

PRESS RELEASE

For the year ended 31 December, 2017

MPHC DECLARES FULL YEAR NET PROFIT OF QR 1.1 BILLION

PROPOSED DIVIDEND PAYOUT OF 81%

- **Cash dividend of QR 0.7 per share proposed, equivalent to a total payout of QR 881 million.**
- **Surge in profits from previous year by 9%.**
- **Performance exceeds the group's budget.**
- **Robust liquidity position with closing cash of QR 1.4 billion held by the company as at 31 December, 2017 after distribution of previous years' dividends of QR 727 million.**
- **Integration of QVC's facilities with QAPCO achieved.**
- **Successful completion of planned maintenance shutdowns.**

DOHA, QATAR - 14/02/2018: Mesaieed Petrochemical Holding Company (“MPHC” or “the group”; QE: MPHC), a subsidiary of Qatar Petroleum and one of the region’s premier diversified petrochemical conglomerates with interests in the production of olefins, polyolefins, alpha olefins and chlor-alkali products, announced its financial results for the year ended 31 December, 2017, with a net profit of QR 1.1 billion.

2017 was characterized by a number of opportunities that have been successfully translated into stellar performance. The group successfully completed the planned maintenance shutdowns in some of its plants. Despite the shutdowns, the financial and operational results were commendable and exceeded the group’s budget. The group achieved yet another milestone in successfully integrating Qatar Vinyl Company’s support and core facilities with Qatar Petrochemical Company Limited (“QAPCO”), a joint venture between Industries Qatar and Total.

Financial Results

MPHC registered a robust net profit of QR 1.1 billion for the year ended 31 December, 2017 with earnings per share of QR 0.87, outperforming its previous year’s net profit of QR 995 million with earnings per share of QR 0.79 by QR 93 million or 9%. The year-on-year surge in profits was due to improved selling prices by 6% - in line with the crude oil price upswing - and increase in other income, despite the decline in sales volumes arising from the planned maintenance shutdowns in some of the group companies’ plants.

The group continued to benefit from the supply of competitively priced ethane feedstock and fuel gas under long-term supply agreements. These contractual arrangements are an important value driver for the group’s profitability in the current challenging market conditions.

The closing cash position as at 31 December, 2017 after distribution of the previous years’ dividends of QR 727 million, was a robust QR 1.4 billion. Total assets as at 31 December, 2017 stood at QR 14.8 billion, compared to QR 14.4 billion as at 31 December, 2016. With these results, the group significantly exceeded its budget expectations.

Proposed Dividend Distribution

The Board of Directors, in its meeting held on February 14, 2018, recommended a total annual dividend distribution for the year ended 31 December, 2017 of QR 881 million, equivalent to a payout of QR 0.7 per share, representing 81% of the group’s profit.

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DISCLAIMER

The companies in which Mesaieed Petrochemical Holding Company QSC directly and indirectly owns investments are separate entities. In this press release, "MPHC" and "the group" are sometimes used for convenience in reference to Mesaieed Petrochemical Holding Company QSC. This presentation contains forward-looking statements concerning the financial condition, results of operations and businesses of Mesaieed Petrochemical Holding Company QSC. All statements other than statements of historical fact are deemed to be forward-looking statements, being statements of future expectations that are based on current expectations and assumptions, and involve known and unknown risks and uncertainties that could cause actual results, operations and business performance or events impacting the group to differ materially from those expressed or as may be inferred from these statements. There are a number of factors that could affect the realisation of these forward-looking statements such as: (a) price fluctuations in crude oil and natural gas, (b) changes in demand or market conditions for the group's products, (c) loss of market share and industry competition, (d) environmental risks and natural disasters, (e) changes in legislative, fiscal and regulatory conditions, (f) changes in economic and financial market conditions and (g) political risks. As such, results could differ substantially from those stated, or as may be inferred from the forward-looking statements contained herein. All forward-looking statements contained in this presentation are made as of the date of this presentation. Mesaieed Petrochemical Holding Company QSC, its Directors, officers, advisors, contractors and agents shall not be liable in any way for any costs, losses or other detrimental effects resulting or arising from the use of or reliance by any party on any forward-looking statement and / or other material contained herein. Mesaieed Petrochemical Holding Company QSC, its joint ventures and associated companies are further in no way obliged to update or publish revisions to any forward-looking statement or any other material contained herein which may or may not be known to have changed or to be inaccurate as a result of new information, future events or any reason whatsoever. Mesaieed Petrochemical Holding Company QSC does not guarantee the accuracy of the historical statements contained herein.

GENERAL NOTES

Mesaieed Petrochemical Holding Company's accounting year follows the calendar year. No adjustment has been made for leap years. Where applicable, all values refer to Mesaieed Petrochemical Holding Company's share. Values expressed in QR billions and percentages have been rounded to 1 decimal point. All other values have been rounded to the nearest whole number. Values expressed in US \$'s have been translated at the rate of US \$1 = QR3.64.

DEFINITIONS

Cash Realisation Ratio: $\text{Cash Flow From Operations} / \text{Net Profit} \times 100$ • Debt to Equity: $(\text{Current Debt} + \text{Long-Term Debt}) / \text{Equity} \times 100$ • Dividend Yield: $\text{Total Cash Dividend} / \text{Closing Market Capitalisation} \times 100$ • EDC: Ethylene Dichloride • EPS: Earnings per Share (Net Profit / Number of Ordinary Shares outstanding at the year end) • EBITDA: Earnings Before Interest, Tax, Depreciation and Amortisation • Free Cash Flow: $\text{Cash Flow From Operations} - \text{Total CAPEX}$ • HCL: Hydrochloric Acid • HDPE: High Density Polyethylene • NAO: Normal Alpha Olefins • NaOH: Caustic Soda • MT / PA: Metric Tons Per Annum • Payout Ratio: $\text{Total Cash Dividend} / \text{Net Profit} \times 100$ • P/E: Price to Earnings (Closing market capitalisation / Net Profit) • Utilisation: $\text{Production Volume} / \text{Rated Capacity} \times 100$ • VCM: Vinyl Chloride Monomer

ABOUT MPHC

Mesaieed Petrochemical Holding Company Q.S.C. ("MPHC") was incorporated as a Qatari joint stock company on May 29, 2013 with an agreed effective date for the transfer of Qatar Petroleum's previous shareholding in the joint ventures of September 1, 2013. The registered office is located at P.O. Box 3212, Doha, State of Qatar. The main activity of MPHC is to act as a holding company: (i) Q-Chem is currently owned by MPHC (49%), Chevron Phillips Chemical International Qatar Holdings L.L.C. ("CPCIQH") (49%) and QP (2%), and has one wholly-owned subsidiary, Q-Chem Distribution Company Limited, (ii) Q-Chem II is currently owned by MPHC (49%), CPCIQH (49%) and QP (2%), and has one wholly-owned subsidiary, Q-Chem II Distribution Company Limited, and an effective ownership interest of 53.85% in a joint venture, Ras Laffan Olefins Company Limited, which supplies ethylene to Q-Chem II; and (iii) QVC, which was incorporated in 1997 as a joint venture, and is currently owned by MPHC (55.2%), Qapco (31.9%) and QP (12.9%).

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