

# **PRESS RELEASE**

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**For the nine months period ended September 30, 2017**

**MPHC DECLARES NET PROFIT OF QR 806 MILLION  
FOR THE NINE MONTHS PERIOD ENDED 30<sup>TH</sup>  
SEPTEMBER 2017**

- **Profits surged by 13% on previous year.**
- **Performance significantly exceeds the group's budget.**
- **Robust liquidity position with closing cash of QR 1.1 billion held by the company as at 30 September, 2017 after distribution of previous years' dividends of QR 724 million.**
- **Tax refund of QR 74 million booked for the period ended 30 September 2017.**

**DOHA, QATAR - 29/10/2017:** 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, reported its financial results for the nine months period ended September 30, 2017, with a net profit of QR 805.9 million.

## **Financial Results**

MPHC posted a net profit of QR 805.9 million for the nine months period ended September 30, 2017 with earnings per share of QR 0.64, surged by 13% on previous year. Improved selling prices coupled with one-off claims received were the main contributors towards improved performance. The financial performance significantly exceeded the group’s budget expectations.

The group’s profit for the period was also aided by recognition of a tax refund of approximately QR 74.3 million for the period. The group continued to benefit from the supply of competitively priced ethane feedstock and fuel gas under long-term supply agreements. This contracting arrangement is an important value driver for the group’s profitability in a challenging market condition.

The closing cash position after the first nine months of operations and after distribution of previous years’ dividends of QR 724.2 million, was a robust QR 1.1 billion as at September 30, 2017. The total assets at September 30, 2017 was QR 14.5 billion, compared to QR 14.4 billion as at 31 December 2016.

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## 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%).

## CONTACT DETAILS

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