



1Q 2017 Analyst Presentation

May 19, 2017

Industry and Business Environment

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- Average March Dubai oil price was \$51.2/bbl, \$0.9/bbl lower than the average price in December due to global oil markets remaining oversupplied
- Industry gross refining margins in the first quarter averaged \$6.4/bbl, \$0.3/bbl lower than the fourth quarter in 2016
- Industry demand for fuel products increase 1.1% year-on-year; gasoline and diesel growth at 2.9% and 1.4%, respectively
- Thai GDP increased by 3.3% in the first quarter mainly driven by a strong increase in the price of agricultural products, and the expansion of private consumption expenditures



Headline Results

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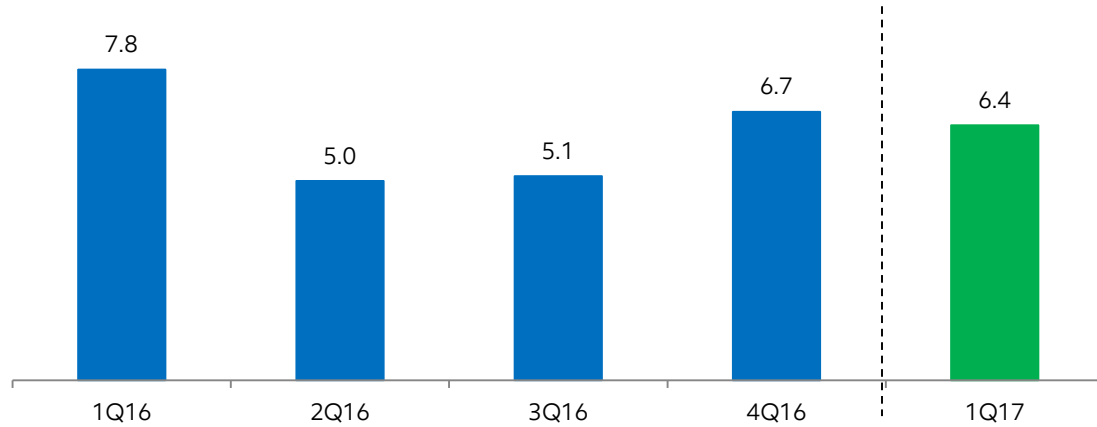
- First quarter earnings of 1.5 billion baht
- Refinery crude run was 137 KBD
- Continued focus on strengthening premium product sales
 - More than 946,000 Esso SMILES loyalty card members
- Achieved record low debt level and debt to equity ratio
- Gross refining margin was \$6.3/bbl; in-line with the industry



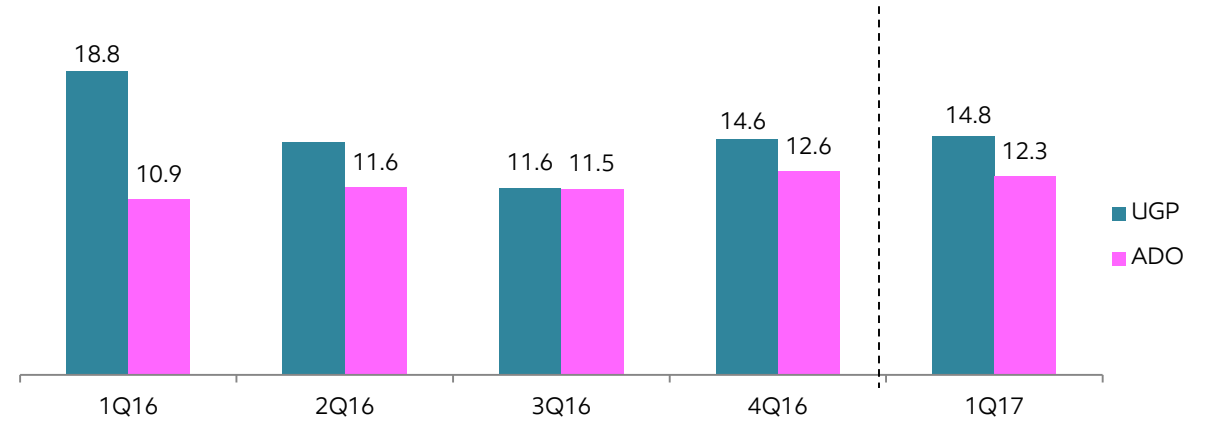
Margins and Crude Intake

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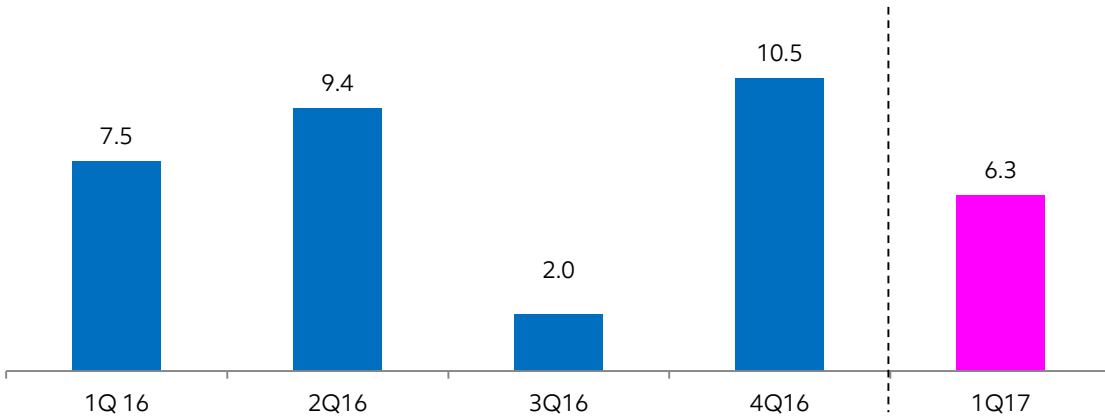
Industry Gross Refining Margin (\$/bbl)



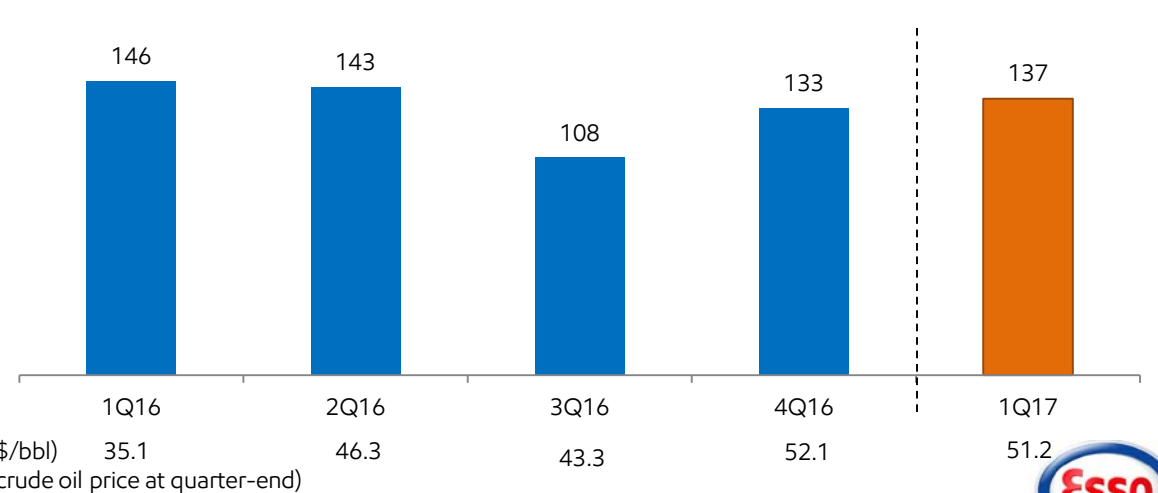
Crack Spread (\$/bbl)



Gross Refining Margin (\$/bbl)



Crude Intake (KBD)



Industry GRM and Crack Spread Source: Reuters

Dubai (\$/bbl)
(Dubai crude oil price at quarter-end)

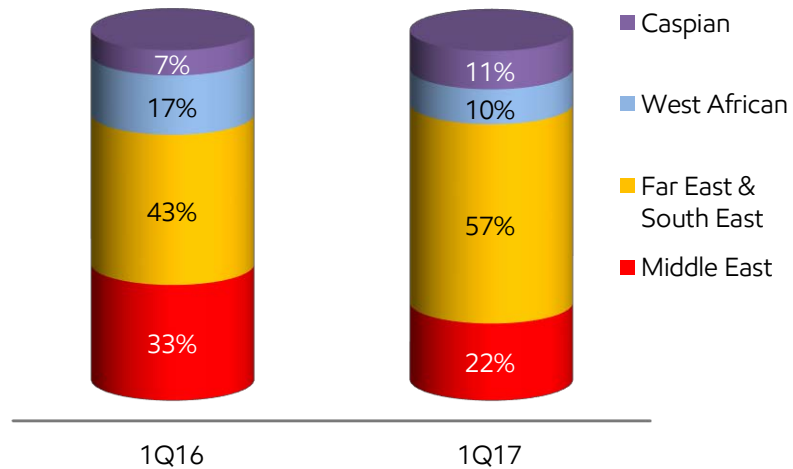
35.1 46.3 43.3 52.1 51.2



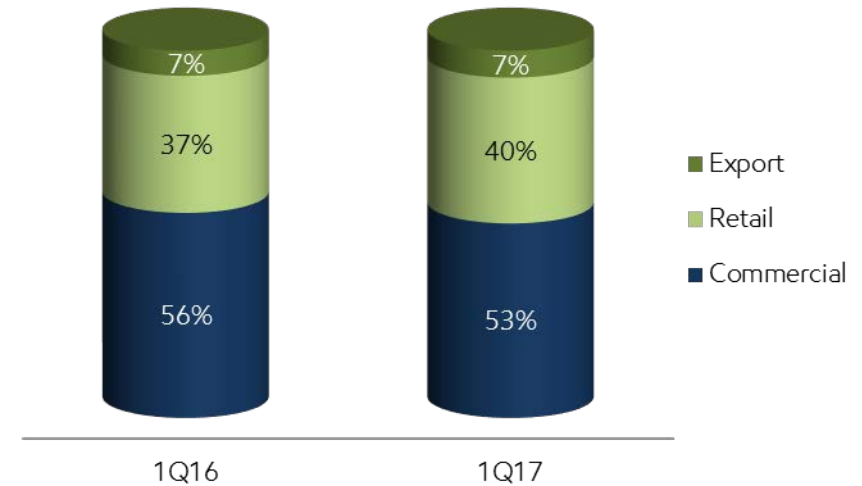
Crude Source and Sales Channels

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Crude Intake by Source



Sales Channel



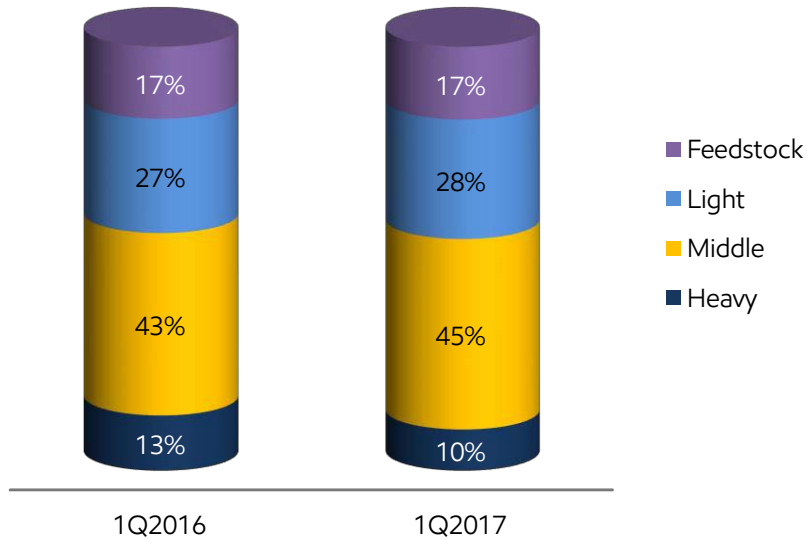
- Processed higher percentage of South East crude and 3 new crudes, optimizing yield and strengthening cost competitiveness
- Sales channel performance improved with greater proportion of retail sales



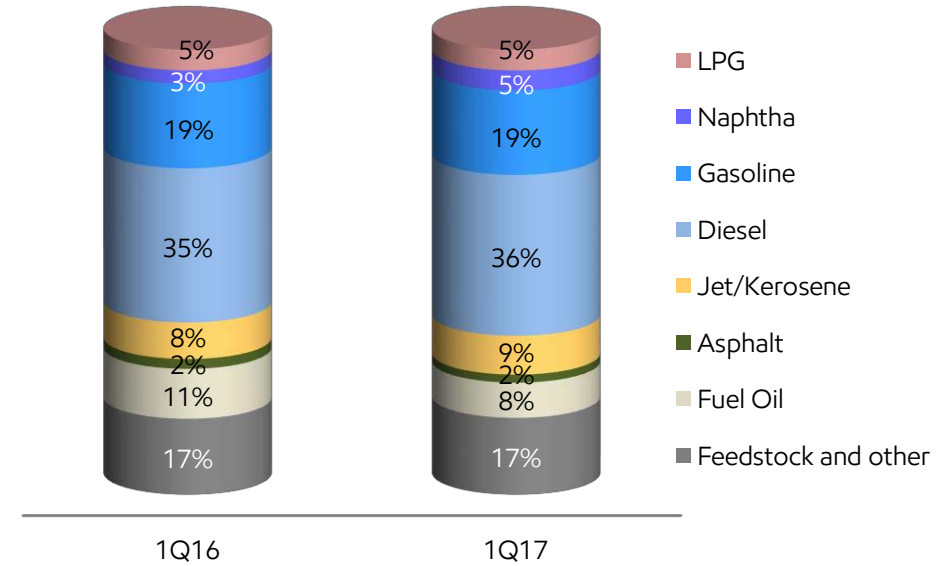
Refinery Yields

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Production by Type



Product Yields



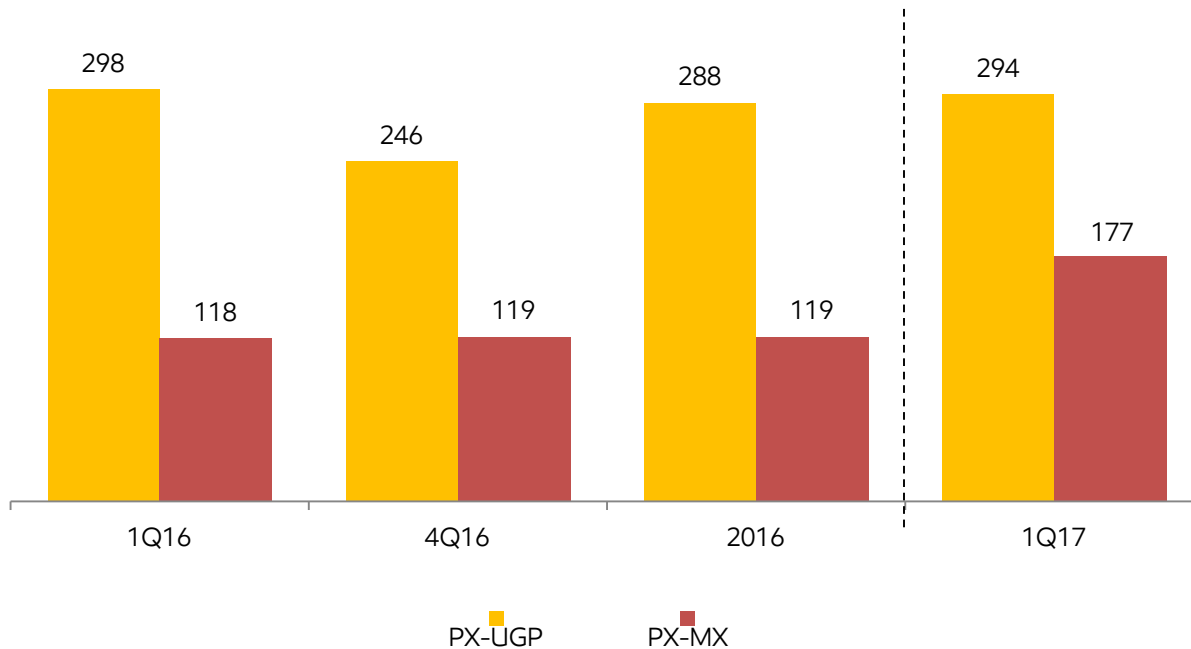
- Optimized crude slate increased light and middle product yields
- Heavy product yield decreased, resulting in lower production of fuel oil



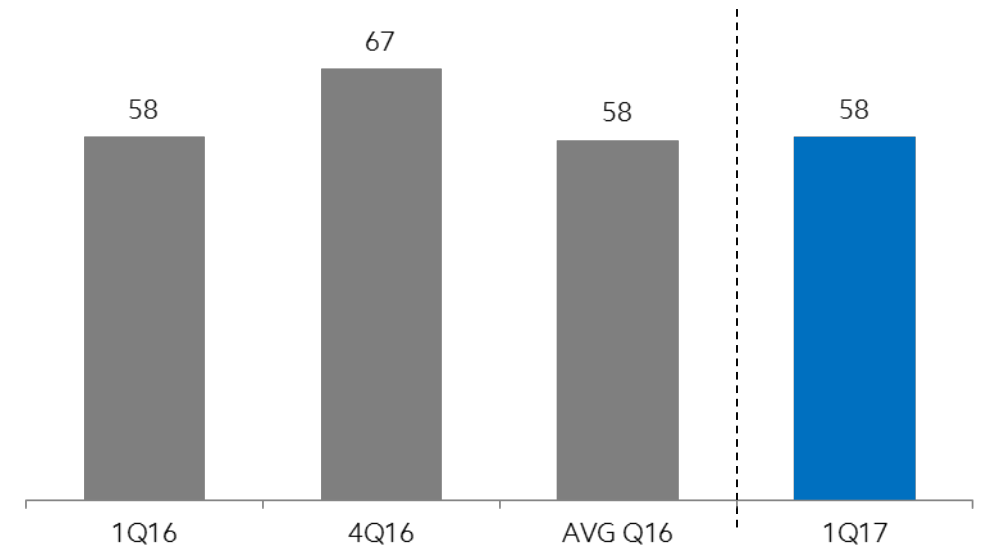
Petrochemical Spreads and Production

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Px Spread (\$/Ton)



Px Production (K Ton/quarter)



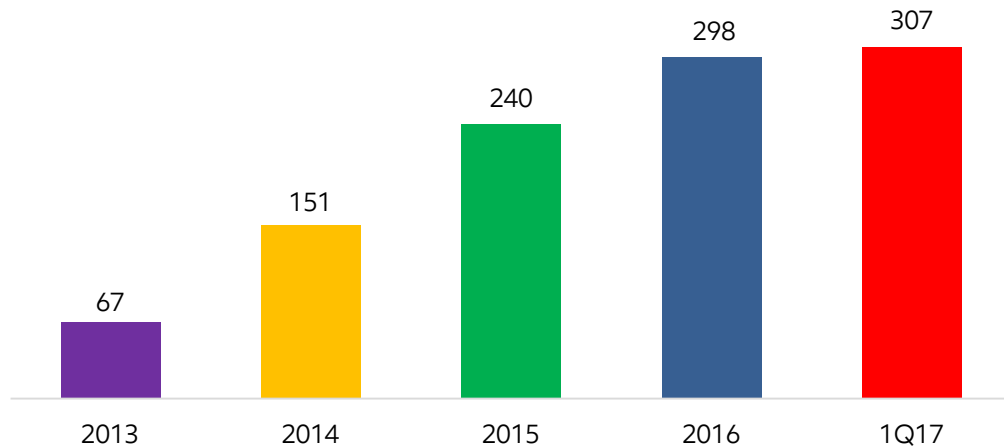
- Paraxylene spreads improved from previous quarter, driven by a temporary supply tightness in the region
- Paraxylene production level held flat to balance integrated economics and domestic commitment



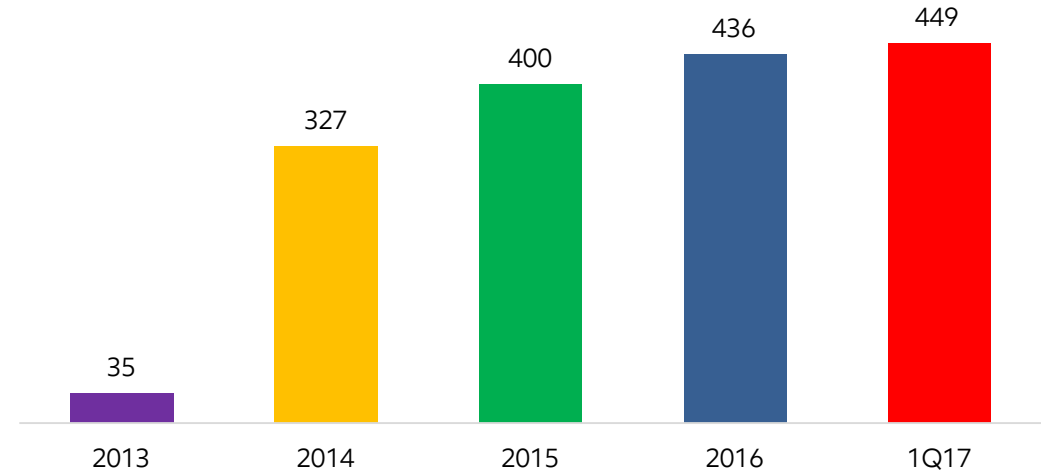
Marketing Business Update

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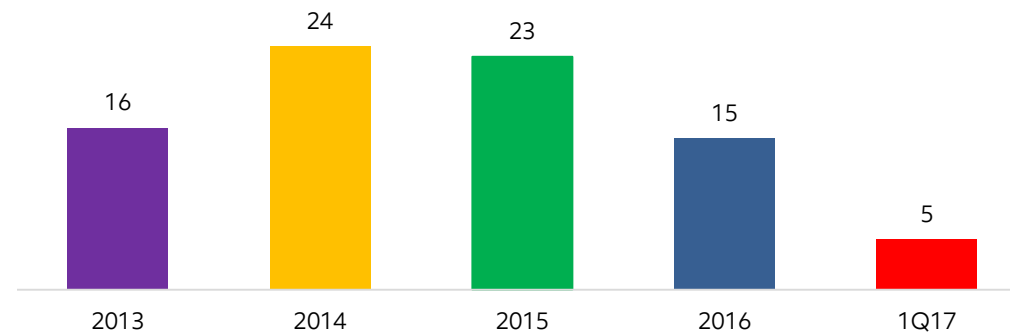
Service Stations offering Premium ADO



Service Stations offering E20



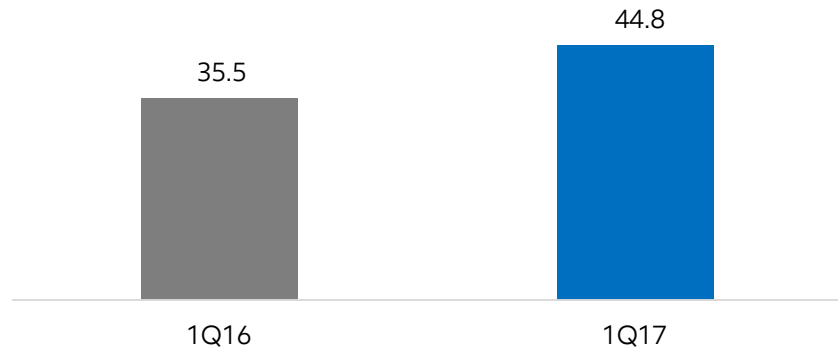
Number of New Service Stations



Financial Performance

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Sales Revenue



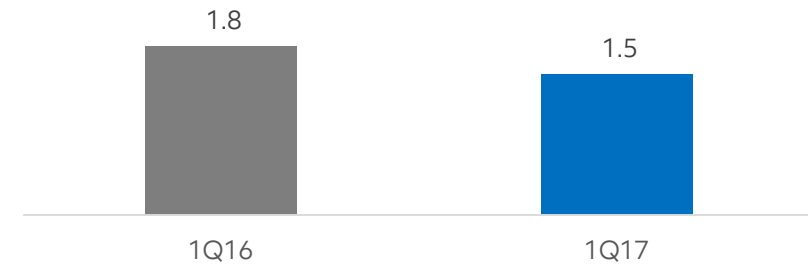
Interest Expenses



EBITDA



Net Profit/(Loss)

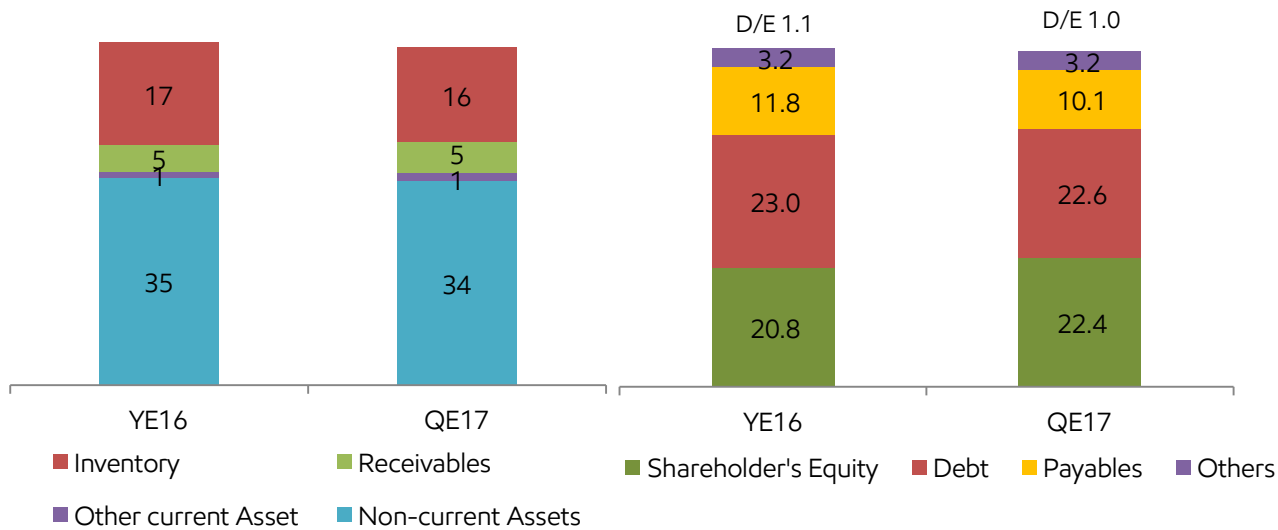


Note : All units are in Billion Baht



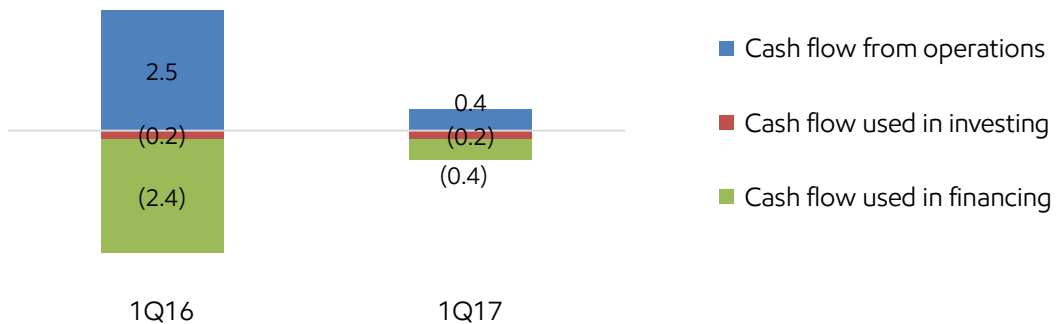
Financial Position

Balance Sheet Indicators



- Decrease in assets driven by lower inventory value
- Record low debt level highlights strength of balance sheet

Cash Flow



- Cash flow from operations of Baht 0.4B
- Capital investment for retail network upgrades
- Cash flow used in financing reflects net repayment of debt

Note : All units are in Billion Baht



Summary

- Continued focus on cost management and efficient operations
- Sustained operational excellence with disciplined investment
- Maximized value of business integration
- Expanded Retail network and premium product offerings

