

PRESS RELEASE

For the year ended December 31, 2015

**MPHC DECLARES FULL YEAR NET PROFIT OF
QR 1.1 billion.
PROPOSED DIVIDEND PAYOUT OF 80.9 %.**

- **Cash dividend of QR 0.7 per share proposed, equivalent to a total payout of QR 879.4 million.**
- **Strong liquidity position with closing cash held by the company at QR 926 million as of December 31, 2015 after distribution of QR 1.3 billion previous years dividends.**
- **Tax refund of QR 100.1 million booked during the year.**
- **Product prices down on last year in line with global oil price trends**
- **Cost and operational optimization programs across the group are underway to strengthen performance**

DOHA, QATAR - Mesaieed Petrochemical Holding Company (“MPHC” or “the group”; QE: MPHIC), 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 December 31, 2015, with a net profit of QR 1.1 billion.

Financial Results

Total income reported for the year ended December 31, 2015 including the tax refund was QR 1.1 billion, a decrease of QR 707 million, or 39%, versus the same period of 2014 (2014: QR 1.8 billion) primarily due to planned facility maintenance in the current year, which has been successfully completed, and weaker product prices following the significant fall in the global oil prices in Q4, 2014 that started to affect product prices.

MPHC closed the year ended December 31, 2015 with a net profit of QR 1.1 billion, a decrease of QR 0.7 billion, or 39.5 % over the same period in 2014, while the fourth quarter earnings of QR 300.8 million were down by 21.5% over the third quarter of 2015. The year-on-year reduction was driven by planned major maintenance shutdowns and due to weak product prices. The preventive maintenance and warranty shutdowns are an essential requirement for large, industrial plants as they can help minimize unplanned disruption, ensure product quality is maintained and ultimately, contribute to an extension of plant’s production life. The quarter-on-quarter decrease was due to decrease in selling prices and sales volumes. The groups’ profit was also aided by recognition of a tax refund of QR 100.1 million for the year. 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 profitability in a challenging market condition.

The company’s liquidity position remained strong during the year on buoyant cash realization ratios across all group companies, with cash held by the company after distribution of previous years dividend of QR 1.3 billion, was at QR 926 million. The total assets at December 31, 2015 was QR 14.3 billion, compared to the 31 December 2014 total assets of QR 14.6 billion.

Performance Versus Budget

Due to the unfavourable conditions experienced during the year, the group closed the year with 9.6% less than the budgeted profit.

Proposed Dividend Distribution

The Board of Directors aim to maximise the percentage of net profit paid as a cash dividend while maintaining adequate liquidity for the group's capital investments, working capital and financing needs, and the principles of financial prudence.

After ensuring sufficient cash is maintained for working capital, debt repayment and capital expenditure, and keeping in view the latest economic forecasts, the Board of Directors, in their meeting on February 7, 2016 recommended a total annual dividend distribution for the year ended December 31, 2015 of QR 879.4 million. This is equivalent to a payout of QR 0.7 per share and represents 80.9% of the group's profits.

Conclusion

The Board of Directors and senior management look forward to 2016 with renewed confidence in the sound financial and operational position of the group, and continued strong support from our esteemed shareholders.

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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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