PUMA ENERGY
Q1 2016 RESULTS

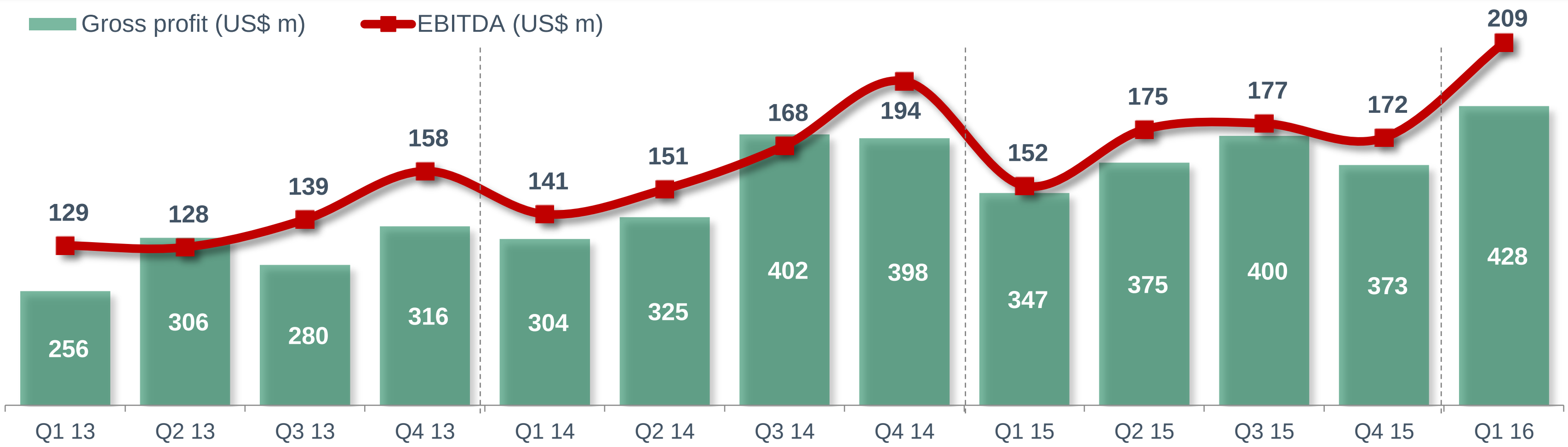
May 2016

Key highlights

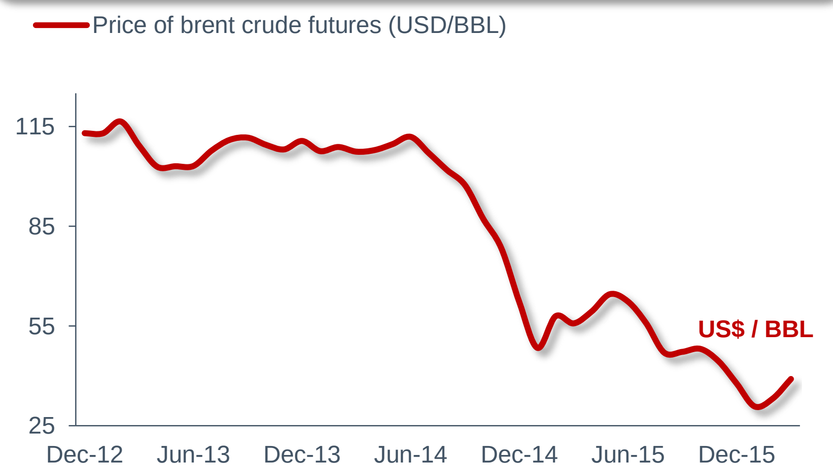
- Strong quarter, marked by unit margin recovery combined with prior period catch-up on margins.
- Sales volumes: **5.2million m^3** (+22% y-o-y)
- Gross profit: **US$ 428million** (+23%)
- EBITDA: **US$ 209million** (+37%)
- Operating cash flows: **US$ 203million**
- Investment in infrastructure: **US$ 186million**

A steady business model in a challenging environment…

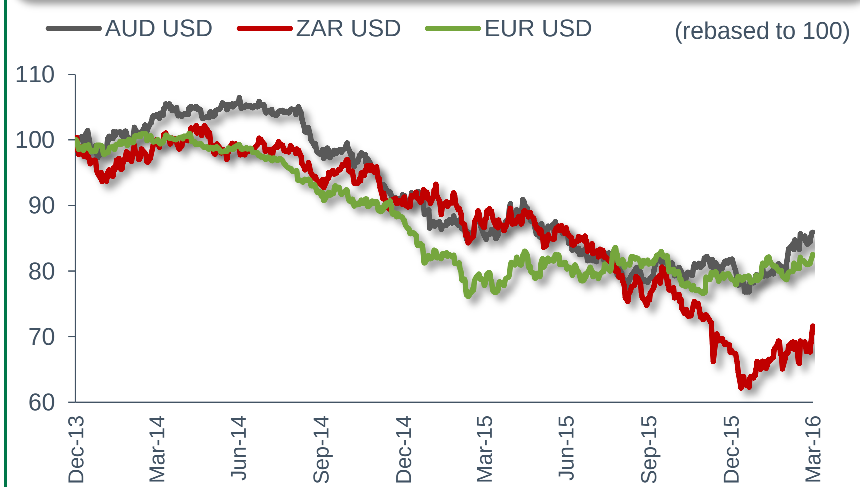
Continued steady operating performance…



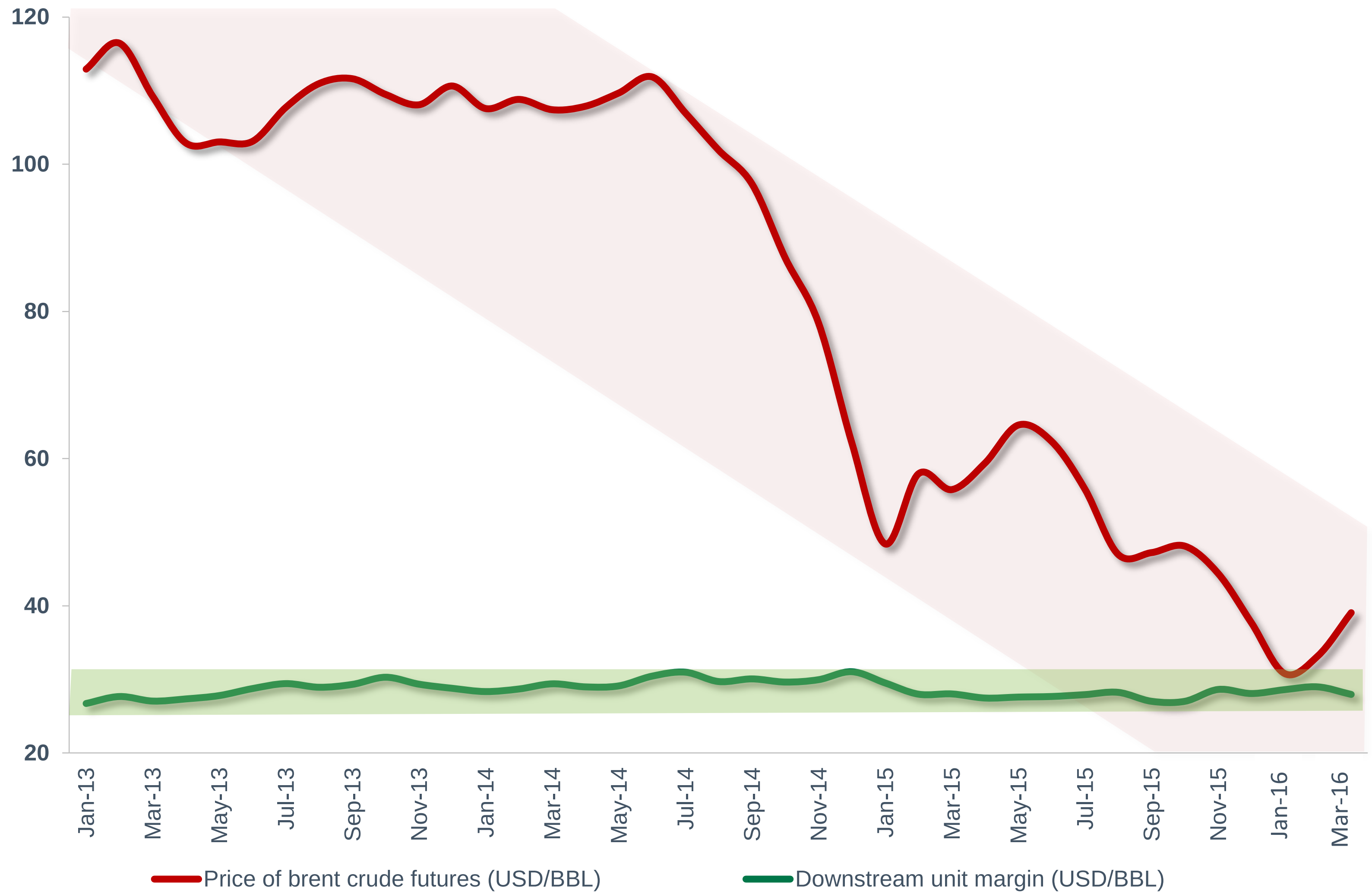
…in the face of declining oil prices…



…and devaluating currencies



… at stable unit margins



Note: 1 m^3 = 6.2898 BBL. Therefore, average margin corresponds to US$70 – 80/$m^3$.

Key Highlights – Q1 '16 vs. Q1 '15

US$million	Q1 '16	Q1 '15	*Q1 '16 vs Q1 '15*
Sales volume ('000 m^3)	5,230	4,270	*22%*
Throughput volume ('000 m^3)	5,663	4,607	*23%*
Gross profit	428	347	*23%*
EBITDA	209	152	*37%*
Capex*	186	145	*29%*
Cash flow from operations	203	149	*37%*

Q1 '16 vs. Q1 '15

- **Increased sales volumes (+22%) from organic growth and acquisitions.**
- **23% increase in gross profit, given higher sales volumes and steady unit margins.**
- **37% increase in EBITDA, from higher gross profit and limited one-off impacts on costs.**
- **US$186m capex on storage and retail projects.**

* Q1 ‘16 capex includes US$52m, from the repayment of a vendor loan for the bitumen ships acquired in 2014 as part of the bitumen acquisition

Business segmentation – Q1 '16 vs. Q1 '15

US$ million	Downstream			Midstream		
	Q1 '16	Q1 '15	*Change*	Q1 '16	Q1 '15	*Change*
Volume ('000 m^3)	4,995	3,937	*27%*	5,898	4,940	*19%*
Gross profit	370	298	*24%*	58	49	*19%*
Unit margin (US$/$m^3$)	74	76	*-2%*	10	10	*0%*
EBITDA	176	125	*41%*	33	27	*21%*

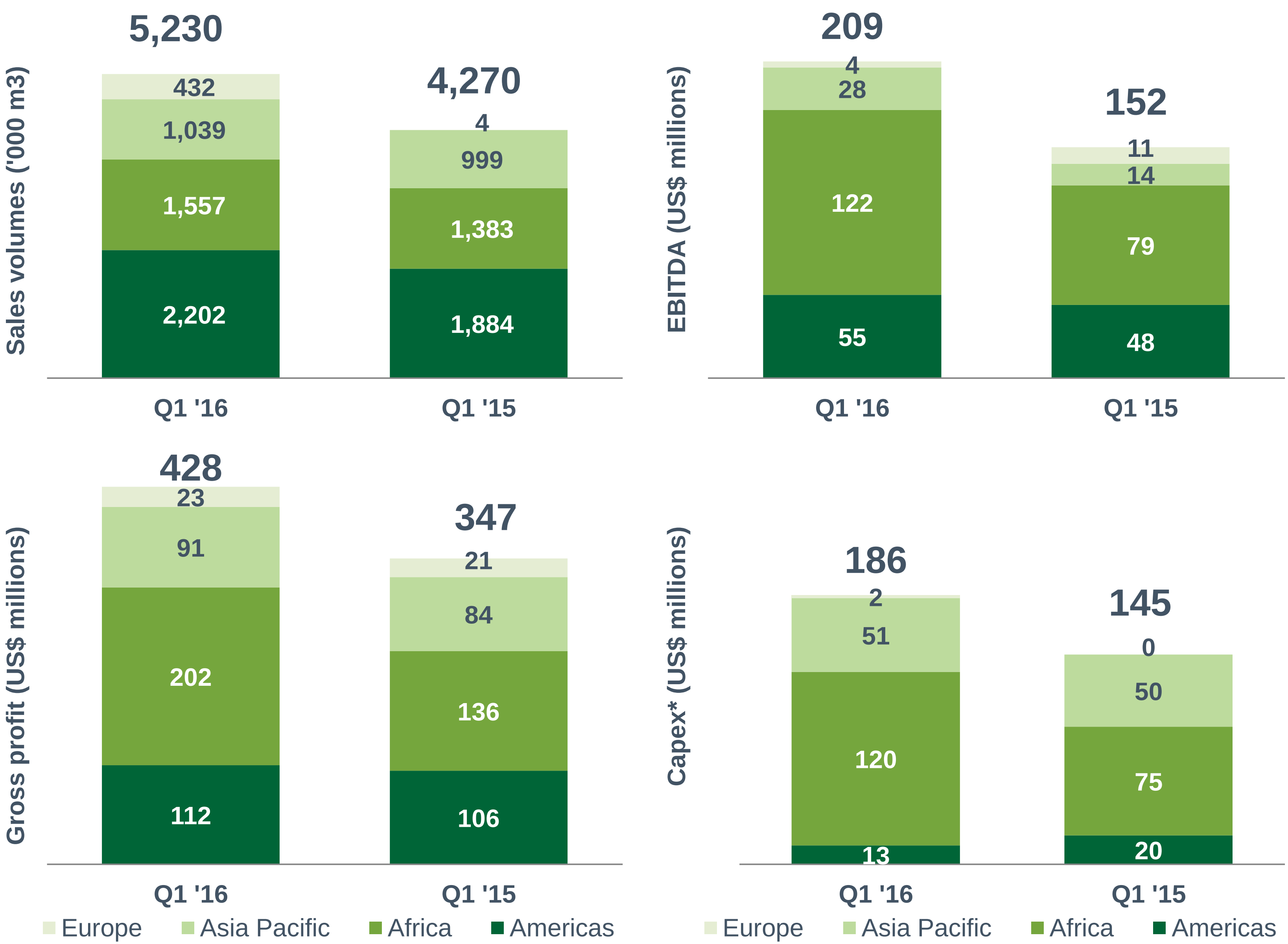
Downstream

- **Higher volumes across all regions.**
- **Recovery of unit margins against Q4 2015, despite a shift in the geographic mix.**
- **Higher EBITDA driven by increased gross profit and contained costs.**

Midstream

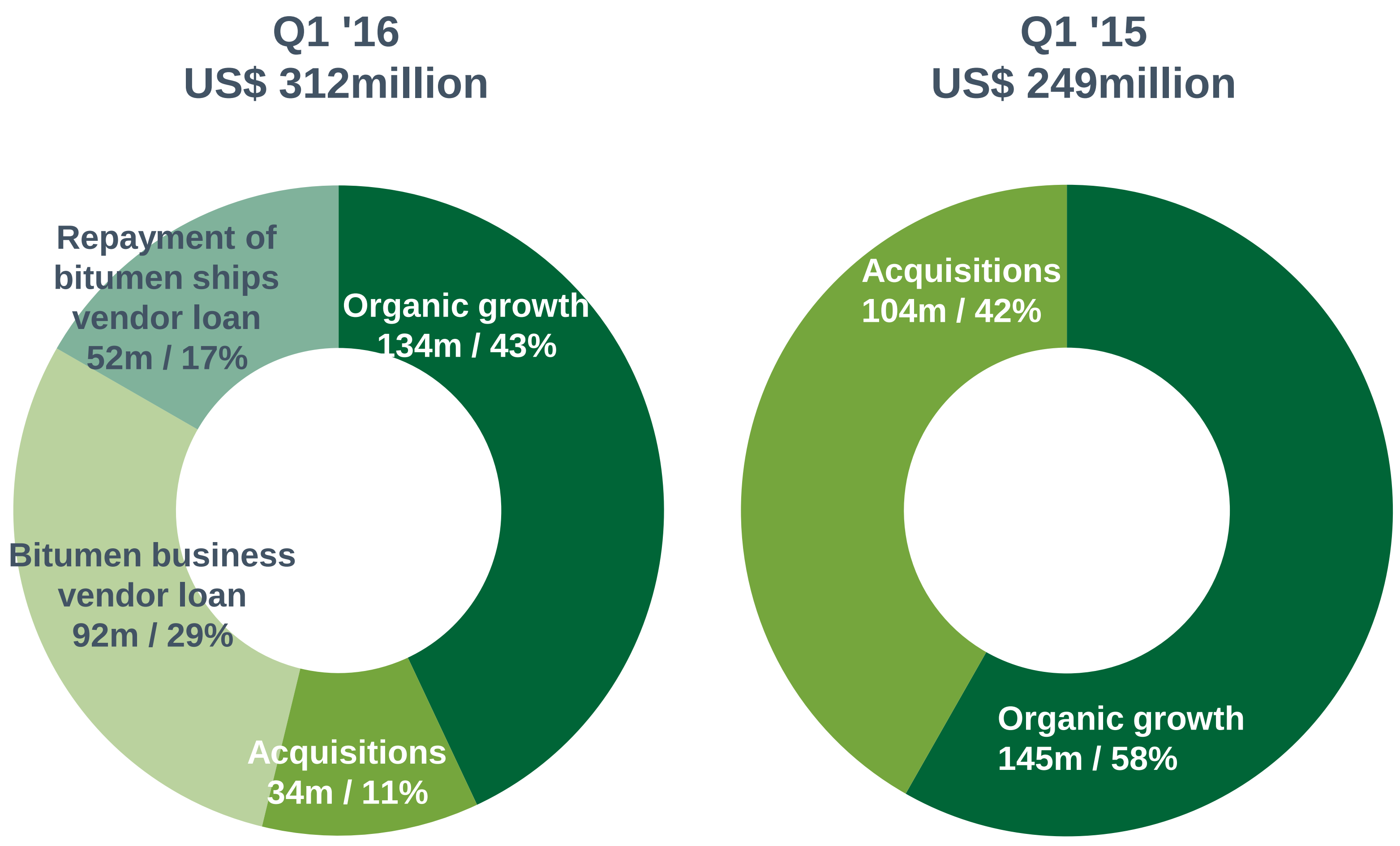
- **Increase in throughput volumes, gross profit and EBITDA.**
- **Stable unit margins.**

Geographic Segmentation – Q1 '16 vs. Q1 '15



* Q1 '16 capex includes US$ 52m, from the repayment of a vendor loan for bitumen ships acquired in 2014

Investments – Q1 '16 vs. Q1 '15



…building-up the future infrastructure

Nigeria
- Bitumen tanks revamp

Angola Luanda
- Completing Luanda Bay

UK
- Conversion to storage

Russia
- Rostov Airport

El Salvador
- Rasa terminal revamp and marine pipeline

Myanmar
- Thilawa terminal & 11 new airports

Panama
Petroport terminal revamp

Vietnam
- Dinh Vu bitumen terminal

Ghana
- Takoradi, Tema

South Africa
- Retail stations expansion and rebranding

Mozambique
- Jetty and rail line to Matola fuel terminal

Australia
- Retail stations

Indonesia
- Samarinda terminal

Under construction
Completed

Key Performance Indicators – Q1 '16

	Mar16	Dec15	Mar15
Number of countries	47	47	45
Number of service stations	2,376	2,362	2,051
Number of terminals	98	98	85
Storage capacity (mil. m^3)	7.8	7.7	7.1
Number of airports	51	49	45
Headcount	7,635	7,713	7,315

Key statistics

- Increased number of service stations in Ghana.
- Increased terminal capacity in Indonesia and Papua New Guinea.
- Opened two new airports in Angola.
- Stable workforce between Q4' 15 and Q1 '16.

Cash flows – Q1 '16 vs. Q4 and Q1 '15

US$million	Q1 '16	Q4 '15	Q1 '15
Net cash flow from operations	203	129	149
Net cash flow used in investing*	(312)	(264)	(249)
Net cash flow from financing	132	46	(87)
Days of sales out-standing (3rd party)	*13*	*11*	*14*
Days of inventory	*24*	*18*	*20*

* Q1 '16 investing cash flows include US$144million for repaying the vendor loans of the bitumen business and ships acquired in 2014

Q1 '16 vs. '15

- **Operating cash flows at US$203m, in line with EBITDA.**
- **Investing cash flows reflect organic capex, the acquisition in Nigeria, and the repayment of bitumen vendor loans.**
- **Financing cash flows reflect additional financing and interest payments.**
- **Slight increase in DSO and DIO.**

Capital structure – Mar ‘16

US$ million	**Mar16**	**Dec15**	**Mar15**
Cash	(309)	(281)	(286)
Inventories	(629)	(615)	(570)
OpCo Debt	746	771	1,065
Senior Facilities	1,117	944	485
Senior Notes	1,327	1,219	1,215
Total net debt	**2,252**	**2,037**	**1,909**
x LTM EBITDA	*3.1*	*3.0*	*2.9*

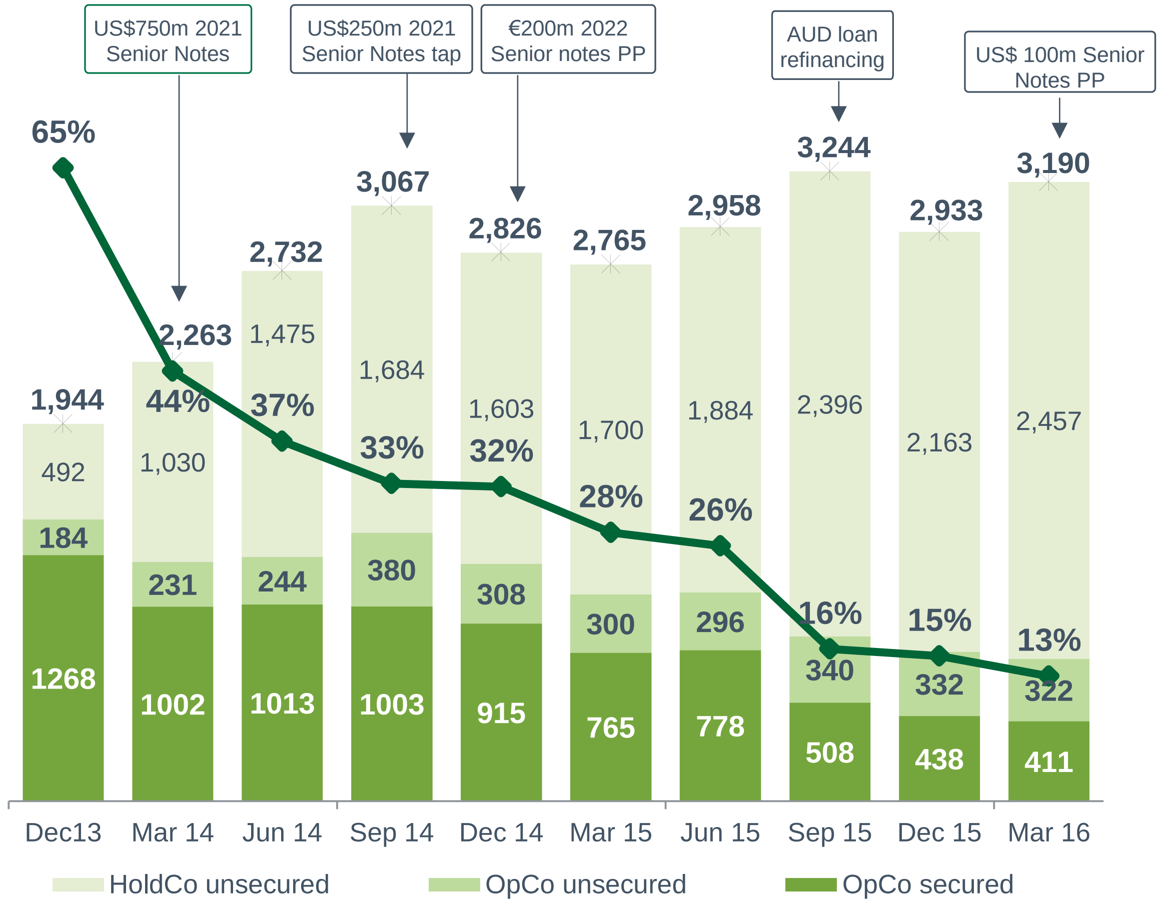
- **Equity increase completed for US$350m at Mar16.**
- **Net Debt / LTM EBITDA at 3.1x.**
- **Unsecured HoldCo debt represents 77% of Group’s debt, against 13% for secured OpCo debt .**
- **Made another US$100m Private Placement, maturing in 2023.**
- **42% of debt maturing in 2021 and beyond.**

Closing remarks

- **Strong quarter characterized** by continued sales growth, and gross margin recovery and catch-up.
- **Unit margin recovery** to continue in some markets.
- However, margins will still be impacted by a **shift in the geographic mix.**
- In May, **refinanced** and increased the Senior Credit facility from 1.25bn to 1.55bn.

Appendix 1- Rebalancing the capital structure

2013 – 2016 financing structure evolution (in US$m)

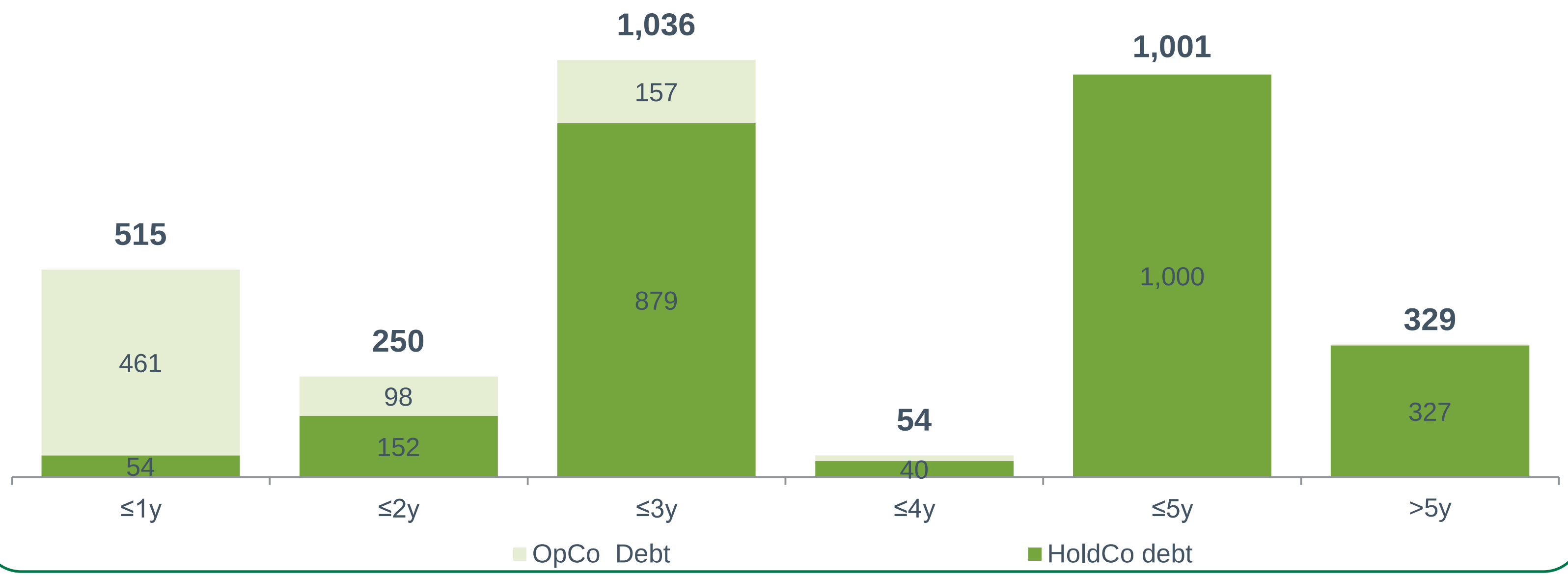


Strategy

- **Centralize term financing at HoldCo level,** whilst continuing to diversify funding sources (i.e. bank financing, high yield bonds and private placements).
- All financings at HoldCo level rank **pari passu** and are **unsecured.**
- Keep **working capital financing** at **OpCo level.**

Appendix 2 - Debt maturity profile

HoldCo vs. OpCo maturity profile (as at Q1 2016)



Maturity profile

US$million	Total	≤1y	≤2y	≤3y	≤4y	≤5y	>5y
HoldCo debt	2,457	54	152	879	45	1,000	327
OpCo Debt	733	461	98	157	14	1	2
Gross debt	**3,190**	**515**	**250**	**1,036**	**59**	**1,001**	**329**
% of Total		*16%*	*8%*	*32%*	*2%*	*31%*	*10%*

Appendix 3 – Recent investments

Australia

>US$1bn

CAPITAL INVESTED

- Rebranded over 200 retail sites
- New Super7 convenience store formats
- 30 TNI sites opened
- East Coast terminal network completed
- Acquired BP Australia’s bitumen business, making Puma Energy the #1 bitumen supplier

Appendix 3 – Recent investments

Myanmar

>US$150m

CAPITAL INVESTED

- Winner of first privatisation process by MPPE
- 1st foreign company to construct an import terminal
- 1st foreign company to import and distribute petroleum products in Myanmar

Appendix 3 – Recent investments

South Africa

>US$78m

CAPITAL INVESTED

- Acquired 4 fuel distributors, adding 123 retail sites and 8k m^3 storage capacity.
- Rebranded 70 sites so far.
- Supply ensured through the recently built Matola terminal in Mozambique, and supply contracts with local refiners.
- Matola terminal acts as a storage hub for the whole Southern African region.

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