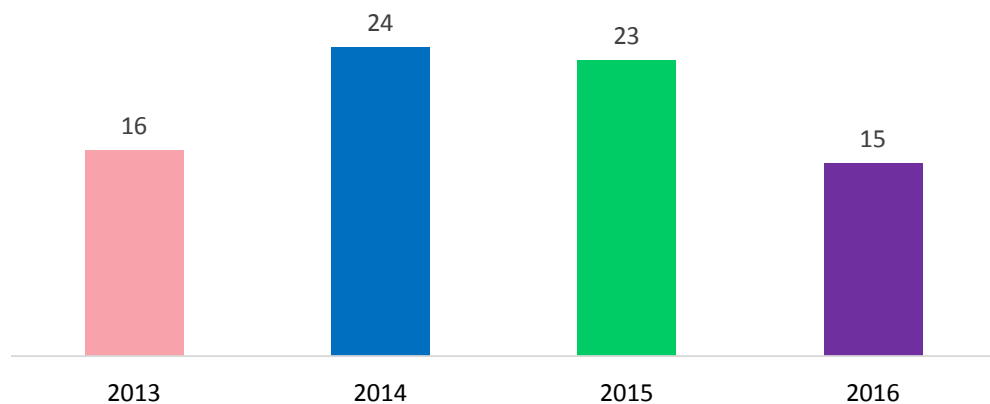
Service Stations offering Premium ADO



Service Stations offering E20



Number of New Service Stations



2016 Market Penetration*

SALE CHANNELS	ESSO	PTT	BCP	SHELL	CALTEX	OTHERS
DOMESTIC SALES** (%)	10.9	39.0	10.7	9.1	7.2	23.1
RETAIL SALES (%)	13.0	36.9	15.1	12.8	4.9	17.3

* Source :DOEB YTD Dec 2016

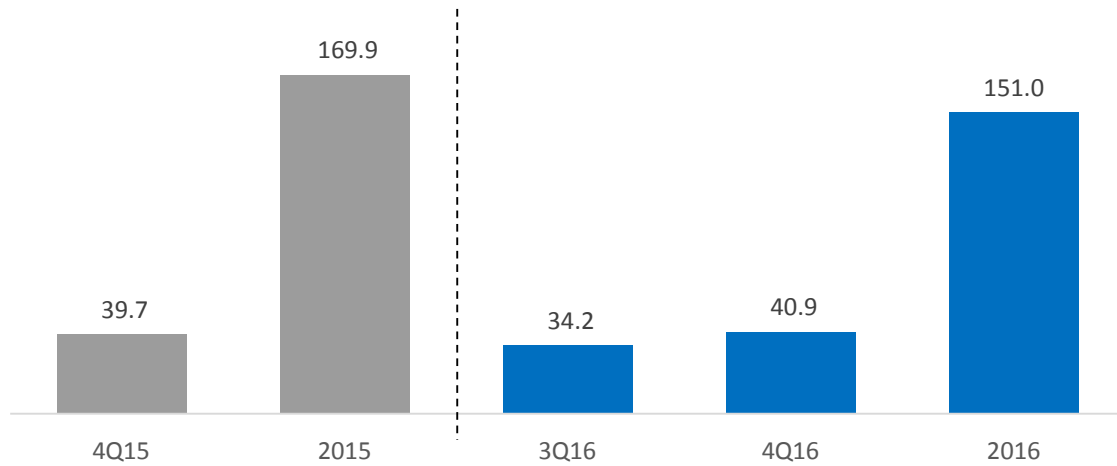
** All domestic sales to end-customers



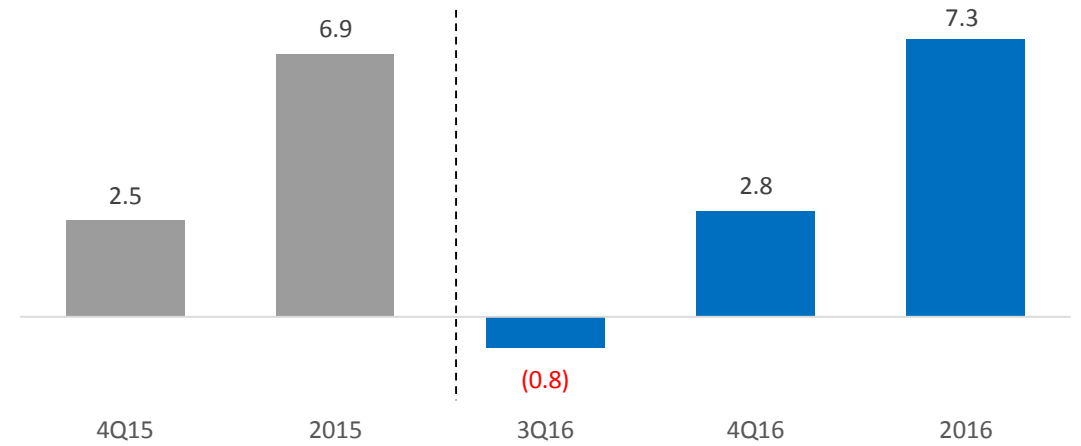
Financial Performance

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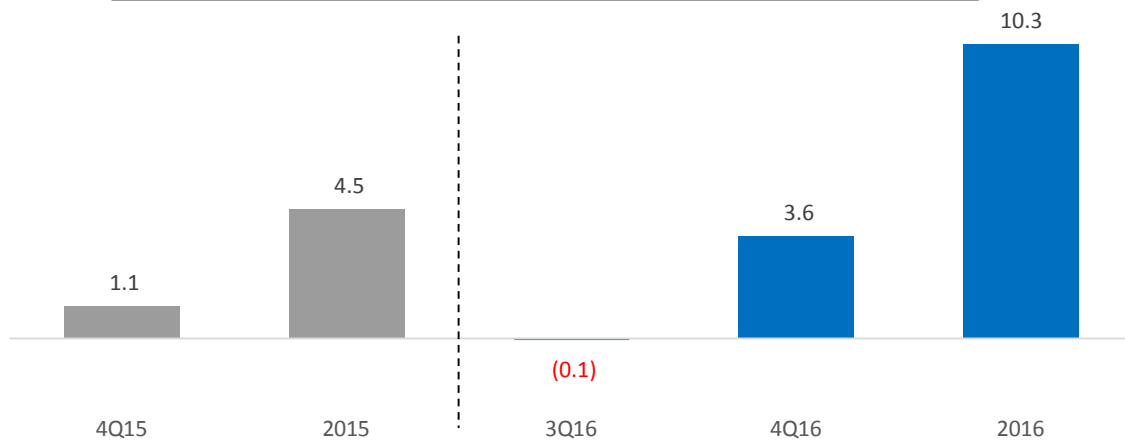
Sales Revenue



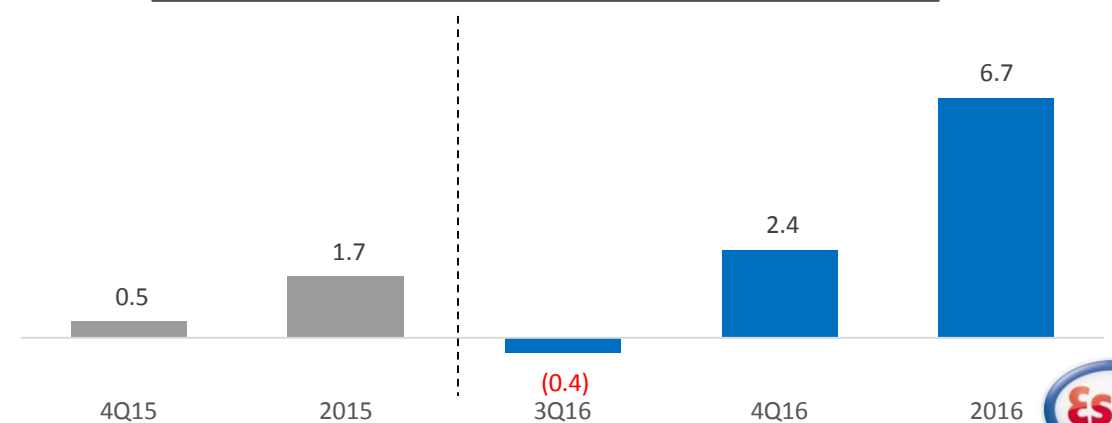
Cash Flow From Operations



EBITDA



Net Profit/(Loss)

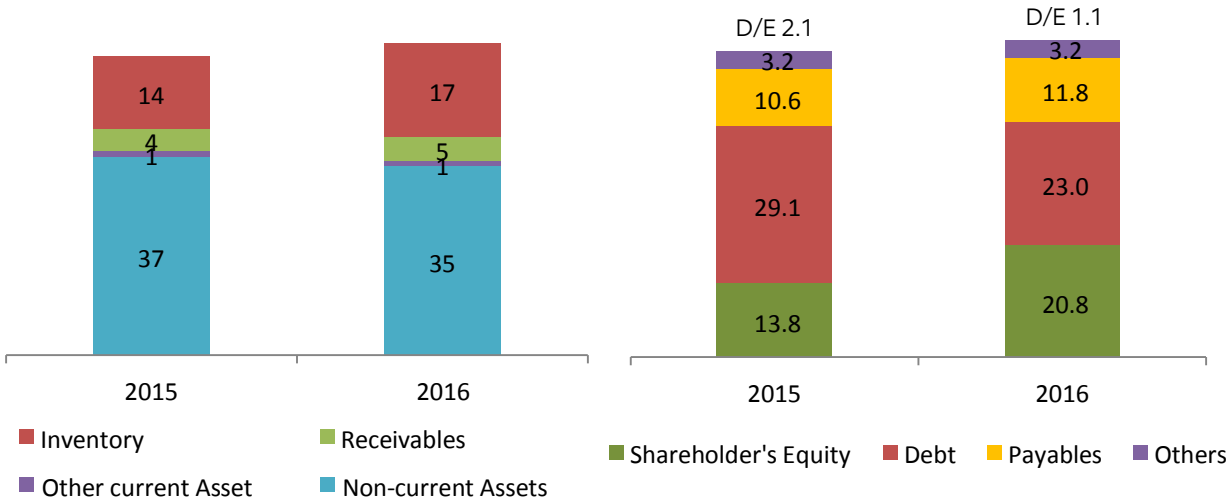


Note : All units are in Billion Baht

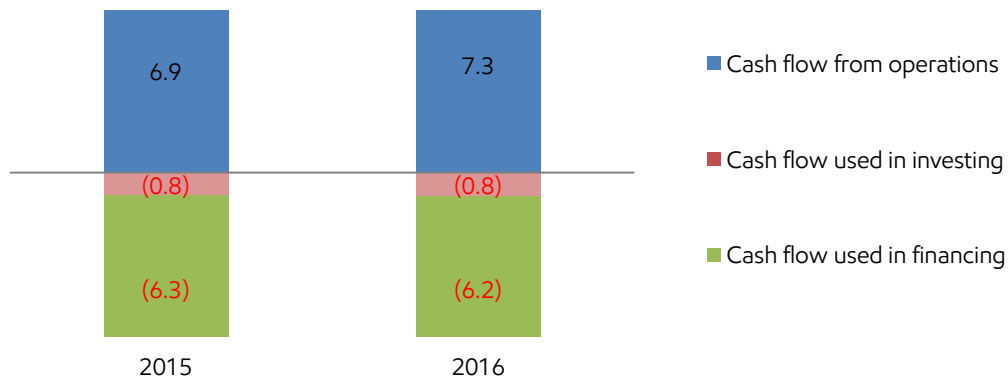


Financial Position

Balance Sheet Indicators



Cash Flow



- Increase in assets driven by higher inventory value offset by a decline in the deferred tax asset
- Debt declined by Baht 6.1B
- Debt to equity improved with lower debt and current year profit
- Cash flow from operations of Baht 7.3B reflects strong performance
- Cash flow used in investing reflects capital investments for refinery maintenance and retail network enhancement partly offset by dividends
- Cash flow used in financing reflects repayment of debt



2016 Summary

