

Pilipinas Shell Petroleum Corporation

Q1 2017 Analysts and Investors Briefing
May 2017



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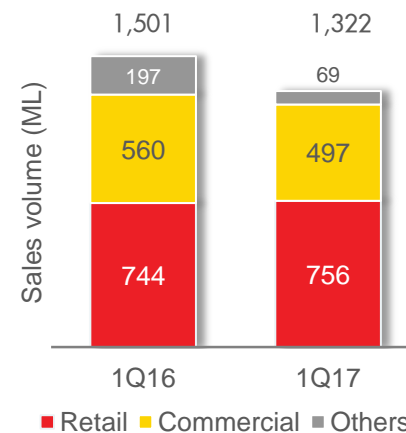
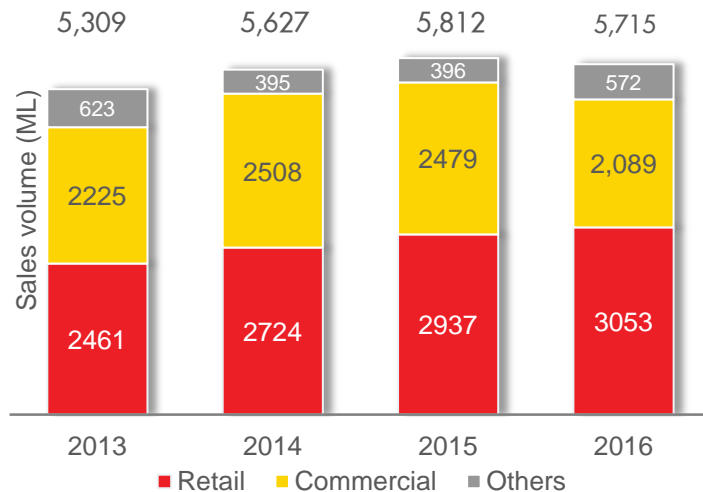
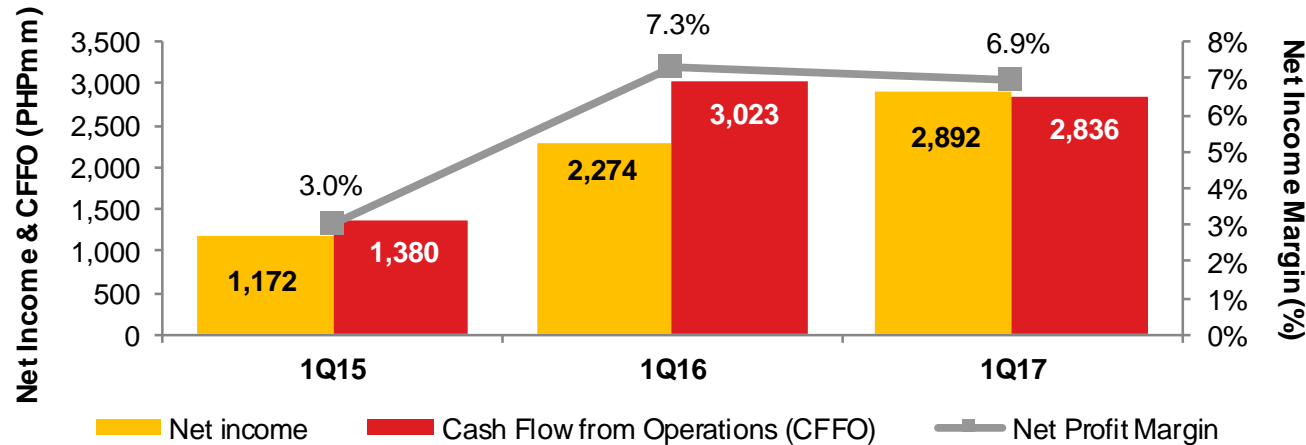
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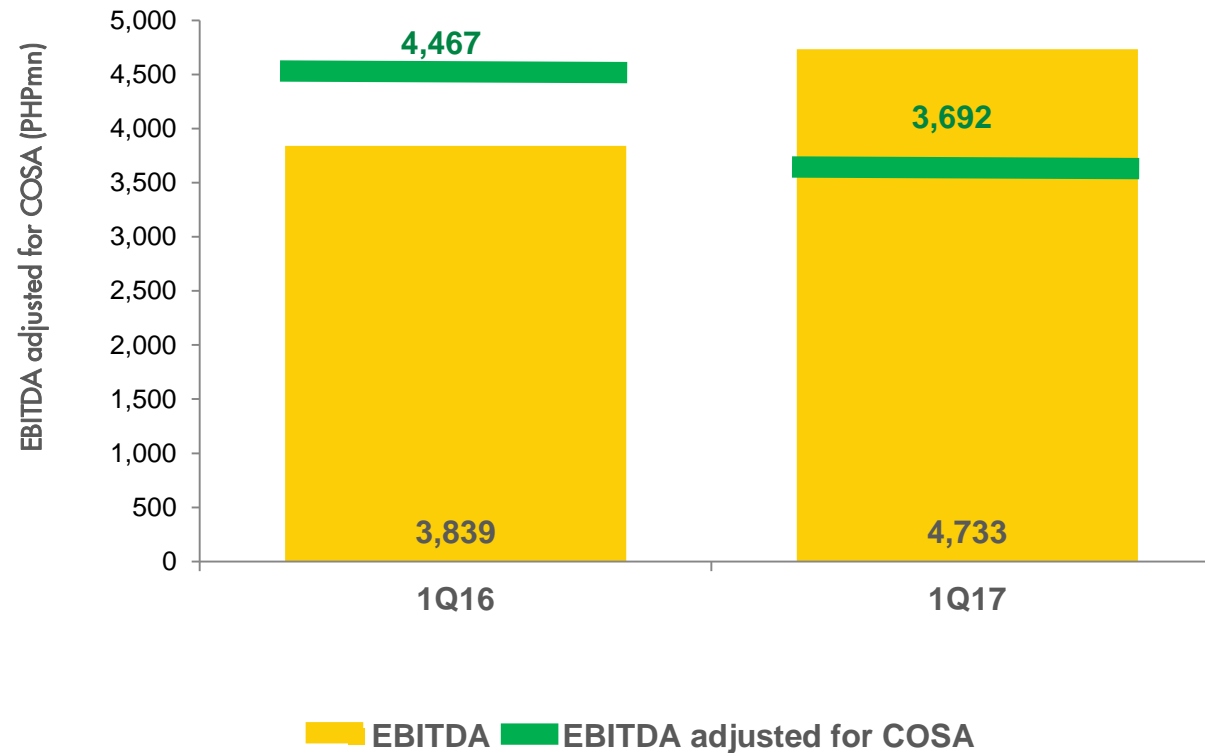
27% Increase in Net Income boosted by retail growth, improved refinery reliability and margins, and inventory holding gain



29%
Earnings Per Share

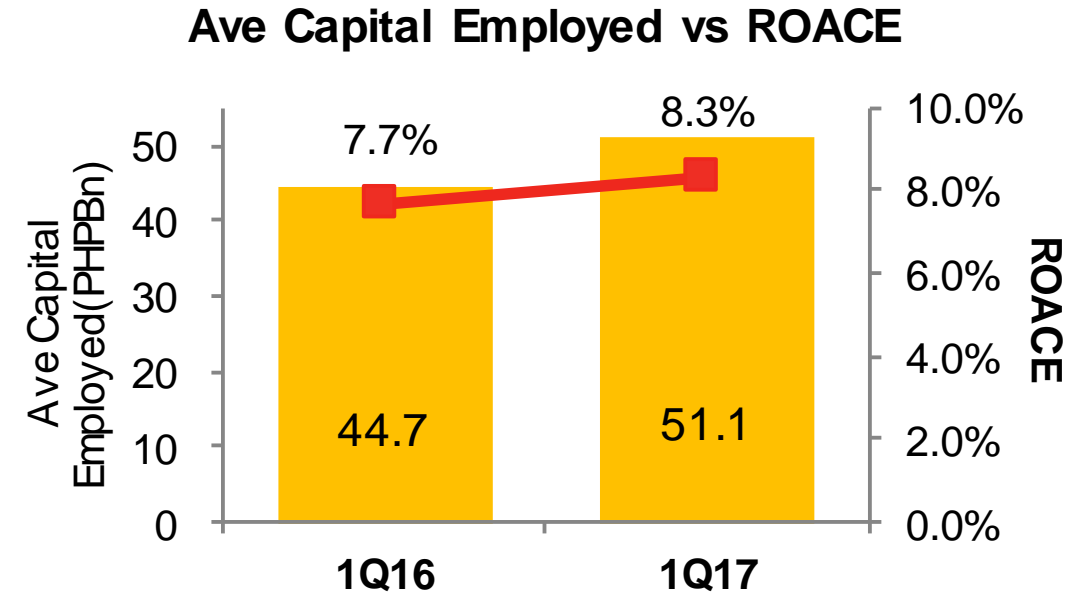
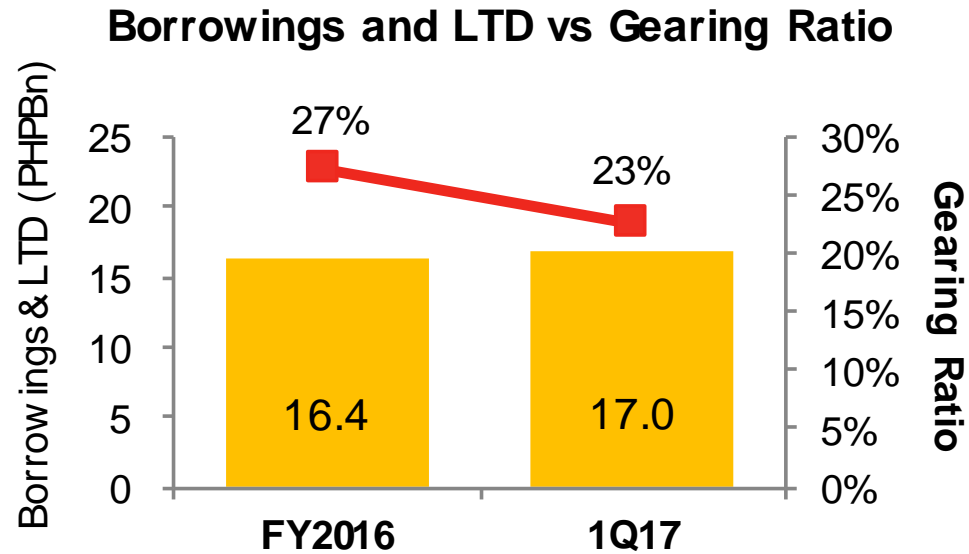
P1.8 in 1Q17 vs P1.4 in 1Q16

EBITDA and EBITDA adjusted for COSA



- ↑ 2% retail sales growth
- ↑ Increased premium fuel penetration
- ↑ Strong refining margins
- ↑ Refinery reliability
- ↓ Overall 12% decrease in sales volume
- ↓ Lower demand from power sector and resellers

ROACE increased by 0.6% to 8.3% due to higher net income in 1Q17; Gearing down to 23%



Full Year 2016

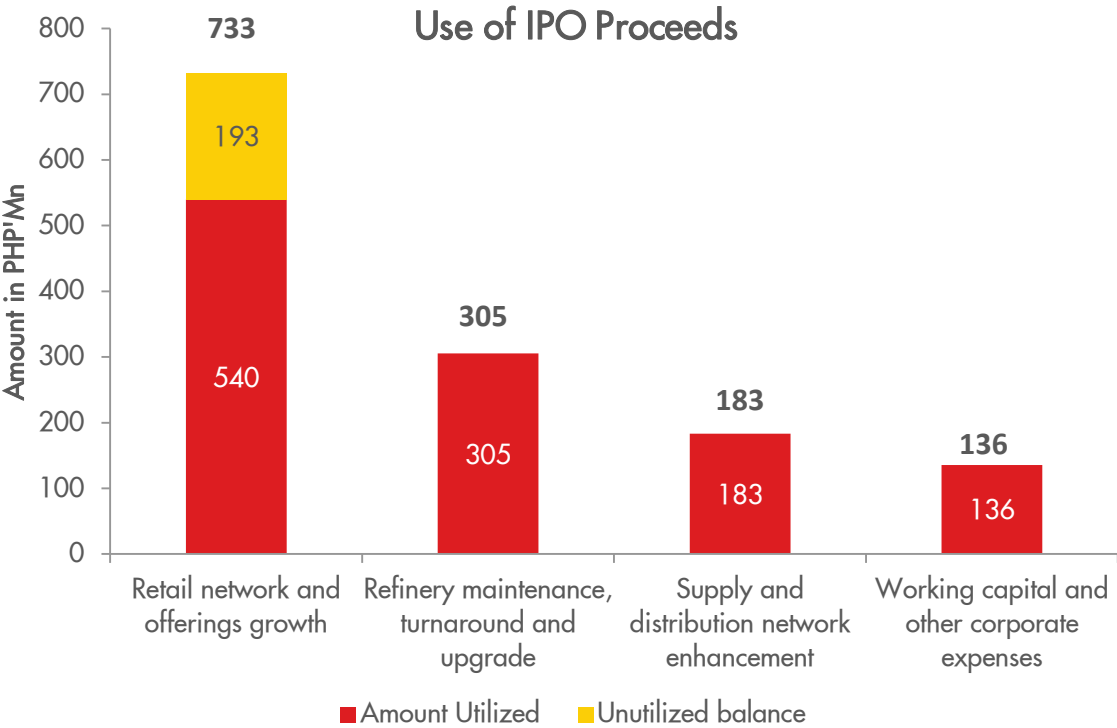
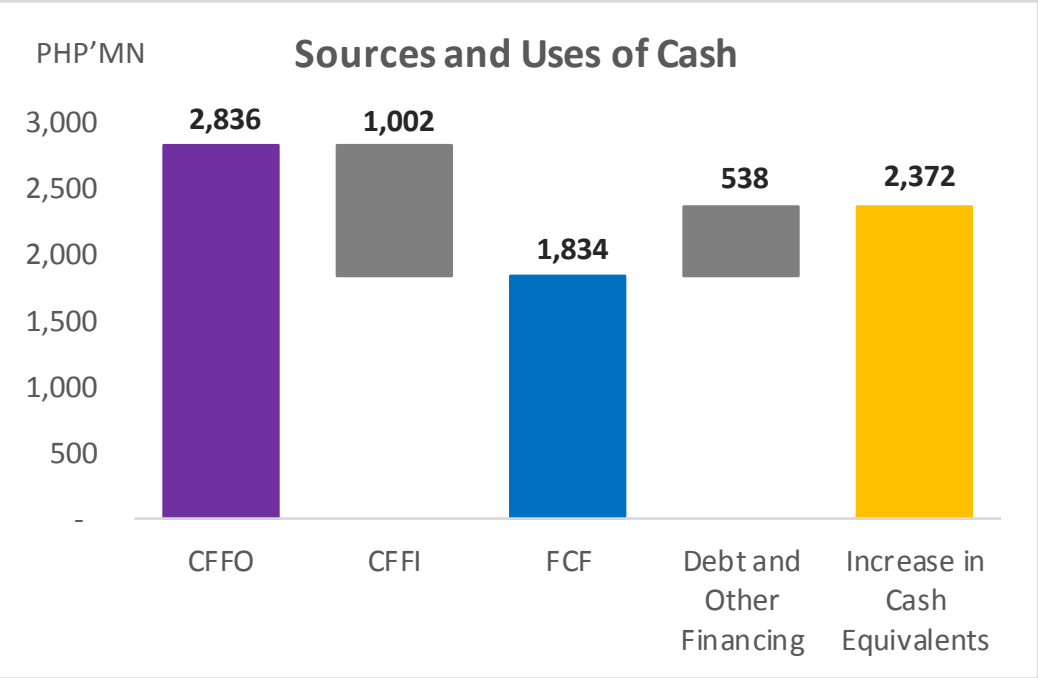
P4.68
Full year EPS

80.1%
Dividend
Payout Ratio

5.6%
Full Year
Dividend Yield



Sources and Uses of Cash and Use of IPO Proceeds



Retail

Retail Fuels Volumes Sold



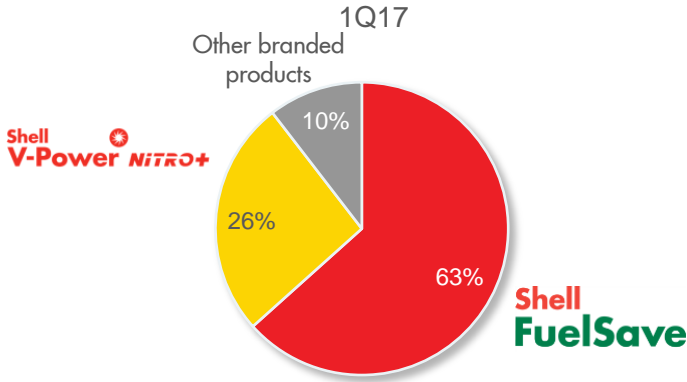
Premium Fuel Penetration



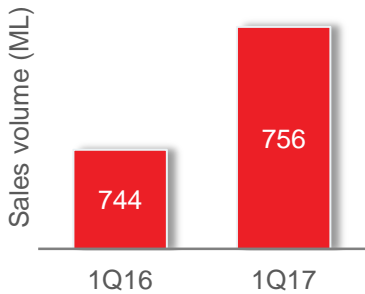
Retail Stations

995 Retail Stations
453 CODO
542 DODO

Retail fuel offering brands (by volume)



Retail Sales Volume



Non-Fuels Retailing

Double digit growth

↑ 16 new Shell Select
Total of 81 Shell Select



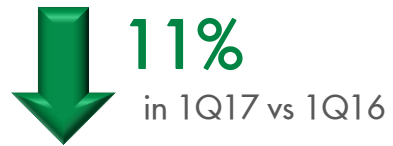
↑ 6 new Deli2Go
Total of 25 Deli2Go

↑ 17 new Shell Helix Oil Change+ outlets
Total of 130 Shell Helix Oil Change+ outlets



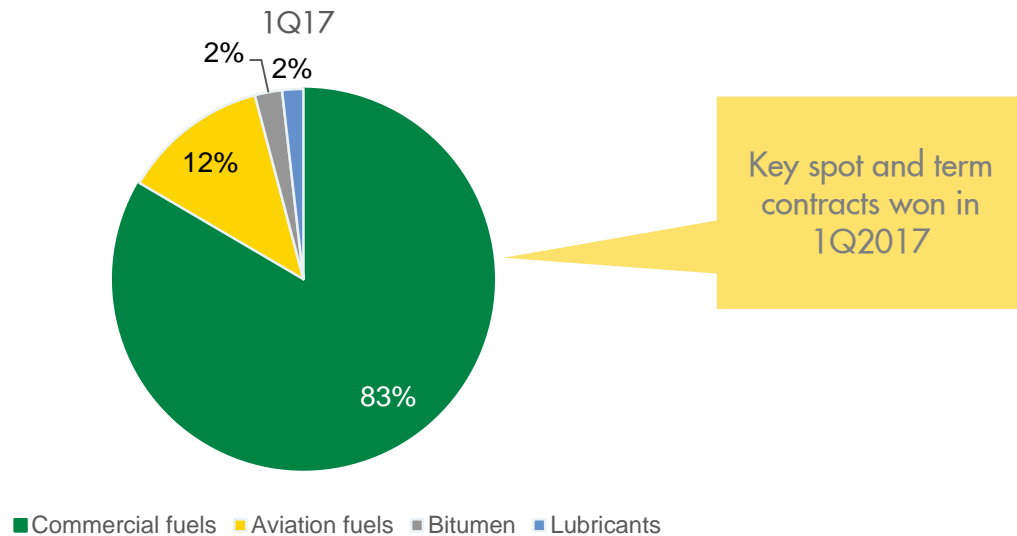
Commercial

Commercial Product Volumes Sold



Decline driven by industry but Shell's market share continues to grow

Commercial Portfolio



Manufacturing

Plant Reliability



Refining Margins



Refinery Updates

Refinery Turnaround

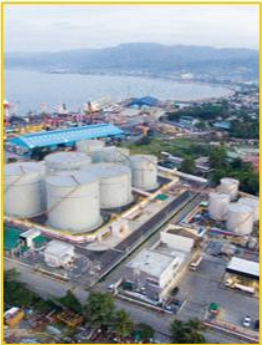
Bitumen Production

In Summary

1Q Performance and way forward

- 27% Increase in Net Income boosted by retail growth, improved refinery reliability and margins, and inventory holding gain
- Strong cash flow from operations
- Solid returns on capital employed
- Double digit growth on NFR

Key Projects



North Mindanao
Import Facility



Bitumen Production



Enhanced Crude
Flexibility and
Product Yield

Growth Areas



Non-fuel Retail



Aviation Supply Points Expansion



Premium Fuel Penetration & Network Expansion

Challenges

- Effective marketing execution
- Superior network deployment
- Supply chain efficiencies

Heightened
Competition

Lower Fuel Oil
Demand for Power

- Refinery upgrade for bitumen production to allow local bitumen production and bitumen exports
- Win more contracts from other industries

