

## Petronas' result underpinned by transformation drive

THE JAKARTA POST  
A SIA NEWS NETWORK  
KUALA LUMPUR

PETRONAS has to continue with its austerity mind-set and keep costs under control while increasing efficiencies and value, said president and CEO Tan Sri Wan Zulkiflee Wan Ariffin on the back of the announcement of the group's financial performance.

"The modest recovery in oil prices coupled with intensive internal

efforts to increase efficiency have contributed to Petronas' strong 2017 performance.

"The sustainability of the current oil prices remains to be seen. The concern here is that costs are increasing due to a perceived recovery.

"If this trend is left unchecked, the industry as a whole runs the risk of negating the value we have gained from intensive cost-efficiency efforts over the last three years," he said.

In a statement issued on its website, Petronas said profit after tax

(PAT) jumped 91 per cent to 45.5 billion ringgit in FY17, while revenue grew 15 per cent to 223.6 billion ringgit, underpinned by ongoing transformation efforts as well as the increase in commodity prices and improved margins.

"The increase was mainly due to higher average realised prices recorded for major products coupled with the effect of weakening of the ringgit against the US dollar.

"This was partially offset by lower sales volume for crude oil & conden-

sate and petroleum products," it said.

For the fourth quarter ended December 31, 2017, PAT and revenue grew 61 per cent and 14 per cent to 18.2 billion ringgit and 61.8 billion ringgit respectively.

Cumulative 2017 earnings before interest, tax, depreciation and amortisation (Ebitda) rose to 92 billion ringgit compared to 70.7 billion ringgit recorded in 2016, in line with higher profits. Cash flows from operating activities grew 41 per cent to 75.7 billion ringgit.