

COMPANY STRATEGIES AND PERFORMANCE

Sample Company Downstream Profile

April 2018

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Sample Company: IHS Markit View

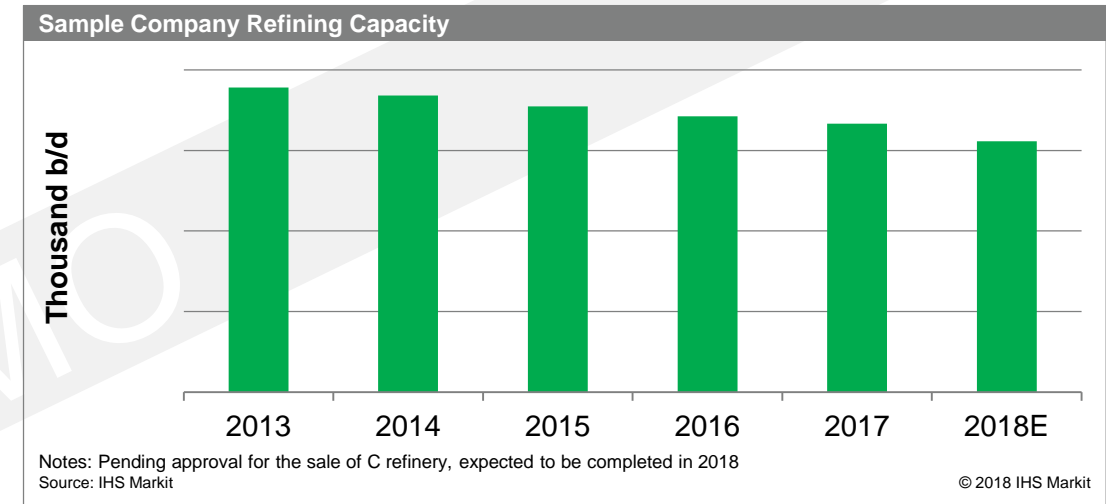
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IHS Markit View

With rationalization of non-core refining assets in country C and A, company's presence limited to region U and few region J countries

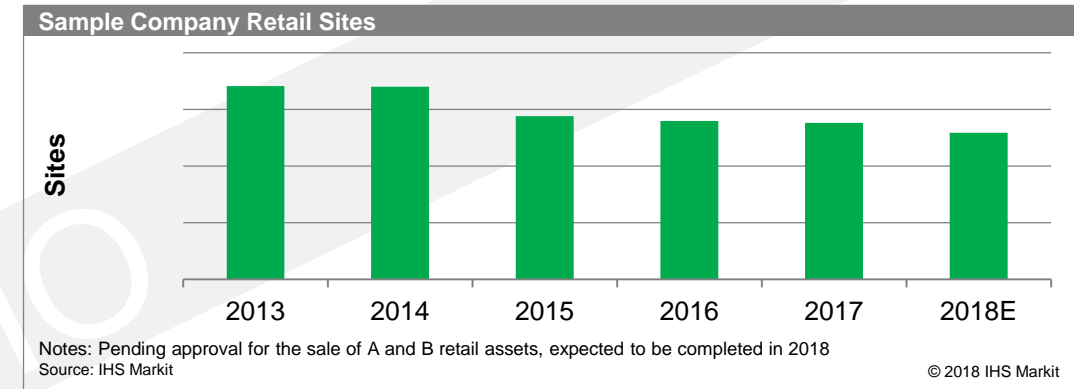
- Sample Company is the XX Global Major with presence limited to just YY countries at end-2017, including a minor (<1%) stake in X's B refinery.
- The company has been implementing its asset rationalization strategy, actively pruning its noncore assets over the past years.
 - In 2015, Sample Company divested its 50% equity stake in company A, which included two refineries (C and D), fuel terminals, and gasoline stations.
 - 2016 marked the company's exit from X, selling its 11% stake in company D that operates N's sole refinery.
 - In 2016, Sample Company sold its B refinery and related assets, including 4 storage terminals in Y.
 - Following its exit from country Q's retail market in 2015, Sample Company's stake in the K refinery was diluted from 12% to just 1% in 2016.
- Sample Company has continued its divestment plan in 2017, selling its sole C refinery, and finalizing the sale of its country M assets.
 - In October 2017, Sample Company completed the sale of its sole C refinery to company T in a \$K.KK billion deal, limiting its region N refining presence to just country U.
 - In addition, the company signed an agreement for the sale of its interests in the C Refinery in A in 2017 to company S. The sale is expected to close in 2018, pending local government approval.
 - Initially, Sample Company agreed to sell its controlling stake in country A downstream assets to S. But due to delays and exercise of pre-emption rights by Sample Company's partners, W was selected owing to the better commercial terms offered. However, most recently in 2018, Sample Company announced selling its stake to S for around \$XX billion, subject to country A's Competition Commission's final decision.
 - Post-execution of the divestment of country A assets, Sample Company's remaining non-U refining capacity will be centered in C only.
- Post-completion of divestments, Sample Company was left with Z.ZZ MMb/d of equity capacity in 2017, which will further reduce to G.GG MMb/d in 2018.
 - The company's geographic presence will be confined to region U and C, in just YY countries (including minor stake in K refinery) outside of region U.



IHS Markit View

Sample Company continues with divestment of non-integrated retail assets, further consolidating its geographic presence

- Sample Company has aggressively rationalized its downstream portfolio, both in retail and refining, particularly outside of region U.
 - The company has been adopting the strategy of culling its retail networks in the regions that do not fit into the company's downstream focus of consolidation and a tighter geographic focus.
- Sample Company entirely divested its country A, P, N, and D retail networks, leading to the rationalization of some X,XXX stations, between 2014-2016.
 - In 2015, Sample Company took exit from country A after selling its stake in its subsidiary, V, which included its remaining operational refinery and Z,ZZZ stations in the country.
 - Also, the company completed the sale of its MMM retail stations to company R in July 2015.
- Sample Company has been reducing its non-core portfolio in the past years and is expected to do so in the coming years too, transforming the company into a much leaner and efficient organization.
 - In 2016, Sample Company closed the sales of its XXX non-integrated retail stations in country N to company Z
 - Again in 2016, the company sold its P refinery, along with its associated XX sites retail network, to company O.
 - In 2017, Sample Company divested its C retail assets (XXX-site network) to company F.
- An area of growth, in 2017, Sample Company entered the rapidly growing country J fuel market with the opening of Sample Company-branded retail stations in country J northern.
- Sample Company has been culling its region R retail portfolio, divesting sites in markets where its does not have access to equity supply; the firm's remaining stations benefit from integration with its XX,XXX b/d C refinery in country A.
- However, as the company prunes its retail presence geographically, it took the decision to divest its competitive and well-integrated downstream value chain in region S.
 - As of early 2018, company F and G are in contention to buy Sample Company's A and B downstream assets, pending final approval. The deal is valued at more than \$XXX million for a 75% stake in the assets, though the deal is subject to approval by the local shareholders, who exercise preemptive rights.
 - The company intends to sell over YYY sites in A and B.
 - Sales would further decline going forward owing to rationalization of non-core assets and the trend is likely to continue as the company closes the divestment of downstream assets in A in 2018.



Corporate and Financial Overview

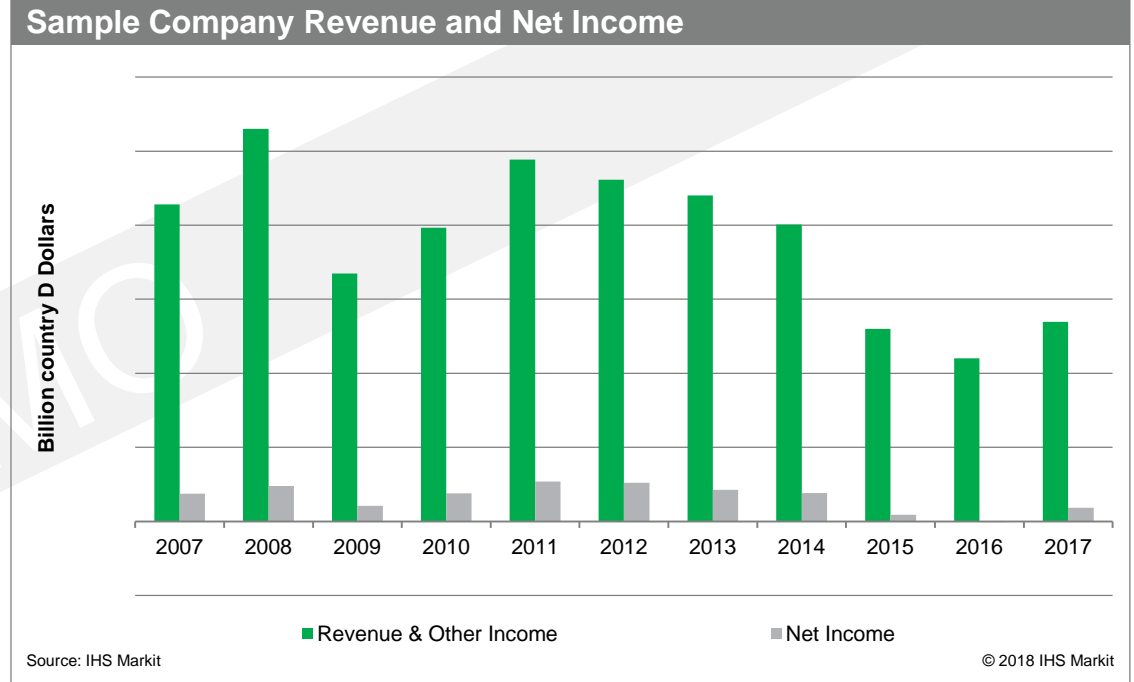
August 2017

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Corporate snapshot

Sample Company focuses on high growth vertically integrated model across value chains

- Sample Company is a global oil and gas company. It is present across the value chain from exploration to midstream to value-added fuels and petrochemicals.
- Sample Company upstream portfolio is very diverse with investment focus on high-margin production in areas, such as in, region T, U and V along with shale and tight resource plays in country J, K, and P.
- The company has a focused and profitable refining, marketing, and chemicals portfolio, achieved through integrated refineries and petrochemical operations, taking advantage of feedstock flexibility, scale, and technology.
- Sample Company operates its chemical business through company T, a 50:50 joint venture (JV) with company R and is one of the top producers of olefins and polyolefins, one of the world's largest alpha olefins producers, and a leading supplier of aromatics, styrenics, specialty chemicals, and proprietary plastics.
- The company operates YY chemical manufacturing and research facilities worldwide, supplying products to more than XX,XXX consumer along with several industrial products.
- Sample Company's total revenue increased by YY% year on year in 2017, reaching \$XXX billion, due to strengthening of crude oil prices and high margins on refined product sales.
- The company continues to streamline its core business by divesting nonperforming and low-growth businesses and emphasizing capital allocation at selective core locations for competitive returns from its various business segments between the commodity cycles.



Headquarters

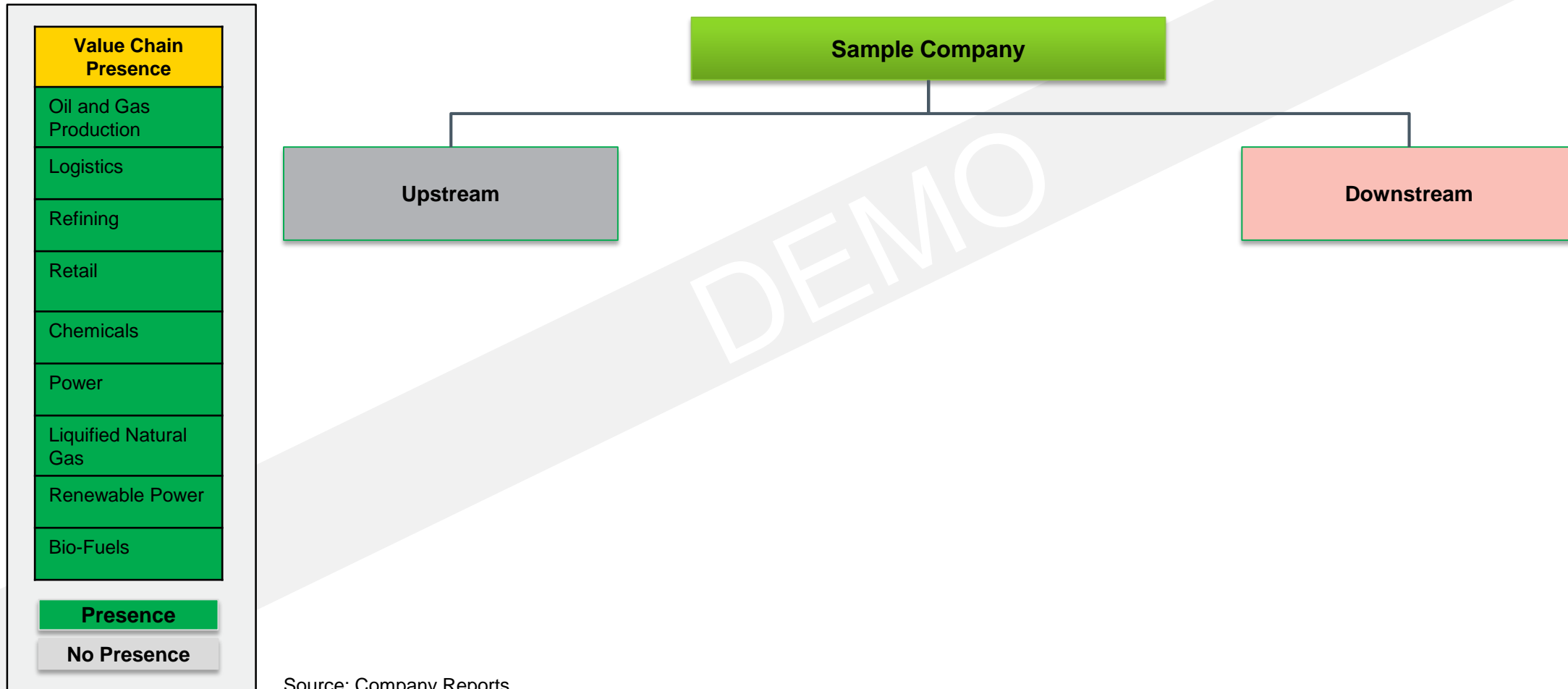
Sample Company
XXXX Rayon Manson Road
Fernando, Arizona XXXXX

Company information

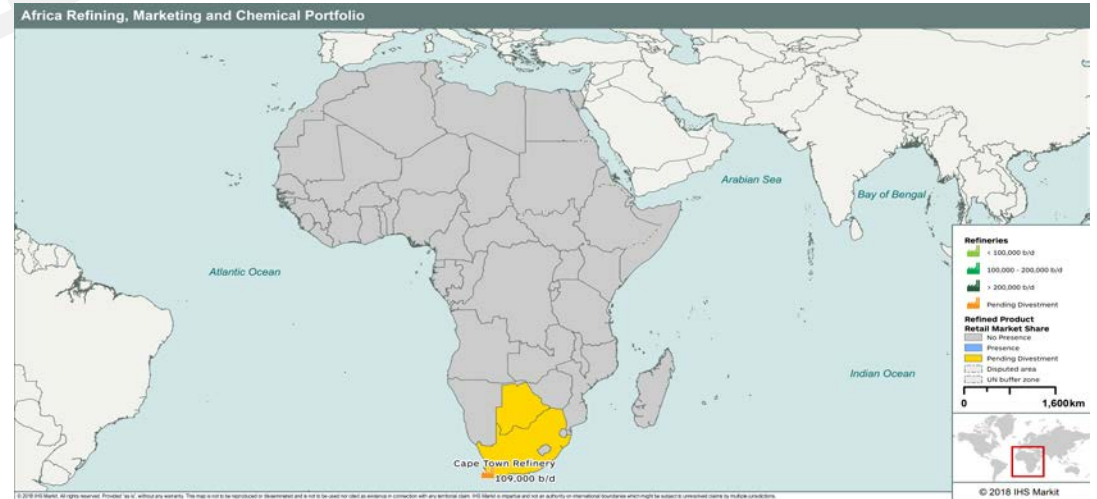
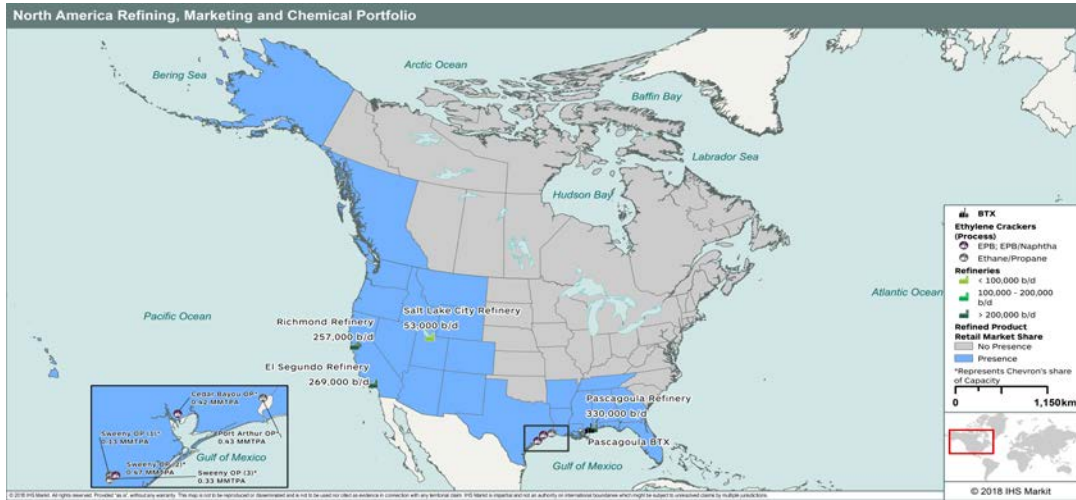
Size: Large
Employees: XX,XXX as of 2017
DD,DDD in 2016
Geographic reach: Global
Industry: Integrated Oil & Gas
Type: Public

Corporate snapshot

Highly optimized linkages and high degree of integration among E&P, refineries, and petrochemicals plants



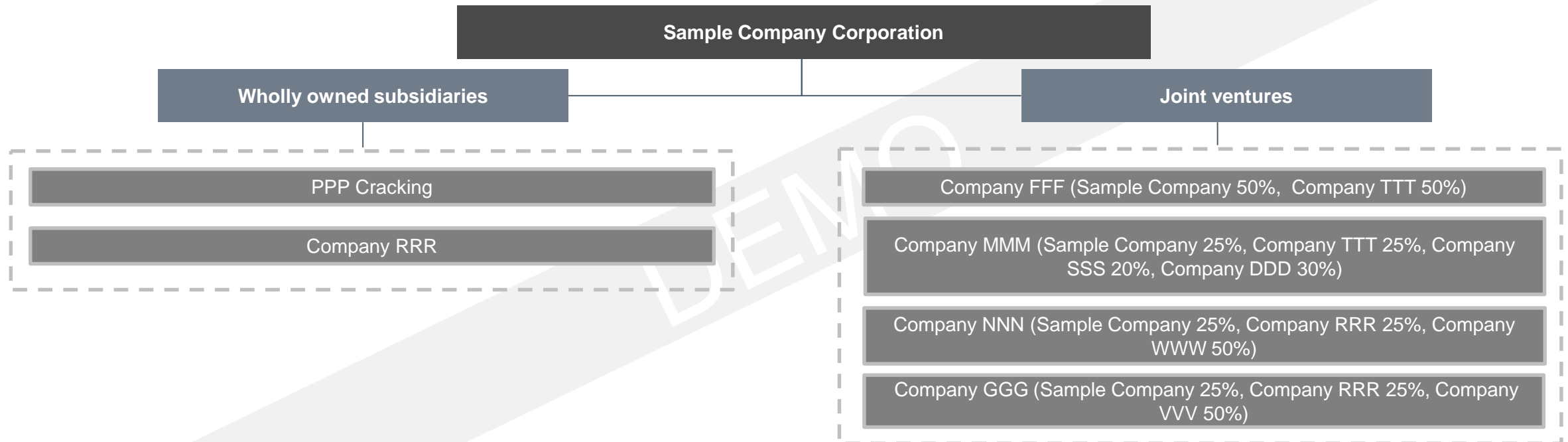
Corporate snapshot— portfolio



Note: OP = olefins plants; BTX = benzene, toluene, xylene plants.

Corporate snapshot

Joint ventures: Strong network of JV partnerships in region S, H, and region Z fueling growth

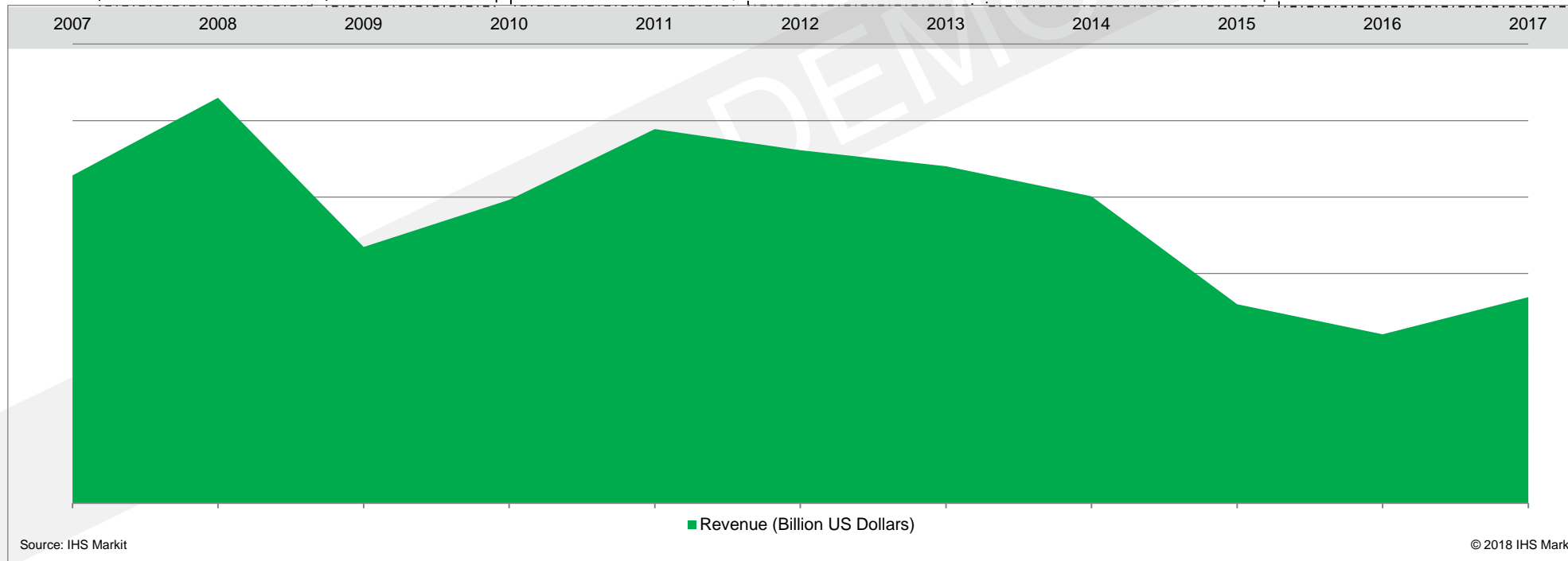


Corporate snapshot: Key development (2007–17)

Sample Company: With aggressive rationalization of noncore refining and marketing assets across the globe, the company’s refining presence is limited to country J and few region Z countries

Key events

- 2007**
 - Sold interests in the N refinery and related assets in the country S.
 - Exited fuels marketing businesses in Country B, Country L, and Country G.
 - Company K with Company E started as Joint venture.
- 2009**
 - Sold retail and marketing assets including 21 product terminals in Country S
 - Country H polyethylene and alpha olefins plants started.
- 2010**
 - Started continuous catalytic reformer (CCR) at L refinery.
 - Sold P refinery and X,XXX branded sites in the country J and country D to company F.
 - Sold XX.X% stake in Q Pipeline.
- 2012**
 - Started commercial operations of a XX,XXX b/d gas oil FCC unit at L refinery.
 - Commercial production started at Company K plant at country S.
- 2014**
 - Divested 50% stake in company H, and sold C refinery and marketing assets.
 - Sold XXX sites of country J retail network.
 - Started commercial operations at XX,XXX b/d premium base oil facility at country Z.
 - Started construction of an ethane cracker and two PE units in country U.
- 2016**
 - Reduced equity stake in country D's refinery from XX% to YY% in 2016.
 - Exited country S refining & marketing business with sale of 11% stake in refinery T and ZZZ retail stations to company S.
 - Sold refinery P, and XX retail sites in country Q in 2016.
 - Divested L refinery and XXX retail sites in 2017.
 - Entered rapidly growing country J's retail fuel market.



Way forward

- Sample Company is expected to close sales deal of XX,XXX b/d refinery A and YYY retail sites in country G.
- At refinery L, the company is converting its hydrofluoric acid alkylation unit to use its proprietary alkylation technology with expected completion by 2020.

Source: IHS Markit

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Corporate snapshot

Refining strategic rationale and intent: The company is aiming at strong refinery and marketing performance by investing in high-return facilities and divesting nonprofitable sites

Strategic investment

- Sample Company continues to realign its portfolio and make investments at selective facilities to improve overall competitiveness.
- The company began construction at refinery S in 2017, to convert its hydrofluoric acid (HF) alkylation unit to use its proprietary alkylation technology, and project start-up is anticipated in 2020.
- Sample Company is progressing well with its \$XX billion refinery J modernization project which is focused on the replacement of hydrogen plant and sulfur recovery units to improve sour crude processing capabilities—anticipated to be operational by 2019.
- The company entered the rapidly growing country D fuel retail market with the commencing of branded retail stations.

Strategic divestment

- Sample Company is divesting its noncore assets in regions with shrinking demand and low profitability, and focusing on high-value strategic assets.
- The company has shuttered XX,XXX b/d of noncore topping capacity, some 12% decrease in its global refining capacity since 2010 and has shifted to large, integrated refinery platforms.
- During 2014–17, Sample Company divested its retail networks in country F, G, H, J and Z.
- Sample Company is expected to close sales deal of XX,XXX b/d refinery A and YYY retail sites in country S.

Operational excellence

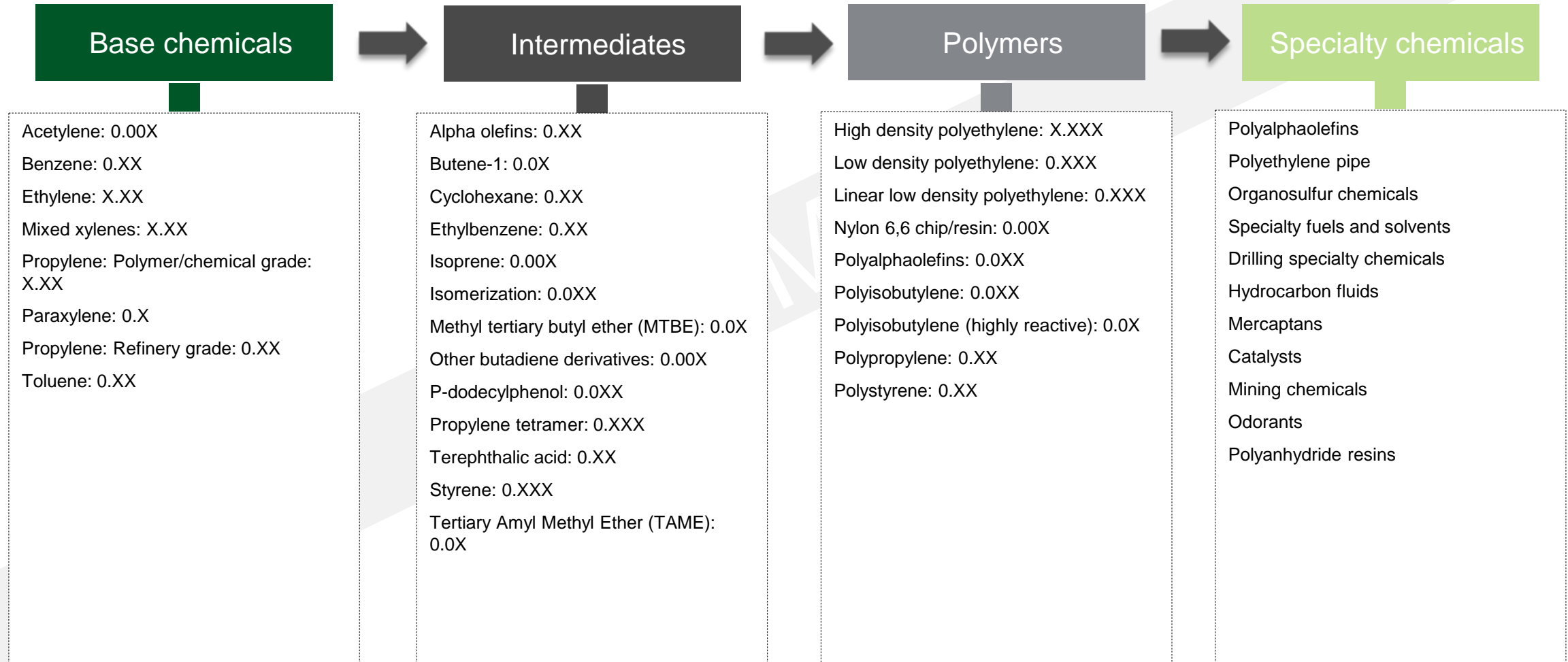
- Sample Company is a leader in terms of refining and marketing portfolio integration, wherein around 93% of its gasoline sales through branded channels, compared with an average of 58% for its major CSP-NA peers in 2016.

Financial strength

- Sample Company has the highest price/earnings ratio of 32.7 among Global Majors in 2017.
- In region S, Sample Company reported 14% year-on-year increase in its gross refining margins in 2017, which is the second-highest rise after company R within the Global Majors peer group.

Corporate snapshot—Capacity data 2018

Sample Company (adjusted on a shareholder basis, capacity in MMt/y): Moderately diversified chemical company with a product mix that emphasizes base as well as intermediate chemicals and also includes specialty chemicals

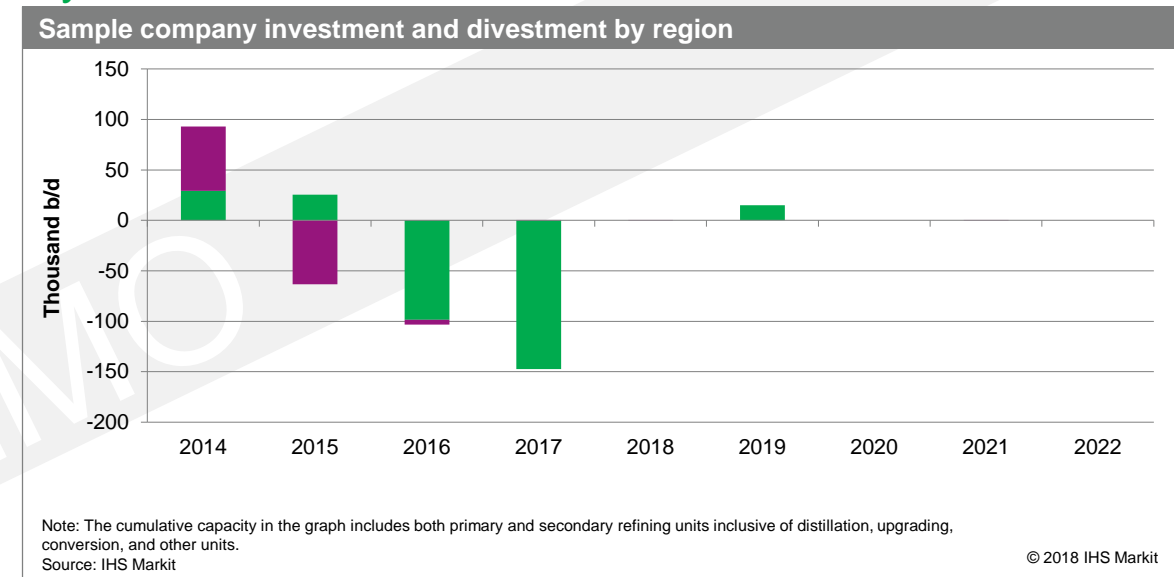
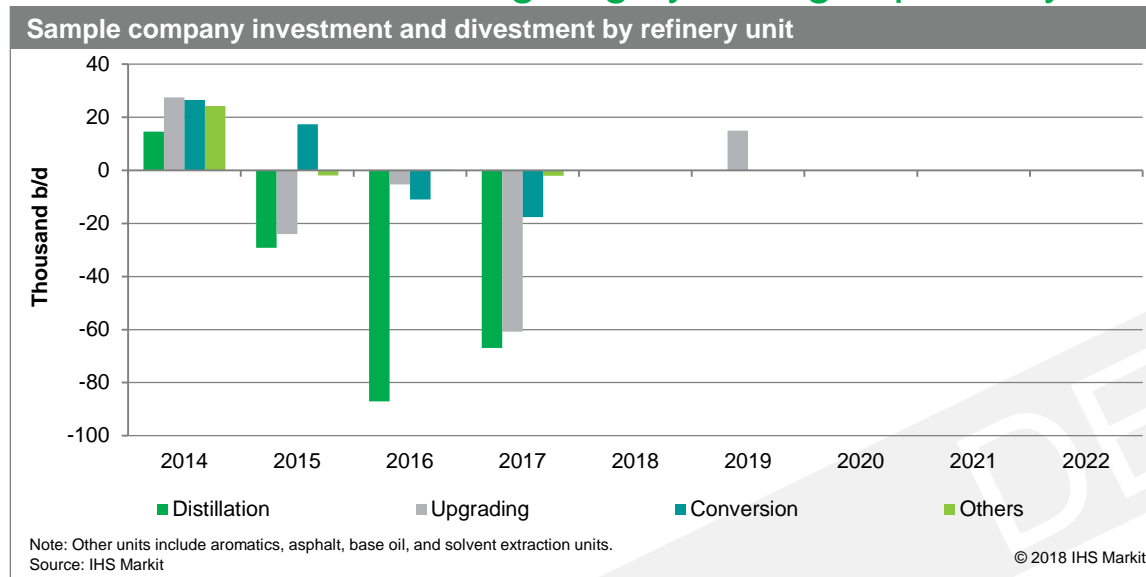


Notes: ¹Only major products listed.

²Capacity as of 2018, future expansions not included.

Corporate snapshot: Sample Company refining

Strategic refinery investments and divestments: Sample Company sold noncore refining assets in region F in 2016–17, while investing largely in flagship facility in country G



- Sample Company distillation capacity decreased during 2015–17, as the company sold XX,XXX b/d of CDU capacity and YY,YYY b/d of VDU capacity.
- The region R accounted for the majority of this decrease, as during 2016–17, there was a distillation capacity decline of ZZ,ZZZ b/d and KK,KKK b/d decrease in upgrading, conversion, and other allied refining units capacities.
 - The company sold AA and SS refining facilities, which led to shedding of 11% of its regional topping capacity during 2016–17.
- A long-delayed modernization project at Sample Company's G refinery in country H has started. The project includes the replacement of its hydrogen plant and sulfur recovery units to improve sour crude processing capabilities.
 - As a result, there will be an increase of around VV,VVV b/d in hydrotreater-pre-FCC capacity, followed by QQQ t/d increase in sulfur production by 2019.
- Sample Company seems content with its region Z refining portfolio, with no likely regional investments or divestments planned until 2020.

Sample Company: Key financials

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Sample Company is middling by enterprise value, capital employed, EBITDA, and capex among the Global Majors

- Sample Company continues to rank as the PP-largest Global Major in terms of both enterprise value (EV) and market capitalization (MC).
 - The company EV is behind company D and company C by around 30% and 20%, respectively, in 2017, while largely ahead of company R by over 50%.
- The refining and marketing segment occupies a less prominent role within Sample Company's global portfolio when compared with its peers, accounting for just 11% of the total capital employed and capex in 2017.
 - The company's refining and marketing capital employed and capex, as a fraction of all total capital employed and the capex, were the second lowest among all Global Major companies.
- In 2017, Sample Company reported the WW-largest year-on-year increase (37%) in refining and marketing EBITDA within the peer group, after company T.
 - A nearly 25% rise in region S refining and marketing earnings, the focal point of Sample Company's global refining and marketing portfolio, pulled up the overall EBITDA in 2017.
 - The refining segment accounted for 60% of refining and marketing EBITDA, while retail made up almost the entirety of the rest of Sample Company's global segmental earnings.
- Sample Company's chemicals business segment accounted for one of the lowest earnings, after company H within the peers.
 - The segment reported lowest EBITDA within the company's portfolio since 2011.

Sample Company corporate and financial overview

	2017	Change '17/'16	Global Major rank
Financial (\$ bn)			
Enterprise value	xx	yy %	x1
<i>Market capitalization</i>	xx	yy %	x2
<i>Net debt</i>	xx	yy %	x3
Price/earnings ratio	xx	yy %	x4
Capital employed	xx	yy %	x5
<i>Of which refining & marketing</i>	xx	yy %	x6
<i>of which chemical</i>	xx	yy %	-
EBITDA	xx	yy %	x7
<i>Of which refining & marketing</i>	xx	yy %	x8
<i>Of which chemicals</i>	xx	yy %	-
Capital expenditures	xx	yy %	x9
<i>Of which refining & marketing</i>	xx	yy %	x10
<i>Of which chemicals</i>	xx	yy %	-

Note: EBITDA adjusted for non-operating items.

Source: IHS Markit

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Even with its diminished global footprint, Sample Company still maintains a high level of sophistication

- Sample Company's global refining portfolio is the TT-smallest of the Global Majors, but the facilities are highly sophisticated and have well integrated refining & marketing operations.
 - The company's overall FCC equivalent conversion ratio, IHS Markit complexity, and utilization rate were the highest among its peer competitors in 2017.
- Sample Company ranked as the TT largest among peers by retail sites, with just around XX,XXX stations at end-2017.
 - During 2014–17, Sample Company entirely divested its retail assets in country F, G, H, J, and P.
- Sample Company, like the other Global Majors, is aggressively shifting to a smaller portfolio of large, integrated refinery platforms and divesting noncore assets.
 - Sample Company is the most extreme example of this trend, as just XX plants of the company's YY facilities account for 75% of its equity refining capacity, with over XX,XXX b/d of equity capacity at each refinery.
 - The company's remaining plants have less than ZZ,ZZZ b/d of equity capacity.
- Sample Company's region S refining portfolio is average sized within the CSP-NA, but is well integrated and sophisticated.
 - The company's region S IHS complexity was the highest among any CSP-NA firm in 2017.
 - Sample Company's refining operations are well integrated with the company's fuel marketing business, especially in region L and U, where Sample Company is a leading gasoline retailer.

Sample Company corporate and financial overview

	2017	Change '17/'16	Global Major rank
Global Refining and Marketing Operational			
Distillation capacity (1,000 b/d)	xx	yy %	x1
Utilization rate	yy %	yy %	x2
Conversion ratio	yy %	yy %	x3
IHS Markit Complexity	xx	yy %	x4
Site count	xx	yy %	x5
North America Refining and Marketing Operational			
Distillation capacity (1,000 b/d)	xx	yy %	x1
Utilization rate	yy %	yy %	x2
Conversion ratio	yy %	yy %	x3
IHS Markit Complexity	xx	yy %	x4
Site count	xx	yy %	x5
Europe Refining and Marketing Operational			
Distillation capacity (1,000 b/d)	xx	yy %	x1
Utilization rate	yy %	yy %	x2
Conversion ratio	yy %	yy %	x3
IHS Markit Complexity	xx	yy %	x4
Site count	xx	yy %	x5

Source: IHS Markit

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Region S and U-focused chemical portfolio, with majority of its olefins production in region S while most of its aromatics capacity is located in Region U

- Sample Company operates its worldwide petrochemical businesses through company W, a JV with company T. Each company and its wholly owned affiliates own a 50% stake.
- Among the CSP Global Majors, Sample Company is the GG-largest olefins producer globally, and third largest in region L after company L and company W.
- The company's chemical operations are primarily concentrated in region S, and the region accounted for 80% of its total ethylene production capacity in 2017.
 - The company exhibited higher integration in region M of about 6%, and well ahead of the 3.5% refinery-petrochemical integration in region S.
- The bulk of Sample Company's growth capital has funneled into its chemicals segment, as it is capitalizing on the inland availability of shale resource feedstock through a number of petrochemical projects in country B.
 - Sample Company had embarked on a \$ZZ billion investment to expand its operations in country V in 2014. The project's first phase was completed in September 2017 with the commissioning of two PE plants, each with a capacity of about XXX kilotons per year.
 - The second phase of the project, which includes a world-scale ethane cracker in country K, was completed in 2017.

Sample Company corporate and financial overview

Global Chemical Operational	2017
Olefins Capacity (mmtpa)	xx
Base Aromatics Capacity (mmtpa)	xx
Refinery-Petrochemical Integration (%)	yy %
North America Chemical Operational	
Olefins Capacity (mmtpa)	xx
Base Aromatics Capacity (mmtpa)	xx
Refinery-Petrochemical Integration (%)	yy %
Europe Chemical Operational	
Olefins Capacity (mmtpa)	xx
Base Aromatics Capacity (mmtpa)	xx
Refinery-Petrochemical Integration (%)	yy %
Asia Chemical Operational	
Olefins Capacity (mmtpa)	xx
Base Aromatics Capacity (mmtpa)	xx
Refinery-Petrochemical Integration (%)	yy %
Refinery-Petrochemical Integration	
Total number of refineries	xx
Number of refineries integrated with petrochemicals	xx
Number of refineries integrated with steam cracker	xx
Crude capacity linked with petrochemicals (%)	yy %
Highest degree of refinery-petchem integration (%)	yy %

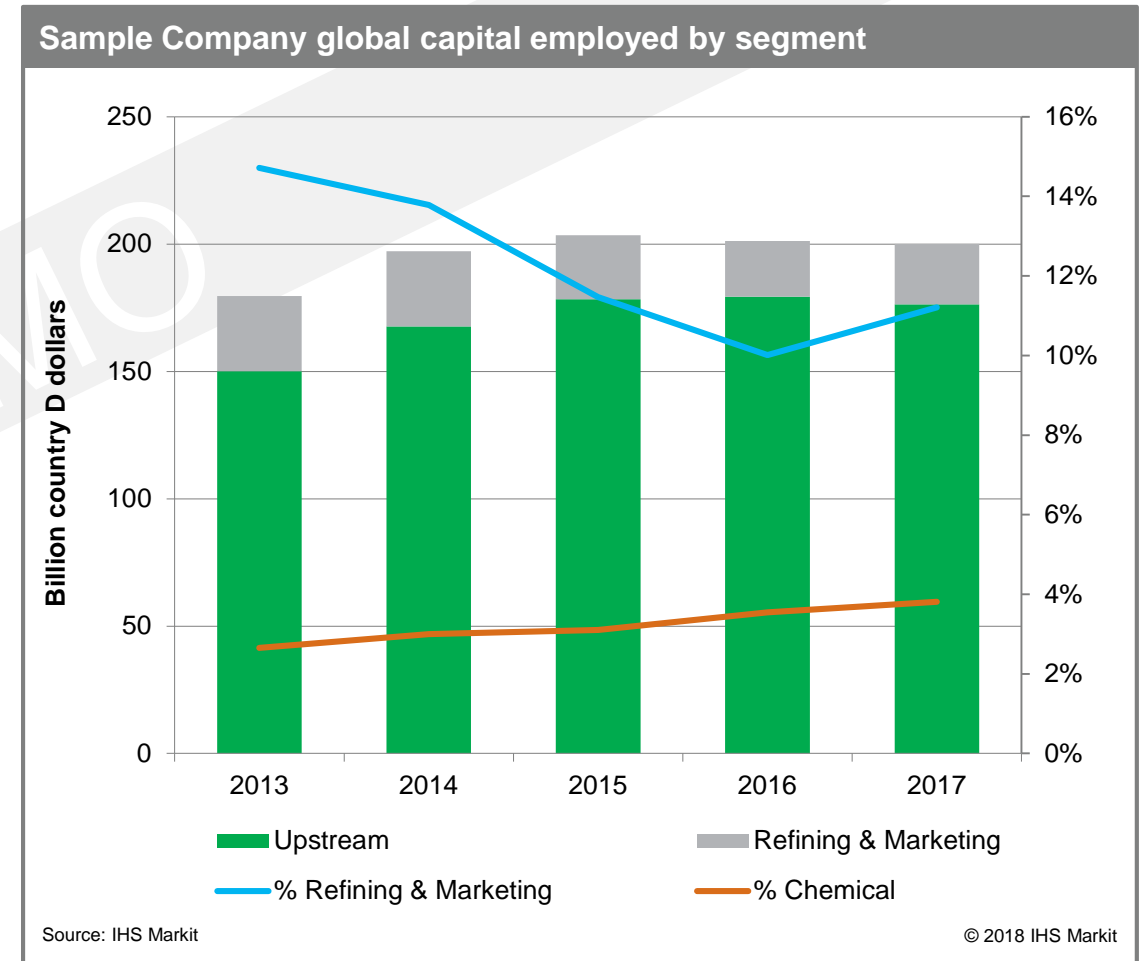
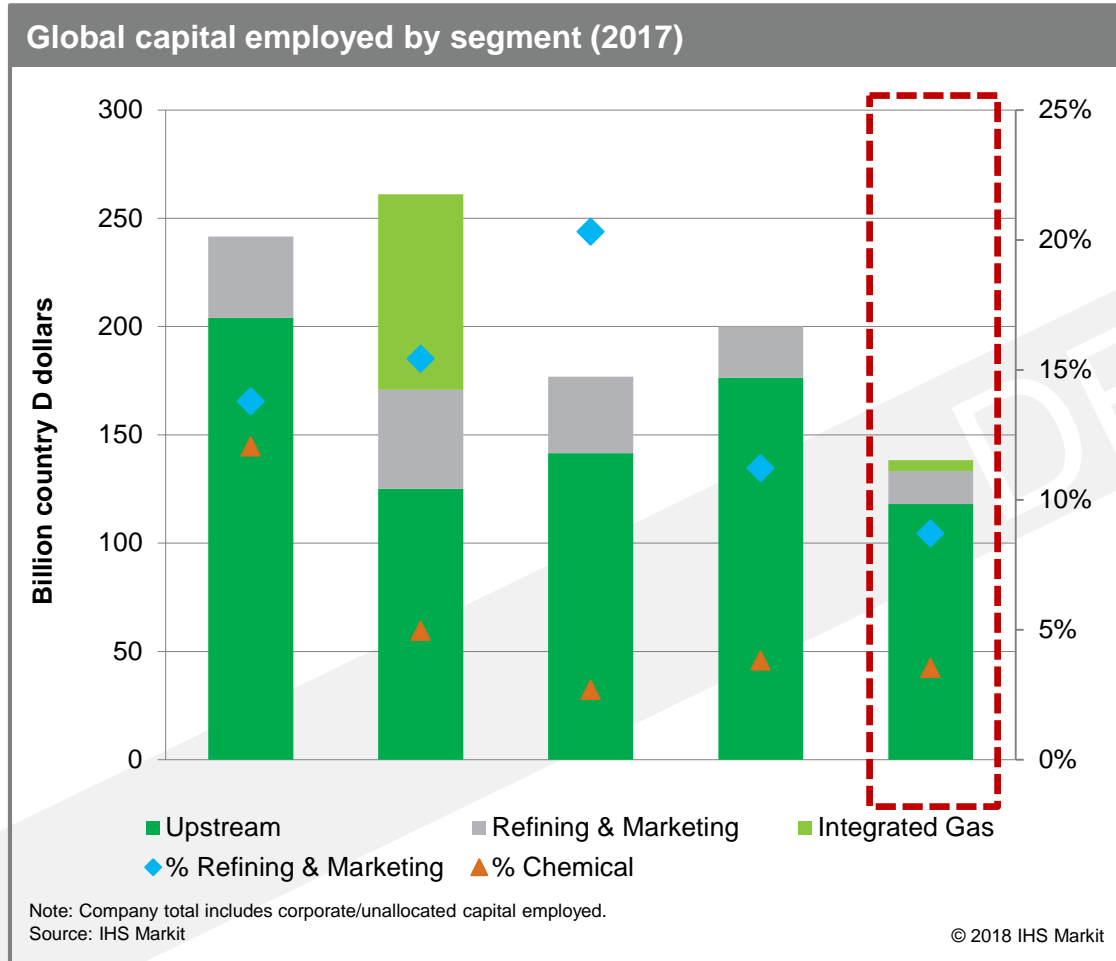
Source: IHS Markit

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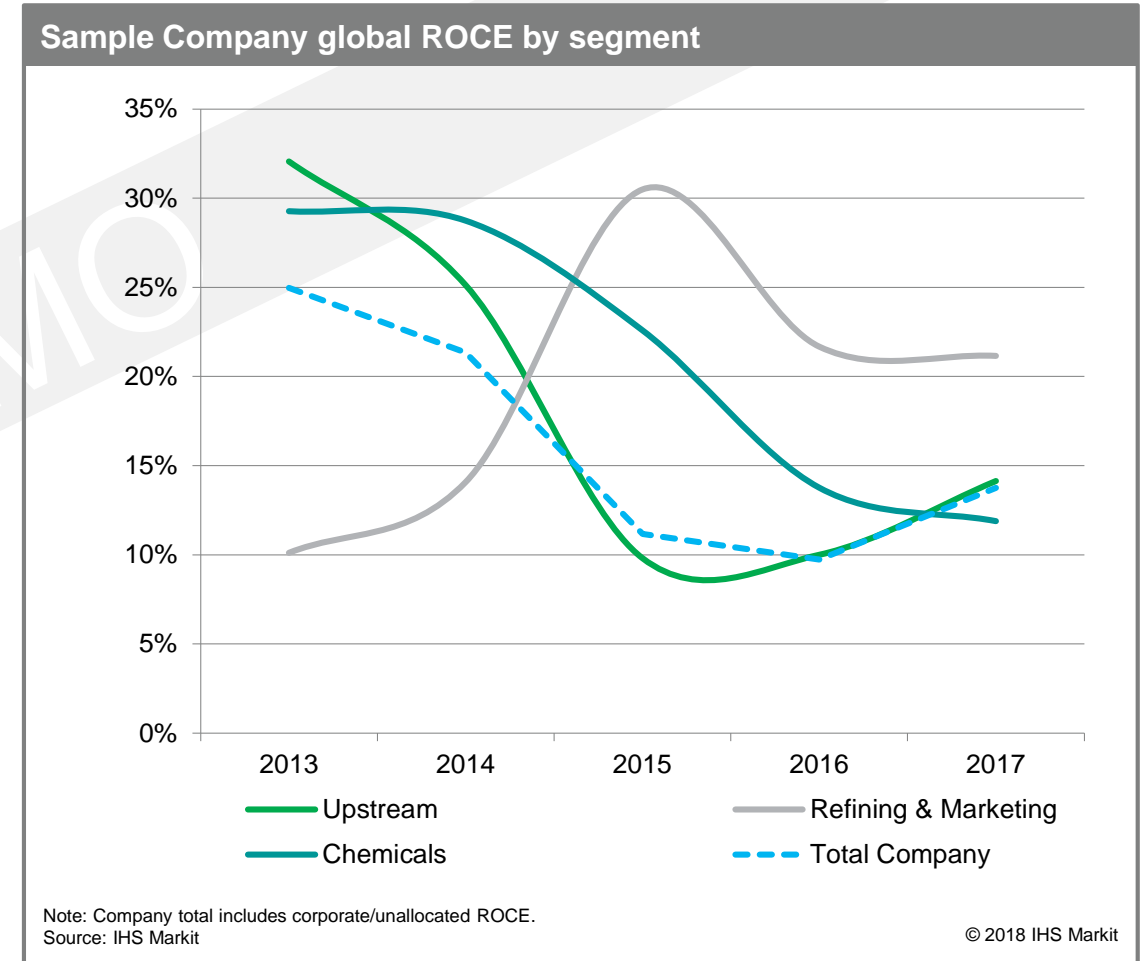
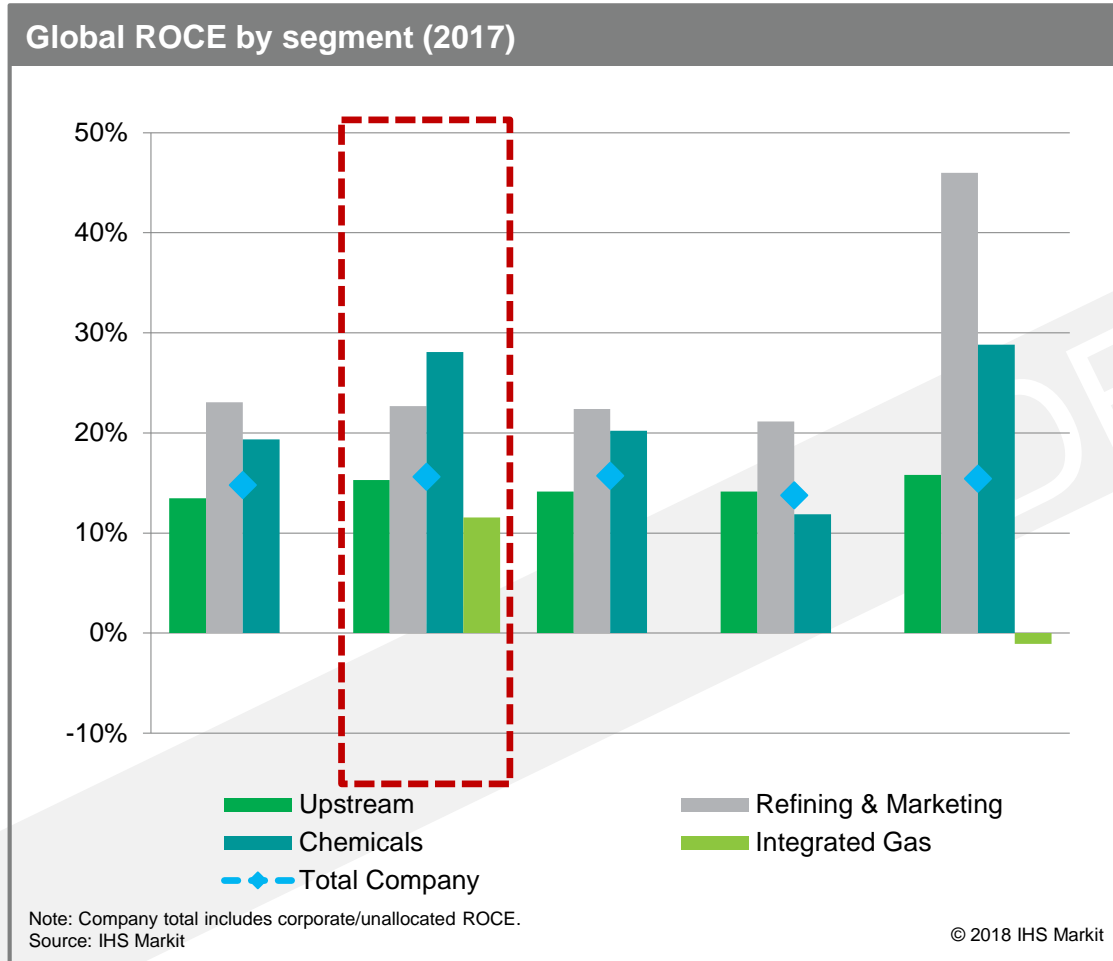
Note: Olefins includes ethylene and propylene; Aromatics include benzene, toluene and xylenes

*Capacity data adjusted on shareholding basis

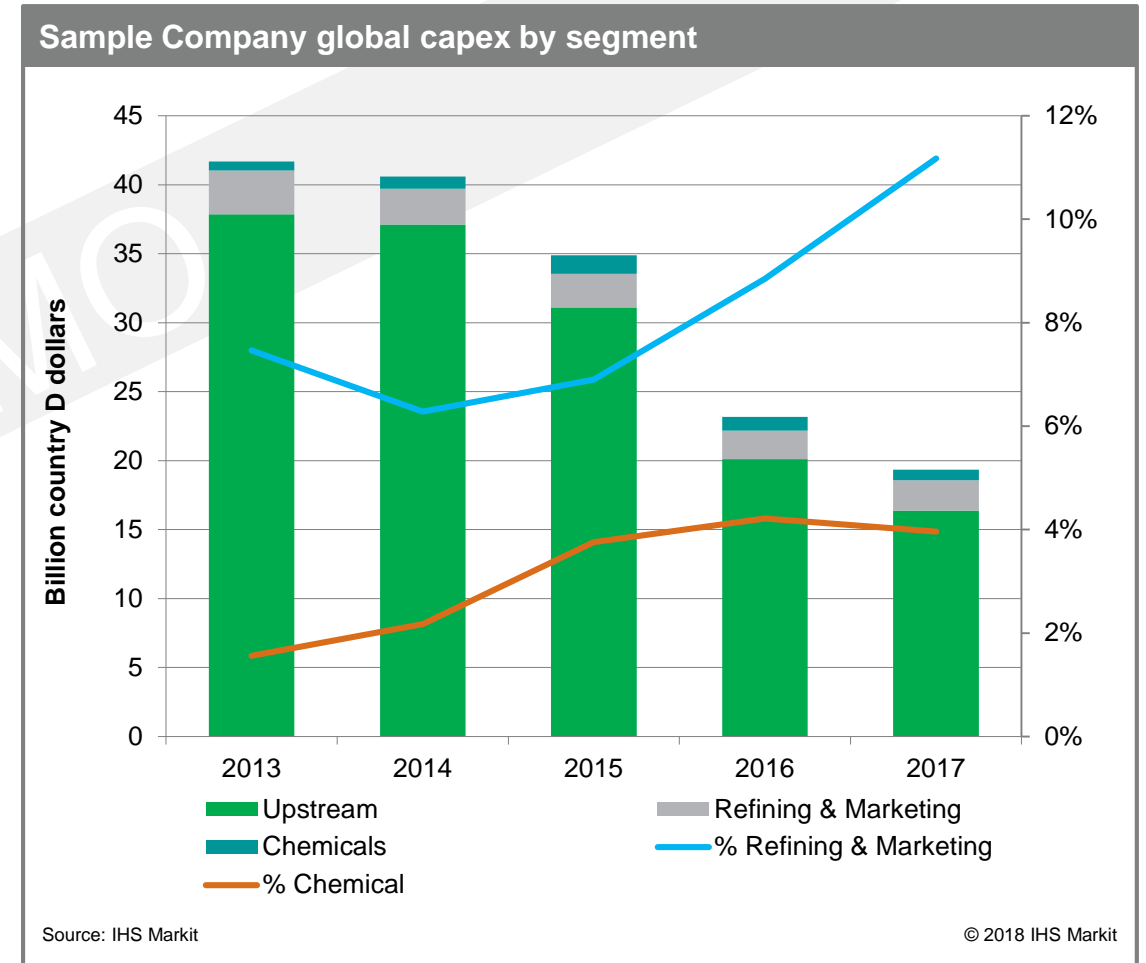
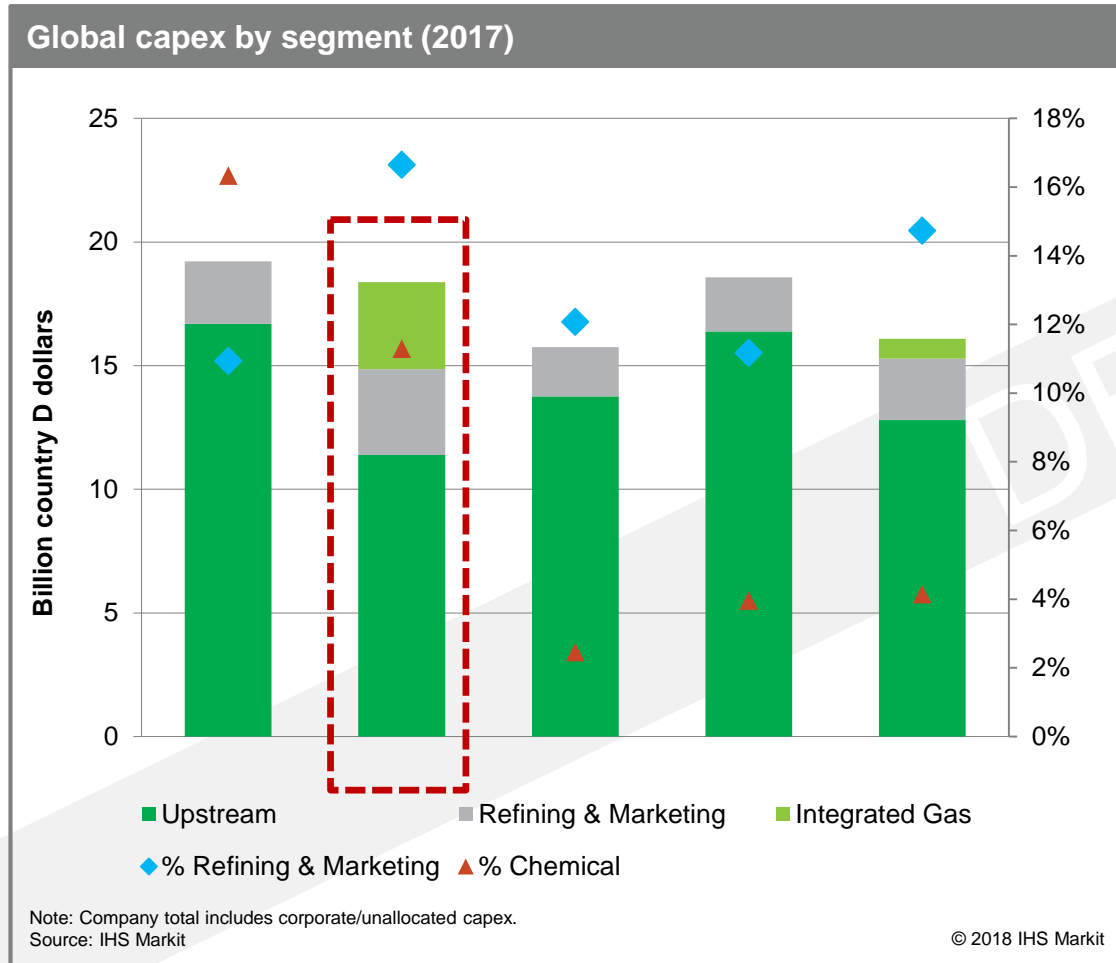
Although Sample Company recorded the YY highest year-on-year change in refining & marketing capital employed, it remained as the ZZ lowest among its peers in 2017; chemicals segment registered highest capital employed since 2011



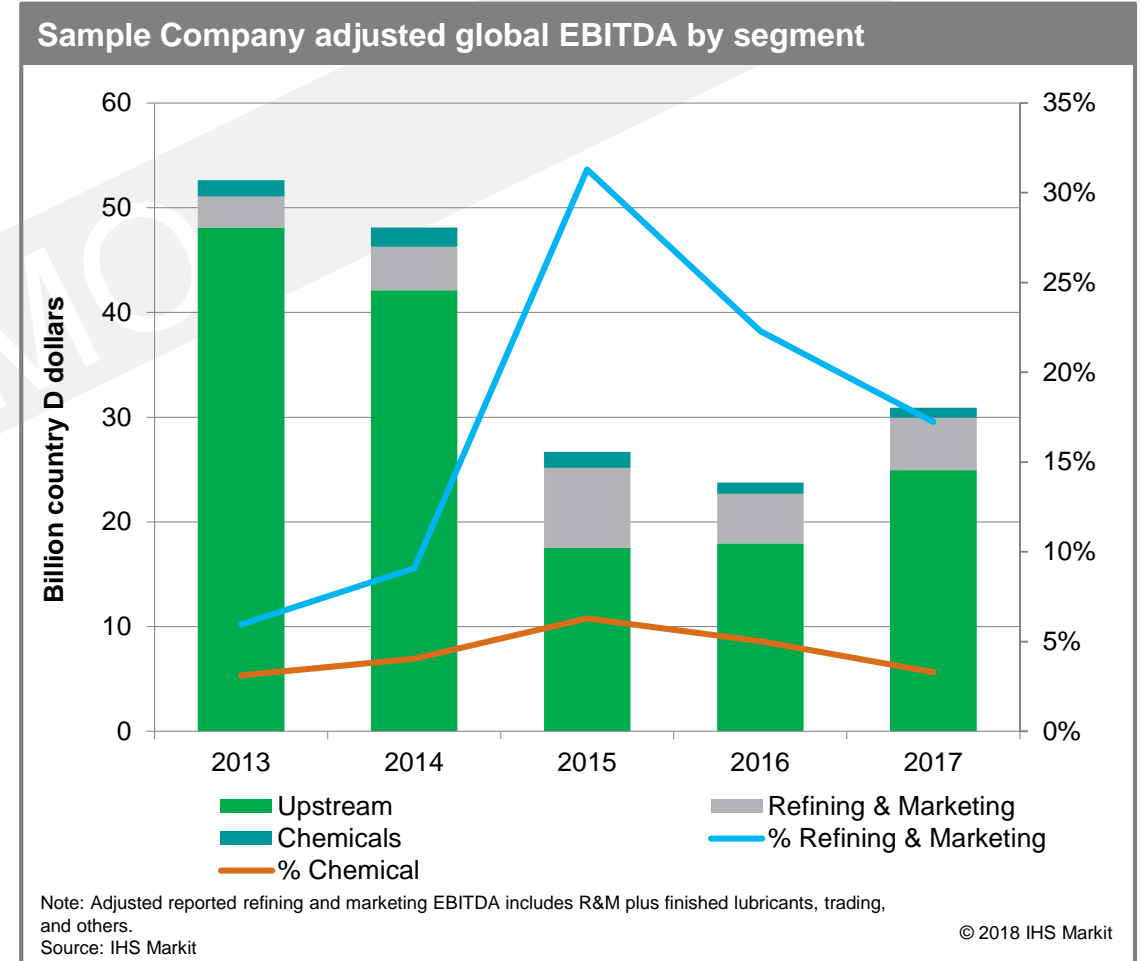
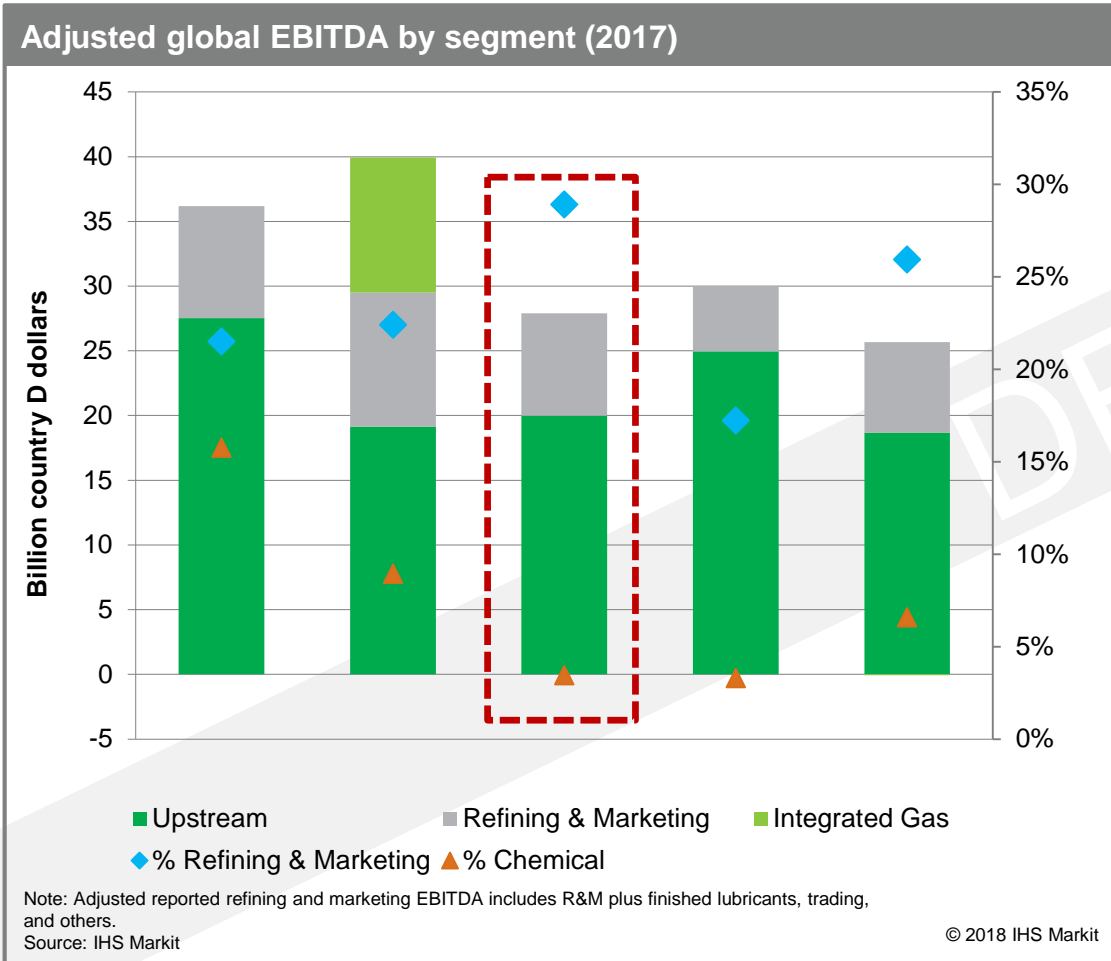
Sample Company has SS lowest refining, marketing, and chemicals ROCE among Global Majors in 2017



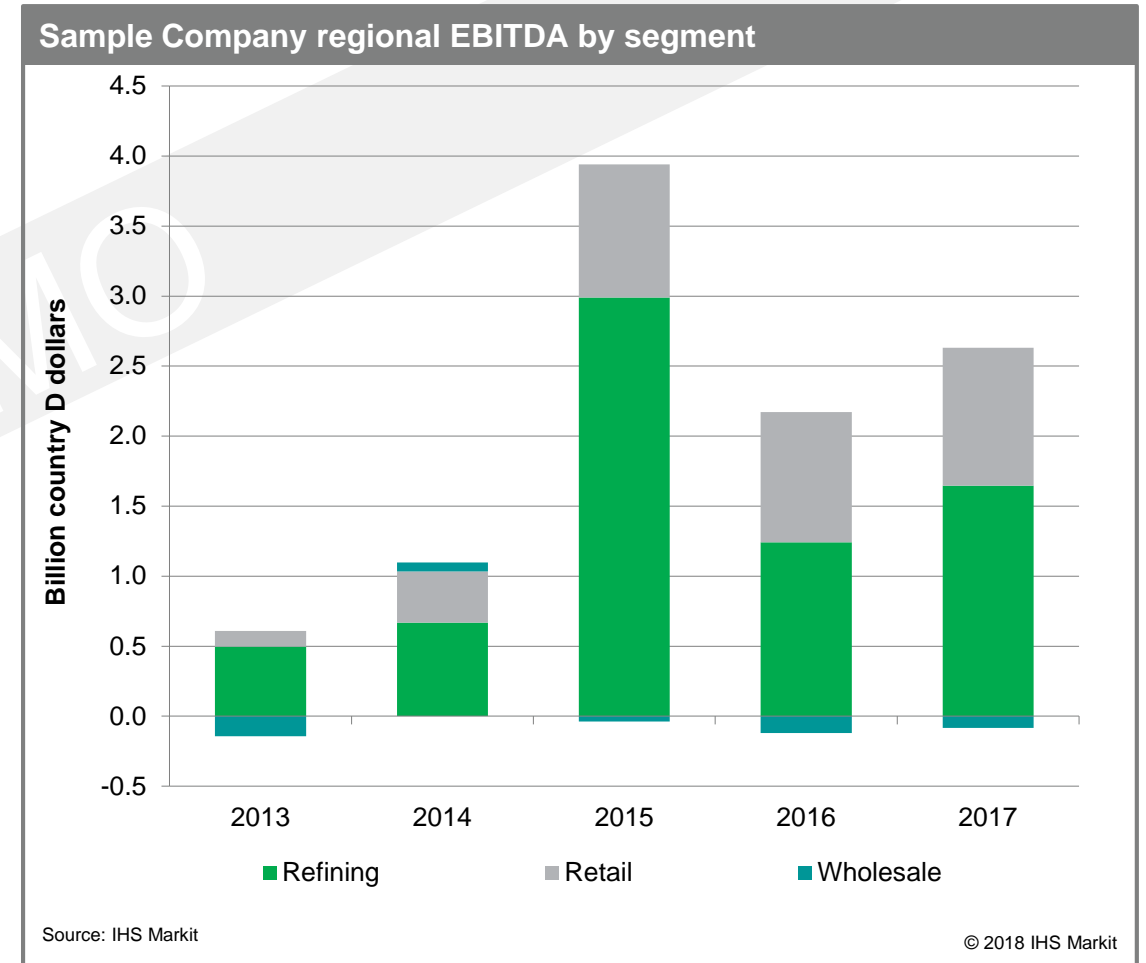
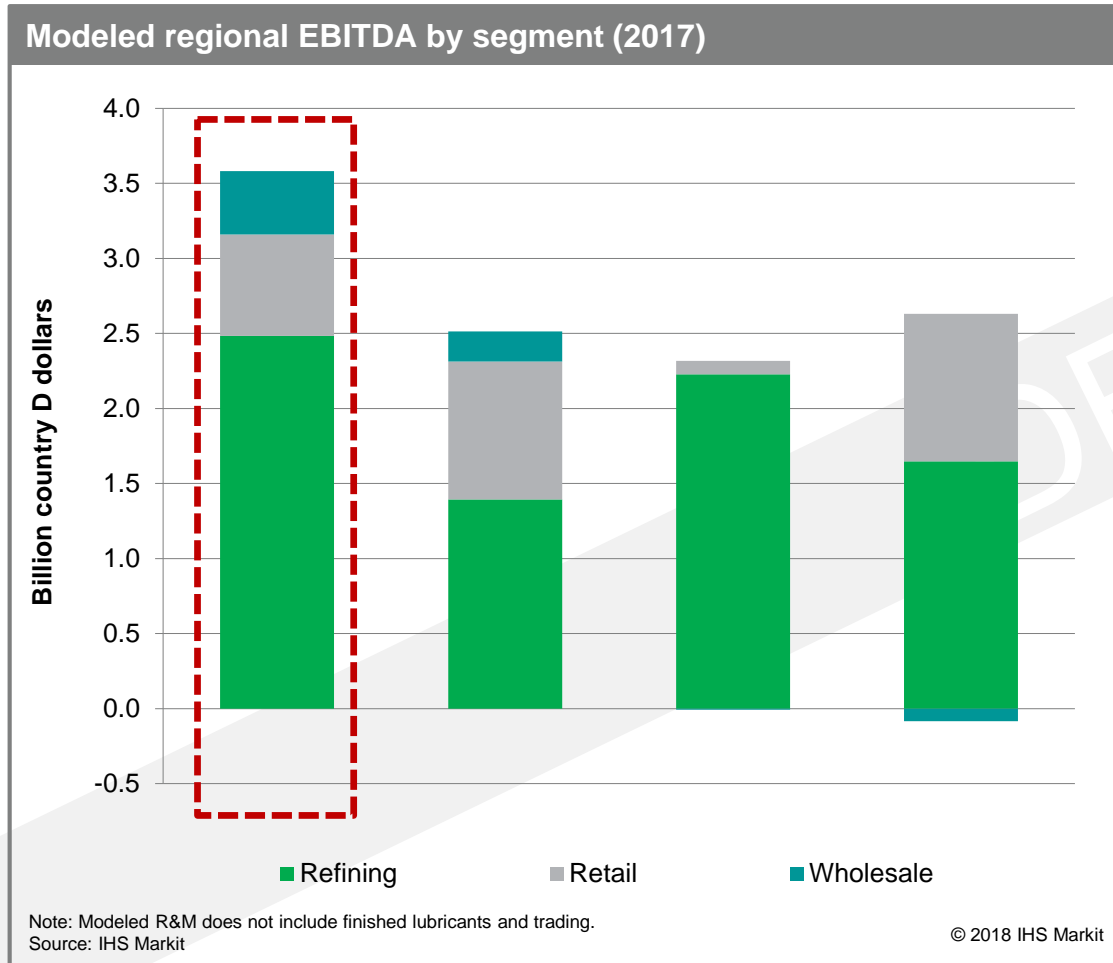
Sample Company had the second largest y-o-y decrease in overall spending among peers, after company J; refining & marketing segment capex contribution share rose to the highest since 2011



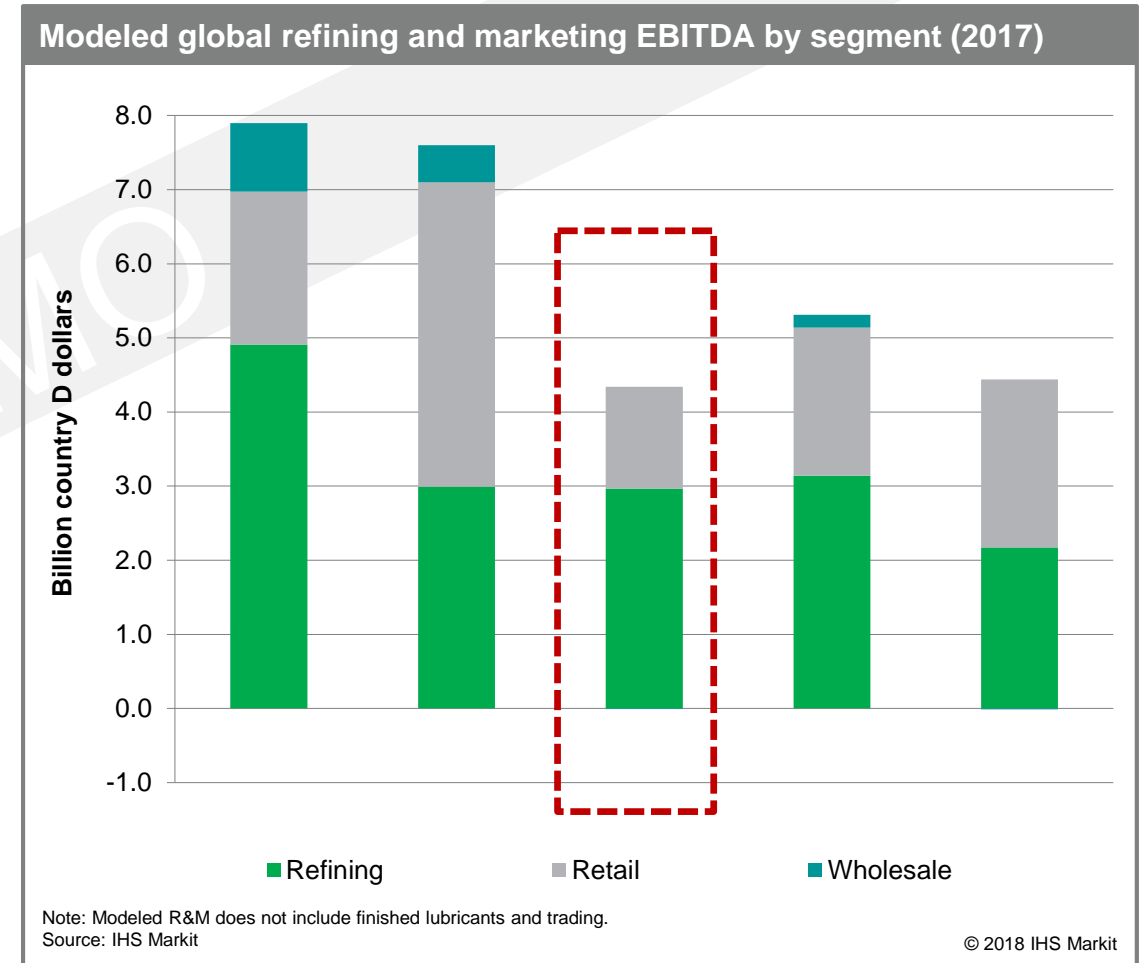
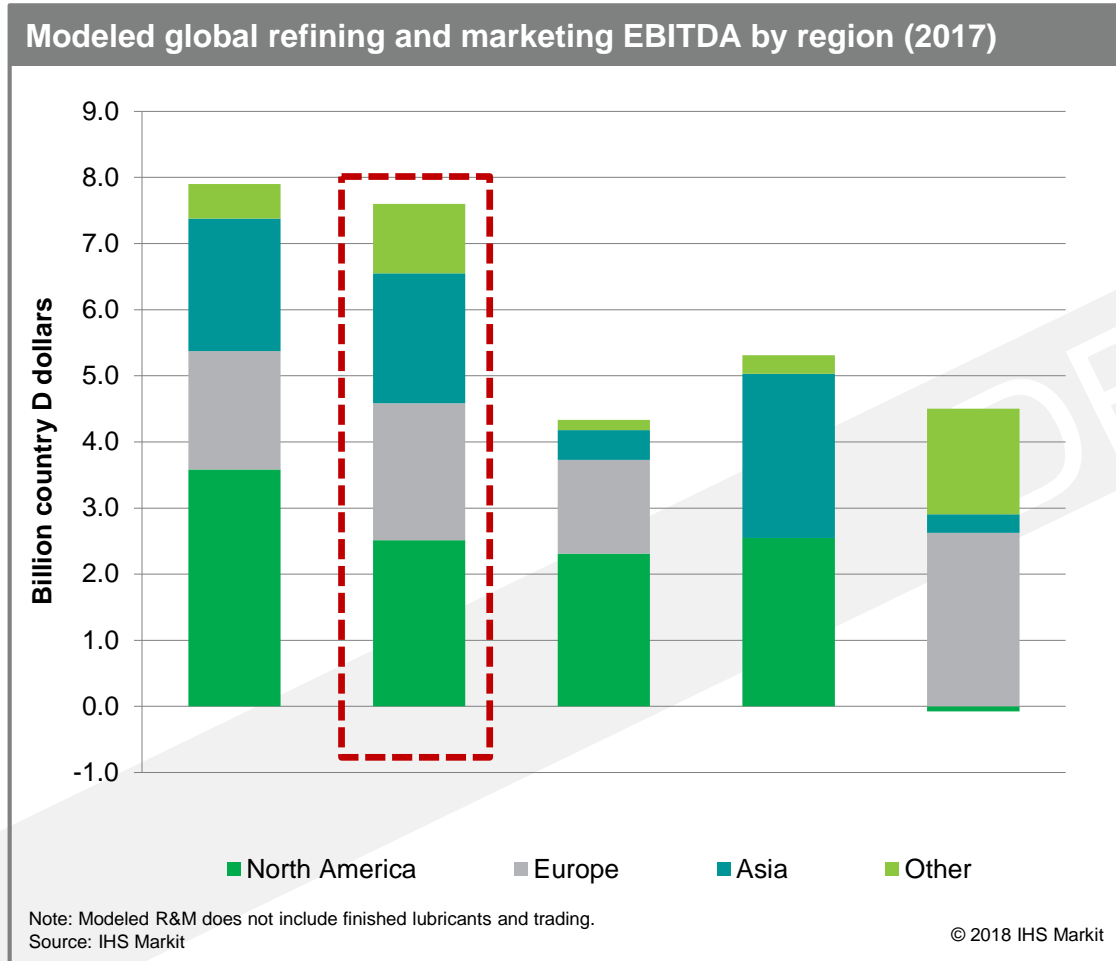
Chemicals segment was the only Sample Company's business sector to report year-on-year EBITDA decline, while upstream business registered around 40% year-on-year EBITDA increase



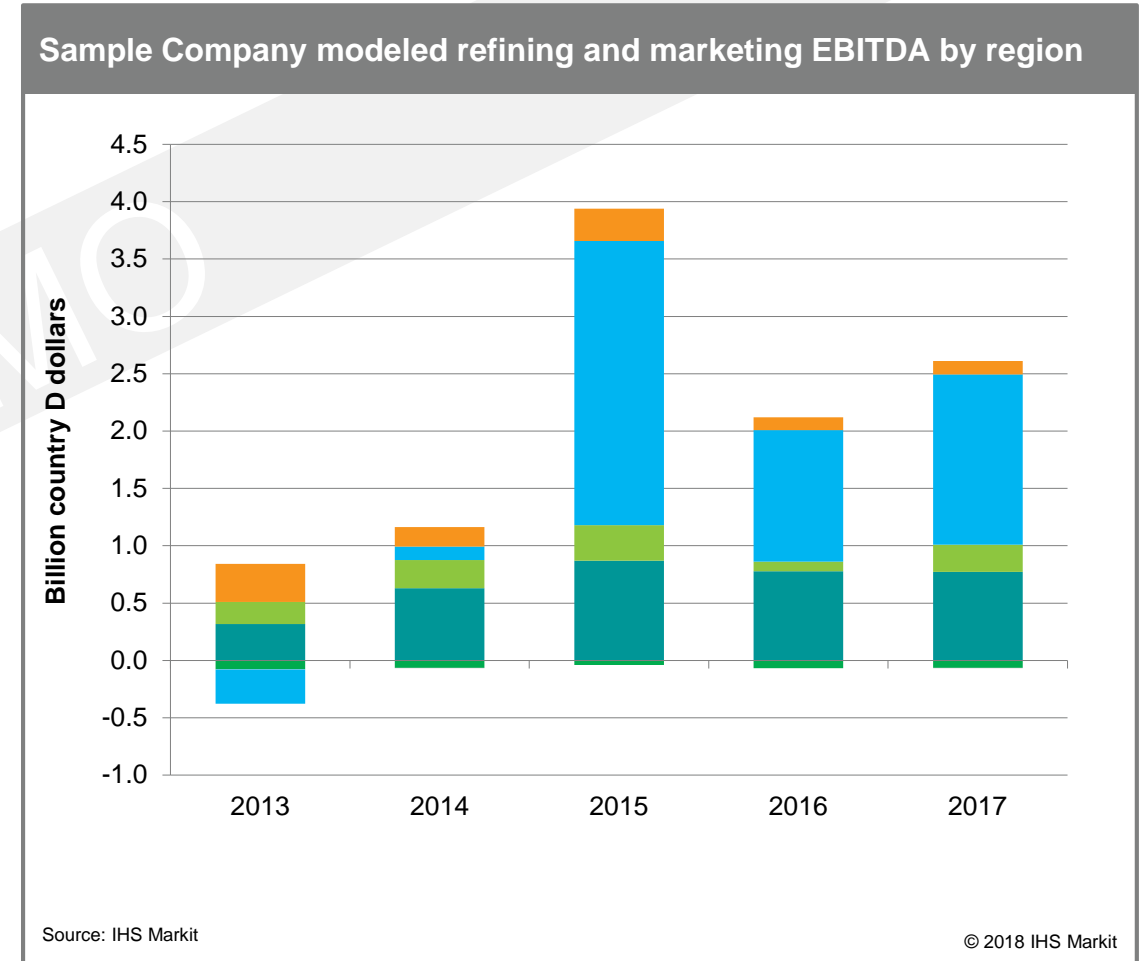
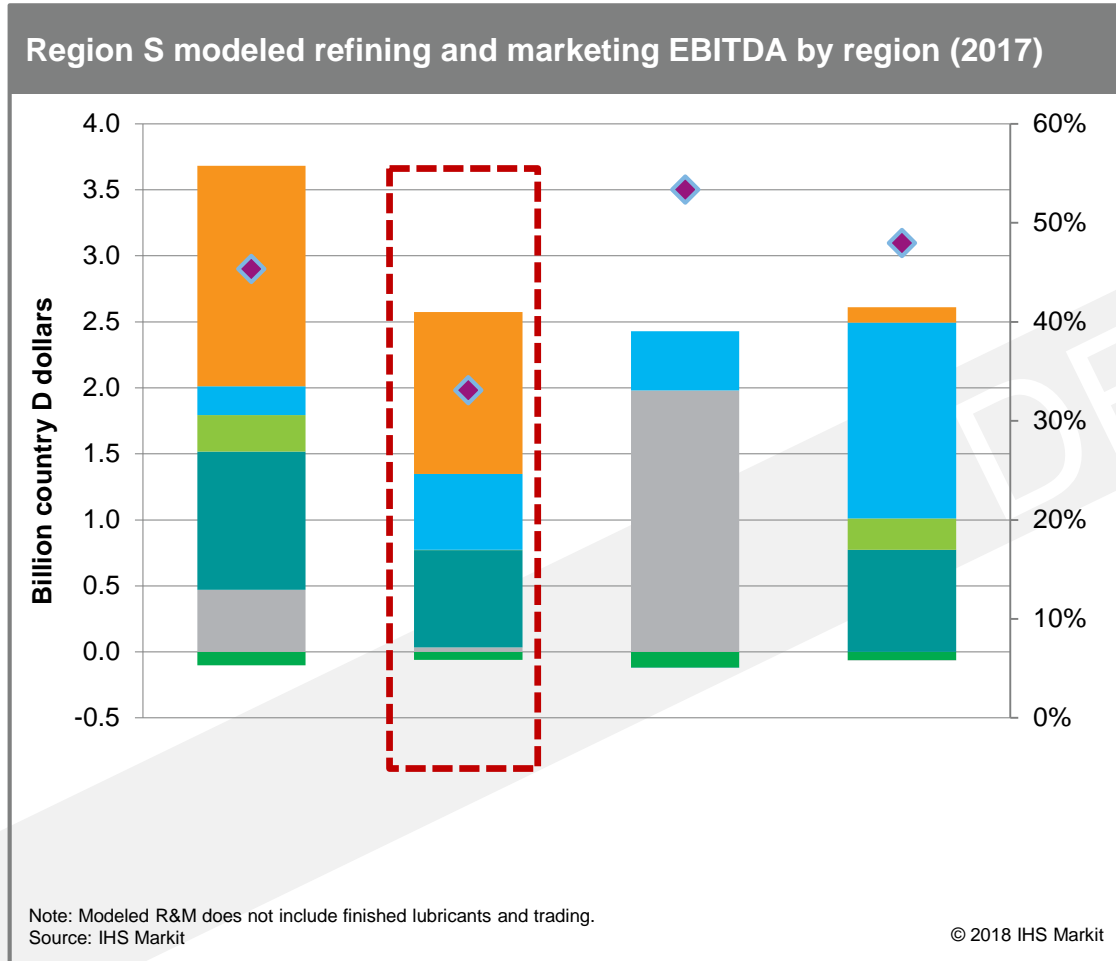
Sample Company's refining and marketing earnings rose by 25%, primarily due to a 33% increase in income from refining segment, marginally supported by a lower y-o-y loss from wholesale business



It is the only Global Major absent from Region S thereby Region G and Region H contributed roughly half of refining & marketing earnings each



Region J earnings increased in country N and country M; country R earnings tripled owing to stronger refining environment



Refining

November 2017

- Sample Company ranked in top 20 global refiners by capacity and was one of the world's most sophisticated in 2016.
- The Global Major's downstream asset rationalization program resumed in 2016 after staying stable during 2014–15.
- Overall, Sample Company reduced its equity refining capacity by some XX,XXX b/d in between 2005 and 2017.
- Moving strongly on its rationalization strategy, in November 2016, Sample Company divested its refinery B in country G.
- Sample Company has continued its divestment plan in 2017, selling its sole refinery in country G and finalizing the sale of its country J assets.
- As of 2017, Sample Company's refining assets are mainly in country A and region D.
- Even with its diminished global footprint, Sample Company still maintained a high level of sophistication, ranking first among its CSP Global Majors peers in both conversion ratio and IHS Complexity Index.
- The company is divesting its noncore downstream assets and focusing on large strategic integrated refinery platforms, although major investments will be directed toward high-return sectors such as petrochemicals, additives, and lubricants.

Portfolio Overview

Sophisticated, region S-focused refining portfolio

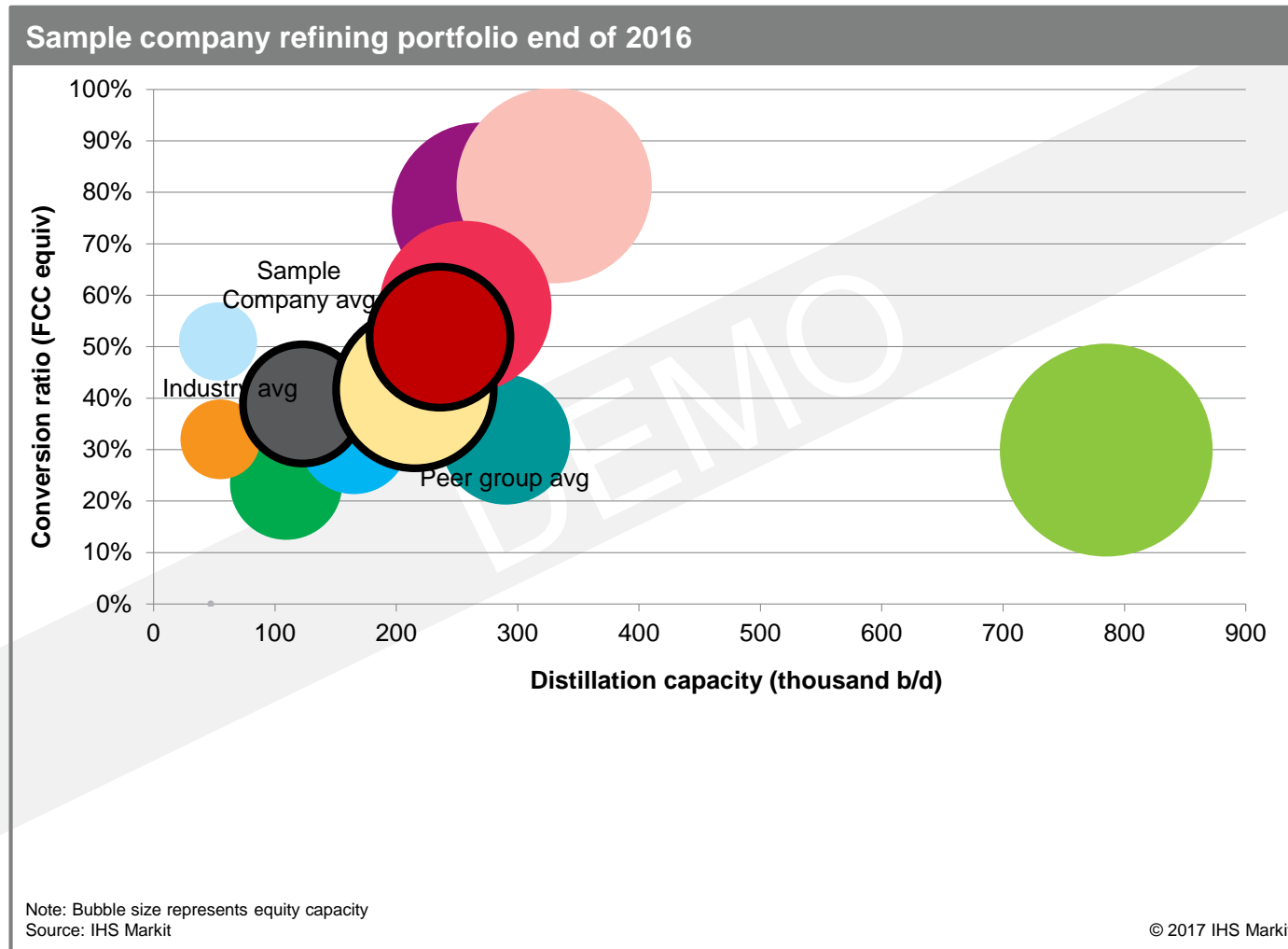
- At end-2016, Sample Company had X.XX MMb/d of equity crude distillation capacity, spread among YY refineries — A in region G, B in region H, and C in region J.
 - It ranked DD among CSP Global Majors, ahead of company K in terms of capacity.
 - However, it is one of the most sophisticated refiner, as its end-2016 FCC equivalent conversion ratio of 51.8% and IHS Complexity Index of 9.9 are the highest among CSP Global refiners.
- The company has been aggressively divesting its noncore assets over the last two years.
 - In 2015, the company completed the sale of its 50% stake in company W, which included two refineries, fuel terminals, and gasoline stations. In 2016, it sold its 11% stake in company V that operates country N's sole refinery, marking its exit from the region.
 - In 2016, Sample Company sold its refinery B in country K and related assets, including XX gasoline stations and Y storage terminals to company E.
 - After exiting form country P retail business in 2015, Sample Company signed an agreement for the sale of its interest in the country's refinery, and the company's share is reduced from 12% to 1% in 2016.
 - In 2017, Sample Company completed sales of its refinery K to company R in a \$X.XX billion deal. It also included ZZZ branded fill-up stations, its aviation fuel business, and marine fueling stations.
 - In 2017, Sample Company's 75% stake bid went to company T in a \$XXX million deal. It includes the refinery L and YYY retail sites in country S. The deal is expected to close by end-2017.

Portfolio Overview

A highly concentrated refiner

- Post-completion of divestments, Sample Company will be left with X.XX MMb/d of equity capacity in 2017 and its asset base confined to country H and sub region W.
 - The divestments will further strengthen the company's average FCC equivalent conversion ratio and its average facility scale, giving Sample Company the second largest per refinery size after company D among CSP Global peers.
- At end-2016, the per facility capacity and utilization rate were significantly higher than the peer group average and even the regional average.
 - The per facility at XX,XXX b/d was higher than the peer group average of YY,YYY b/d and regional average of ZZ,ZZZ b/d.
 - The company's utilization was on a five-year high at 94.1% and far ahead compared with the peer group (86.6%) and regional (82.9%) averages.
- Sample Company's refining capacity is unevenly spread across refineries, with the three-fourth share of its total global capacity confined to four big refineries.
 - As of 2016, three refineries in region G - country J, K and L which accounted for 90% of the company's regional capacity.
 - Similarly in region C, one refinery in country W, accounted for 60% of Sample Company's refining capacity.

Sample Company Refining Portfolio

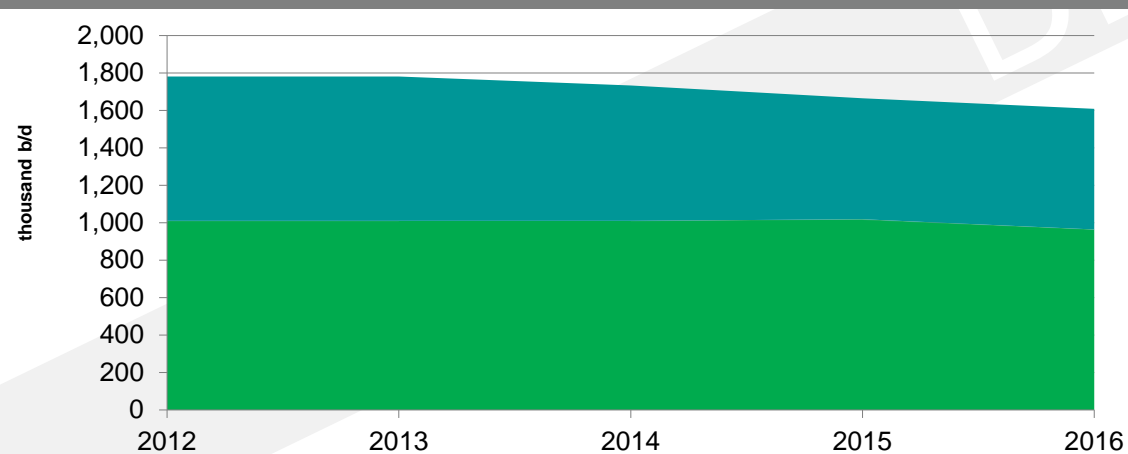


Portfolio Geographic Presence

Sample Company's portfolio is primarily located in region U and Z

- Roughly 56%, or XX,XXX b/d, of Sample Company's end-2016 equity crude distillation capacity is located in region S.
 - The capacity is spread across six refineries in C and U.
 - However, after divesting its sole refinery in country M (the XX,XXX b/d refinery E), the remaining region H assets will be in country L.
- Post-execution of region R assets divestment, Sample Company's remaining refining capacity will be centered in region J only.
 - Sample Company currently has a presence in country S through its XX,XXX b/d refinery C, but this will be sold by end-2017.
 - Sample Company already sold its refining and retail business in country H and N during 2015-2016, making a complete exit from both countries.
 - Meanwhile, the company's 50% stake in the refinery D amounts to XX,XXX b/d of refining capacity, or over half of its regional capacity at end-2016.
- Notably, Sample Company is the only Global Major without a refinery in region J.

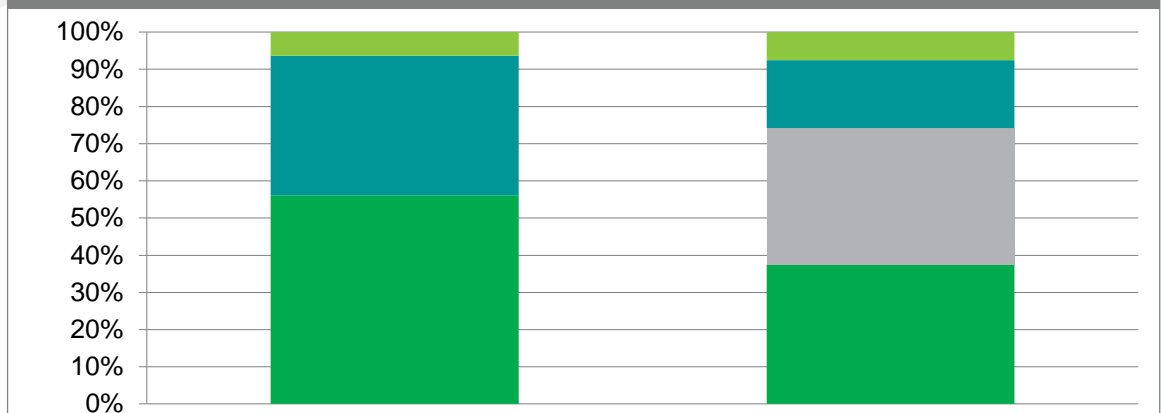
Sample Company equity distillation capacity at year end



Source: IHS Markit

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Equity distillation capacity (end-2016)



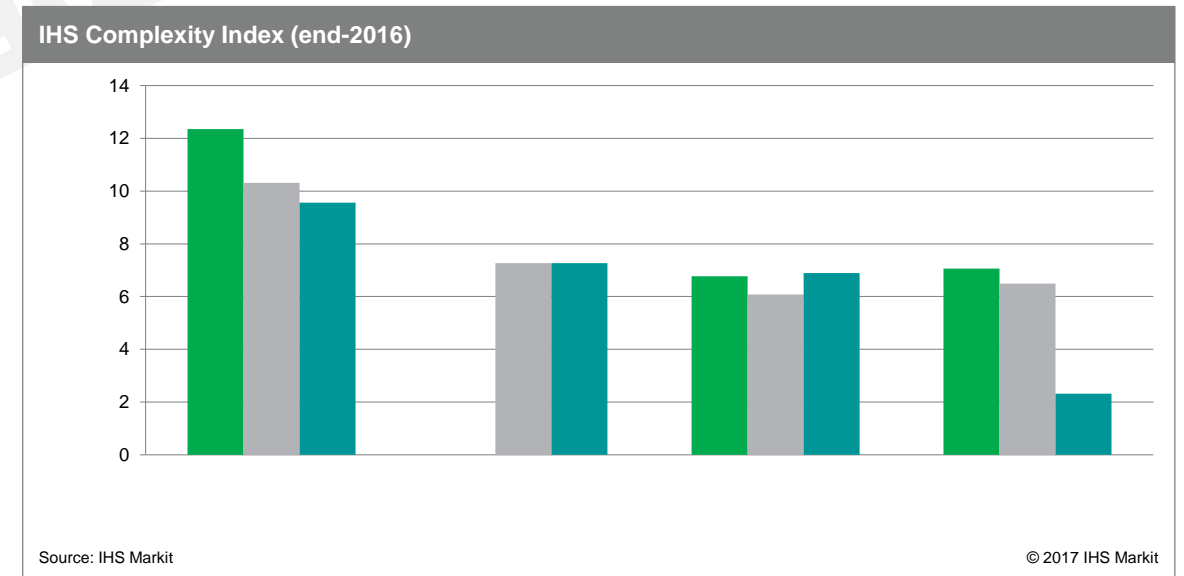
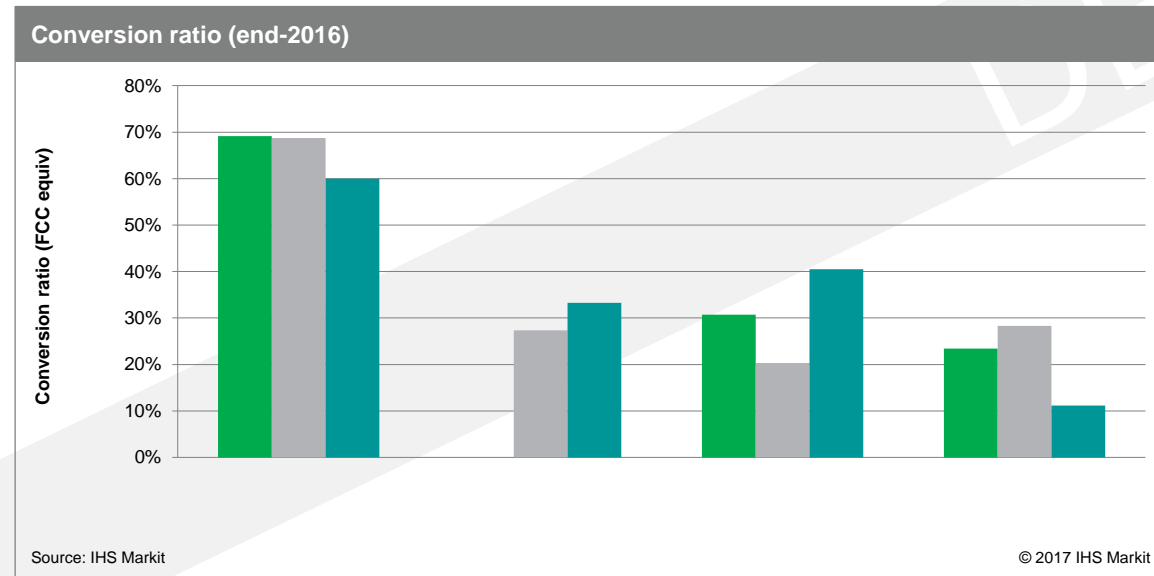
Source: IHS Markit

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Portfolio Sophistication

Impressive overall configuration despite subpar region H refineries

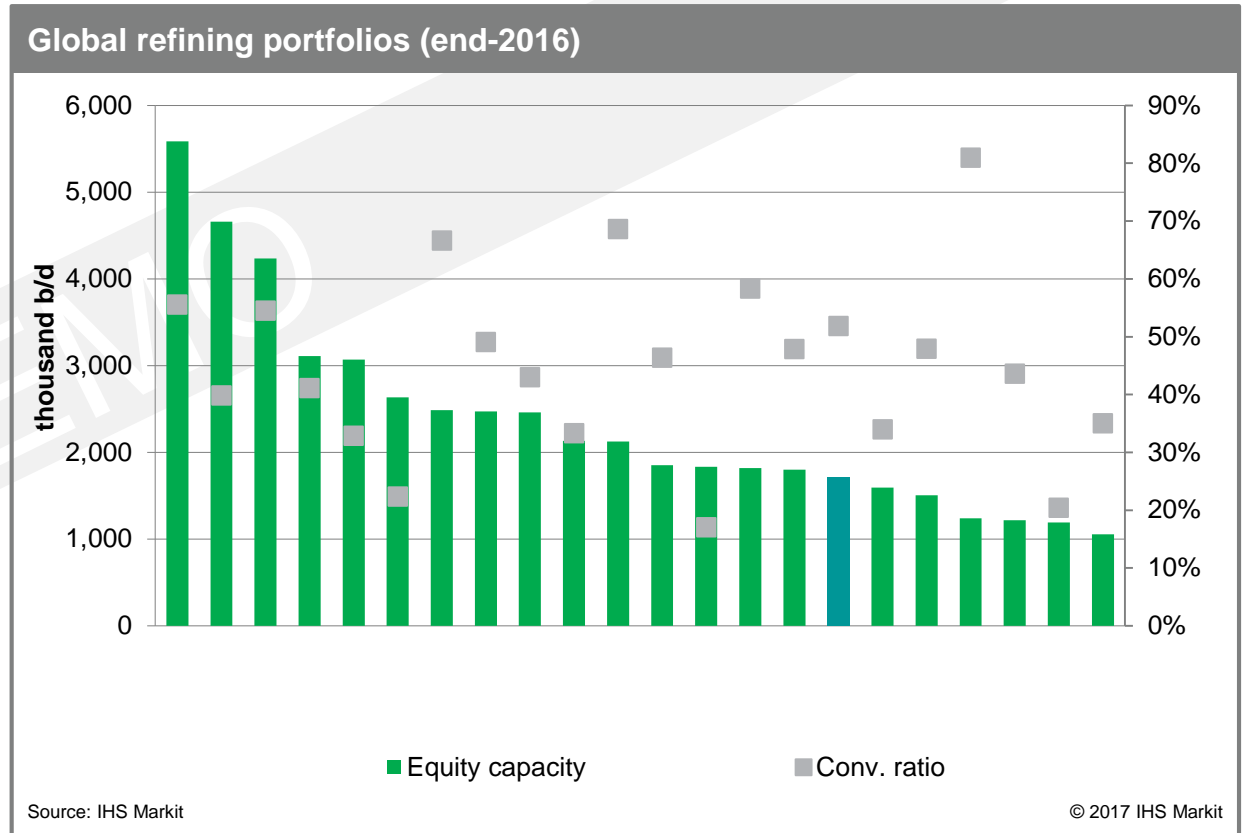
- Sample Company ranked as the most sophisticated refiner among TT CSP Global competitors at end-2016.
 - Its impressive configuration was largely attributed to its country G portfolio, which averaged the fourth-highest FCC equivalent ratio of 71.4%, and the highest IHS Complexity Index of 12.7 among CSP Global competitors.
- Sample Company's region D and region E refineries are significantly less sophisticated than its region B assets.
 - The company's average conversion ratio of 30.7% at end-2016 in region D was well below the regional average of 40.5% in FCC equivalent.
 - This is largely because Sample Company's largest facility in the region, refinery R , has an FCC equivalent conversion ratio that is more than 10 percentage points below the regional average.
 - However, owing to its peer companies' less sophisticated refining portfolios, Sample Company ranked first and third by FCC conversion ratio in region D and region E, respectively.



Portfolio Overview – Global

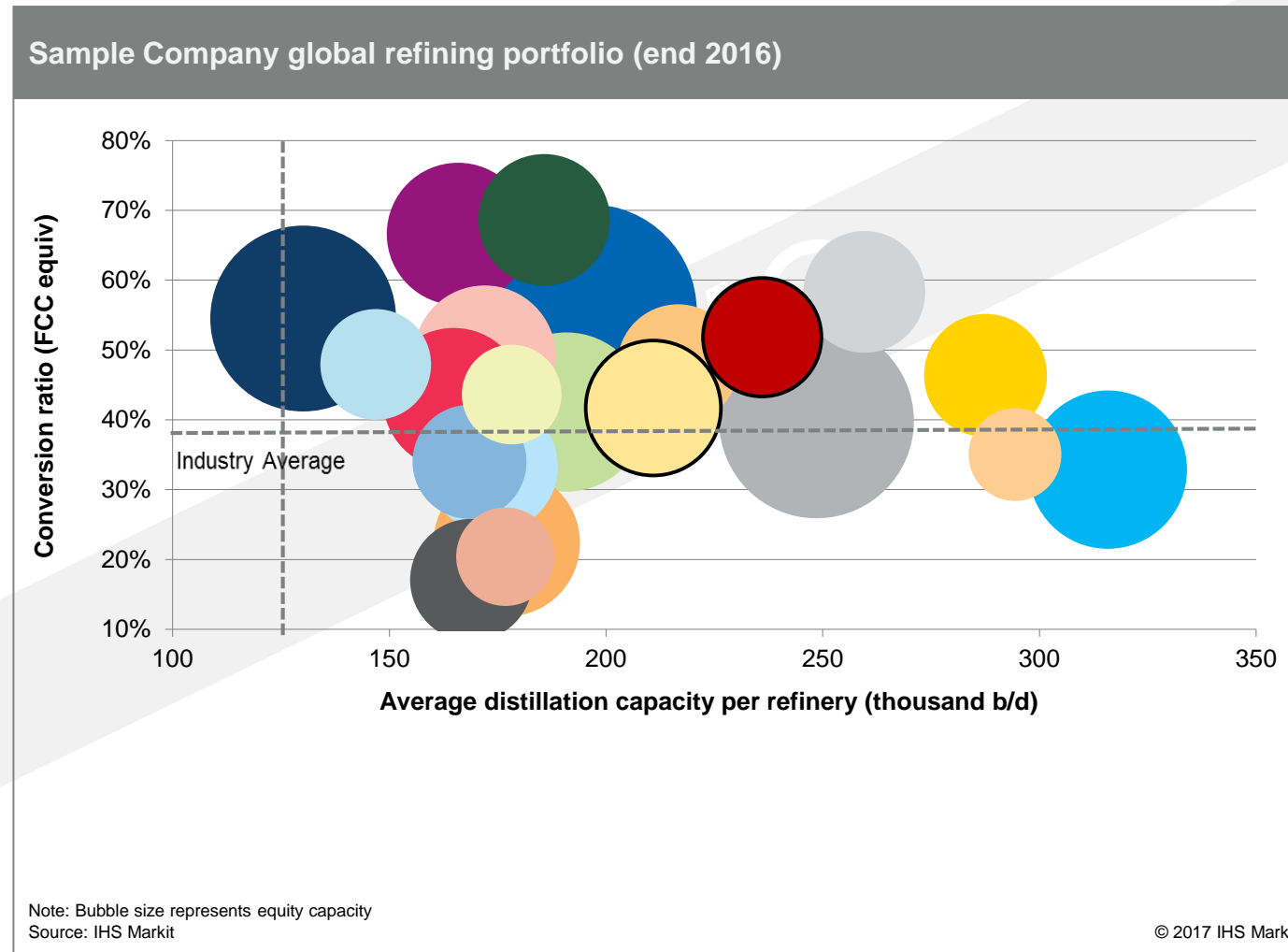
The versatile Global Major

- At end-2016, Sample Company ranked as the world's YYth-largest refiner with roughly X.XX MMb/d of equity crude distillation capacity.
 - As a result of the company's exit from the country W and N refining industries by the first half of 2015, Sample Company's global capacity fell by XX,XXX b/d, which lowered its global rank.
 - Sample Company then divested its refinery T in country L and is expected to close the sale of country U assets by end-2017, totaling XX,XXX b/d of capacity, which will lower its rank even further to YYth in 2017.
- Sample Company's biggest refinery is the XX,XXX b/d refinery S in country E, in which the company has a 50% ownership stake.
- The XX,XXX b/d refinery J is the company's largest wholly owned facility as well as its highest conversion refinery.
- Sample Company is a sophisticated refiner, with the highest conversion ratio of any other CSP-global refiner.
- Its core refineries in country G, H, J, K and L supply its products to the region N and M, while its refinery B caters to region R.
- Most of its region T refineries have large hydroprocessing units, providing flexibility to process a wide variety of feedstocks, including large volumes of heavy crude oils.



Portfolio Overview – Global

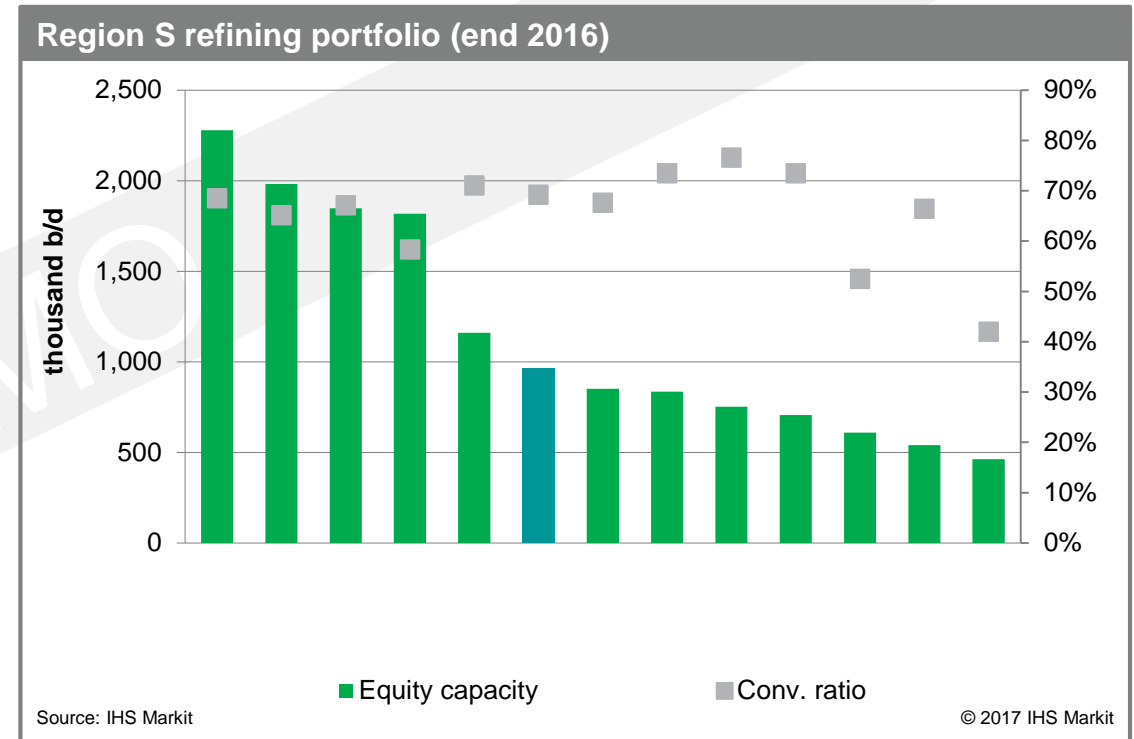
High complexity offsets small size



Portfolio Overview – region S

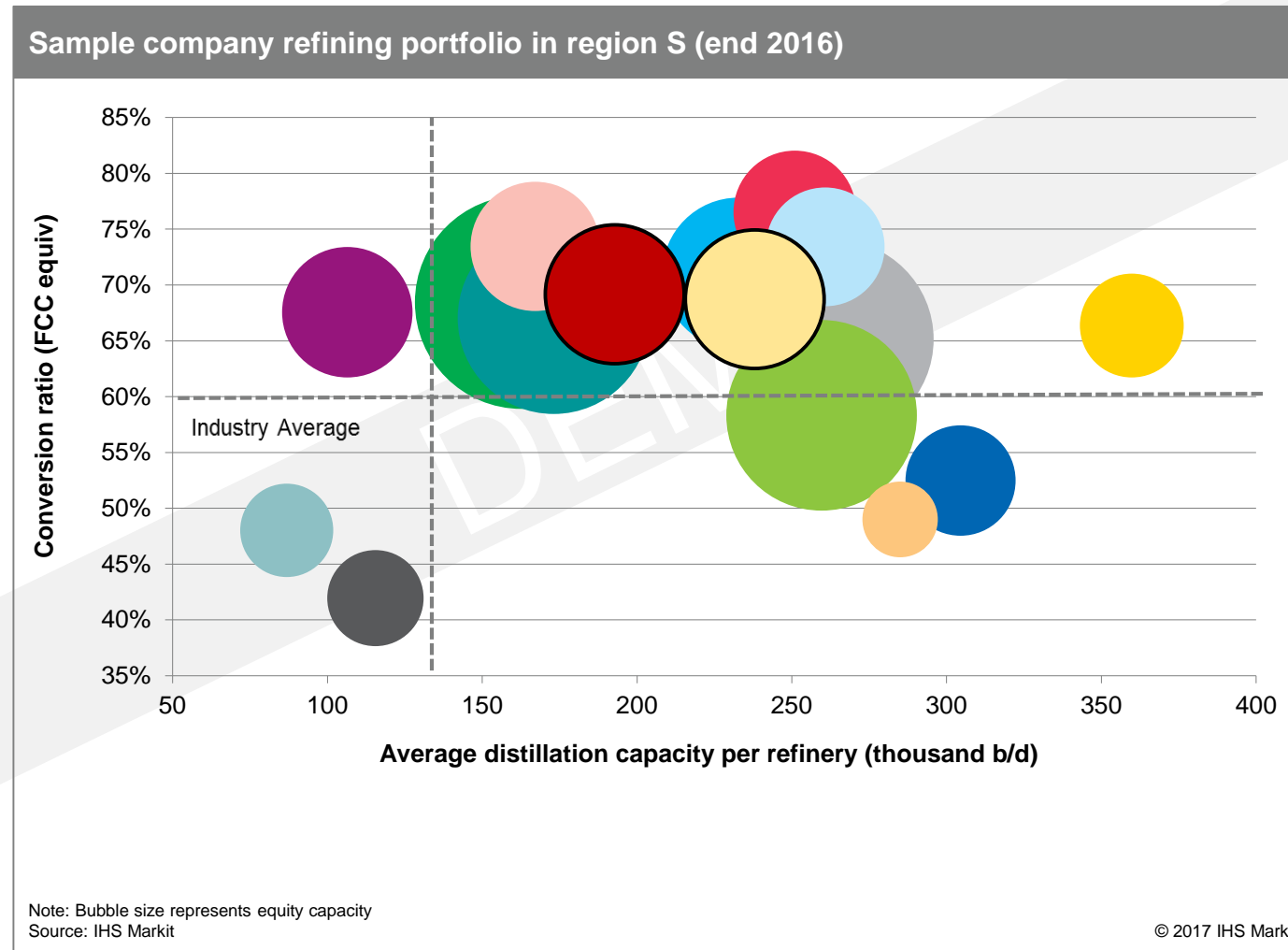
Sophisticated refiner in the second-tier of the region S industry

- While it is a second-tier refiner in region S in terms of capacity, Sample Company's portfolio is among the most sophisticated.
 - Country J is home to 95% of Sample Company's end-2016 refining capacity in region S.
 - The total of XX,XXX b/d of country D refining capacity is spread among four refineries, out of which three are core refineries, with coastal locations and over XX,XXX b/d of topping capacity.
 - The three major refineries - S, G and M which are large (accounting for nearly 94% of its country D capacity) and are high-conversion facilities.
 - Each of these refineries has more than XX,XXX b/d of capacity.
 - G and M's FCC conversion ratios are 81.3% and 76.4%, respectively, both higher than the regional average of 62%.
 - S is slightly below the regional average at 58%.
 - However, all three core refineries have a complexity index greater than the regional average of 9.7, ranging between 11 and 15.
- By comparison, Sample Company's refinery in region B, country T, is smaller with XX,XXX b/d of capacity and has a conversion ratio of 51% and complexity index of 8.2, both below the regional average.
- Its other region S, refinery C, was sold in 2017 on account of being a noncore asset (though it generated solid margins), as it already had a small presence in C before the sale.
- The company's refining operations are well integrated with the firm's fuel marketing business, especially in region E and F, where Sample Company is a leading gasoline retailer.
- The company is investing in its refineries to improve flexibility, yield, and reliability.
 - It is converting its hydrofluoric acid alkylation unit to isoalkyl technology in its refinery K. The project's cost is around \$XX million and is expected to be completed by 2020.
 - In 2016, a modernization project for the refinery N began, under which hydrogen plants will be operational by 2018 and full operation is expected to commence in 2019.



Portfolio Overview – region S

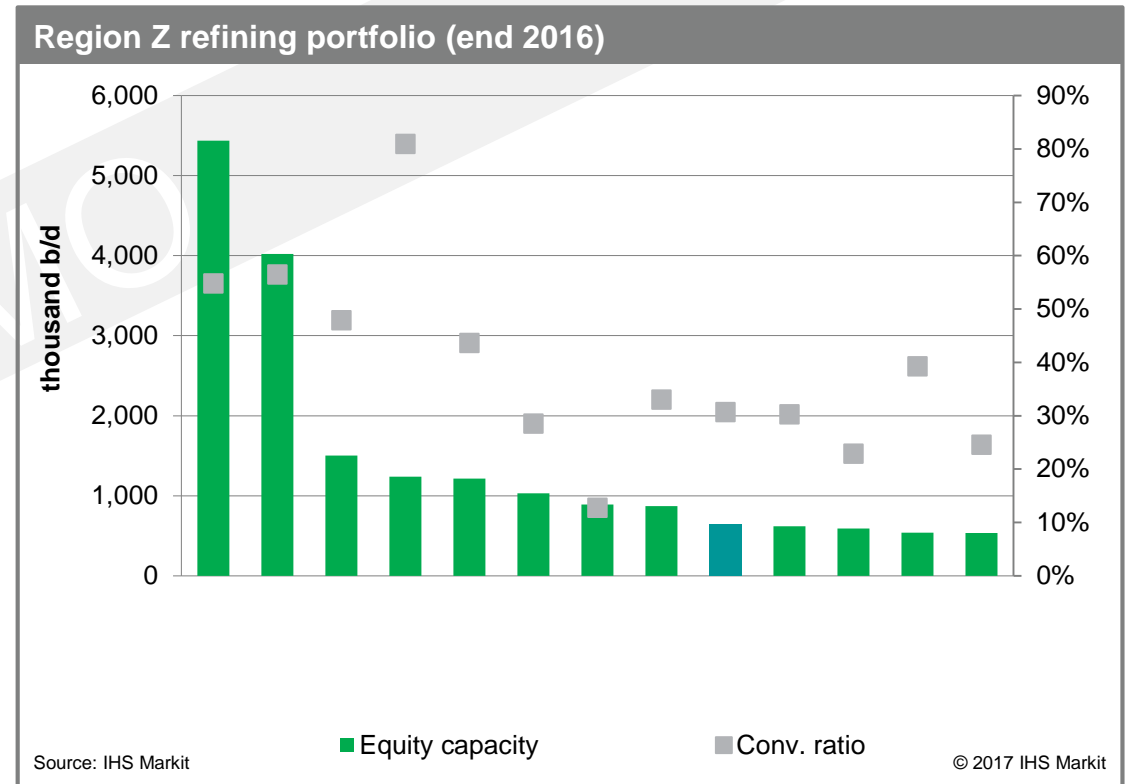
Sample Company refineries lag behind peer group average in terms of scale, but marginally ahead by conversion ratio



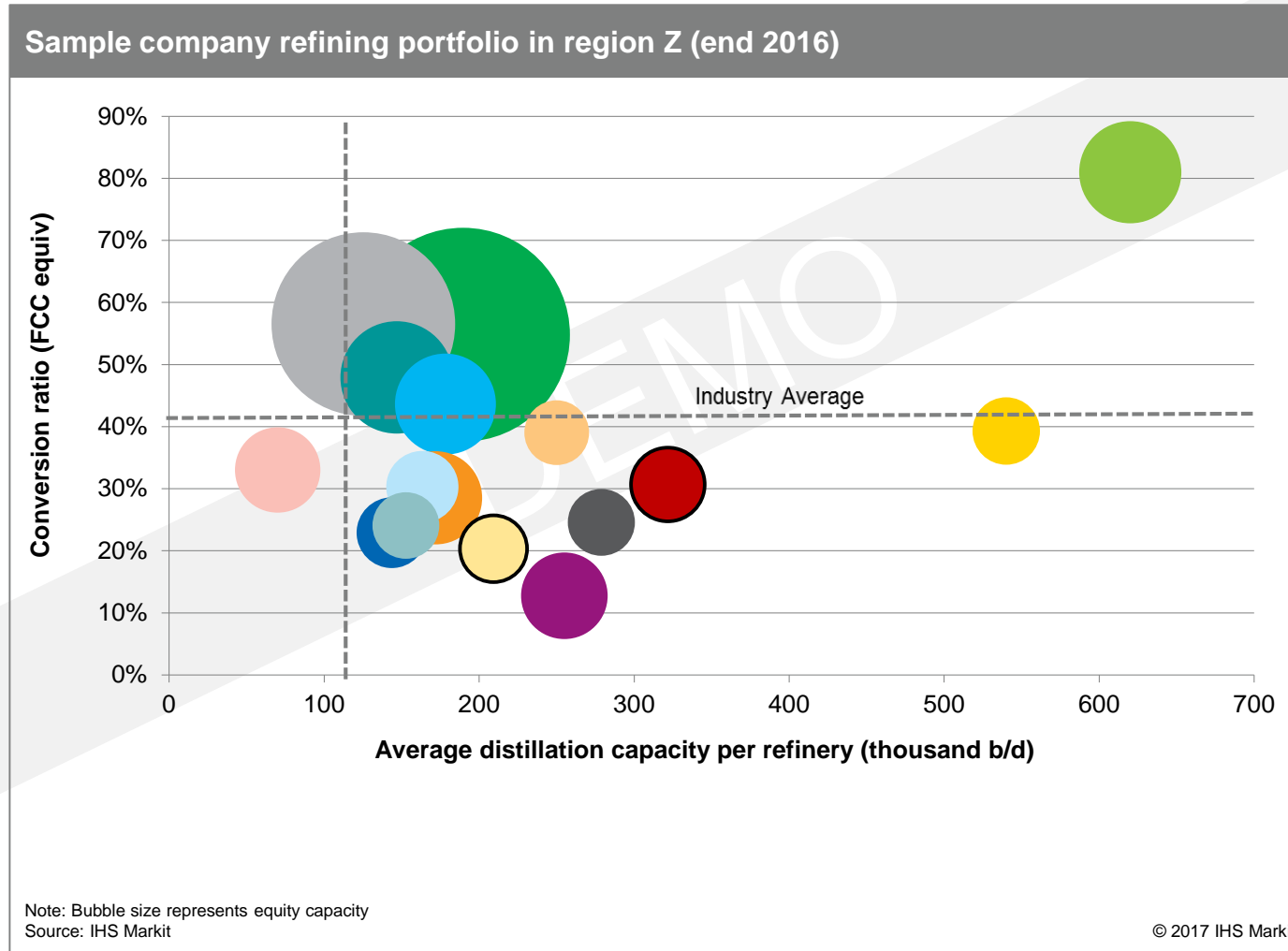
Portfolio Overview – Region Z

After country M and N, Sample Company significantly lowered its presence in country P

- At end-2016, Sample Company was the XX-largest refiner in region Z with just under YY,YYY b/d of distillation capacity.
 - Notably, all of the company's refineries in the region are jointly owned or held via partially owned subsidiaries.
- Sample Company completed its exit from country M and N in 2015.
- The company's remaining regional capacity of XX,XXX b/d is located in country U, V, W and Z.
 - However, Sample Company reportedly signed an agreement to sell its minority stake in refinery L, and has lowered its equity stake from 7.5% in 2015 to less than 1% in 2016.
 - The XX,XXX b/d refinery L in country P amounts to a minor YYY b/d of equity refining capacity for Sample Company in 2016, from Z,ZZZ b/d in 2014.
 - All in all, its 0.9% share in the refinery does not add much value to its overall region Z portfolio.
- With an overall conversion ratio of 30.7% at end-2016, Sample Company's refineries are unsophisticated, about 10 percentage points below the industry average.
 - However, the company's refinery rationalization campaign slightly boosted its regional portfolio's conversion ratio and has increased each year since 2013, up from 27.4%.



Portfolio Overview – region Z

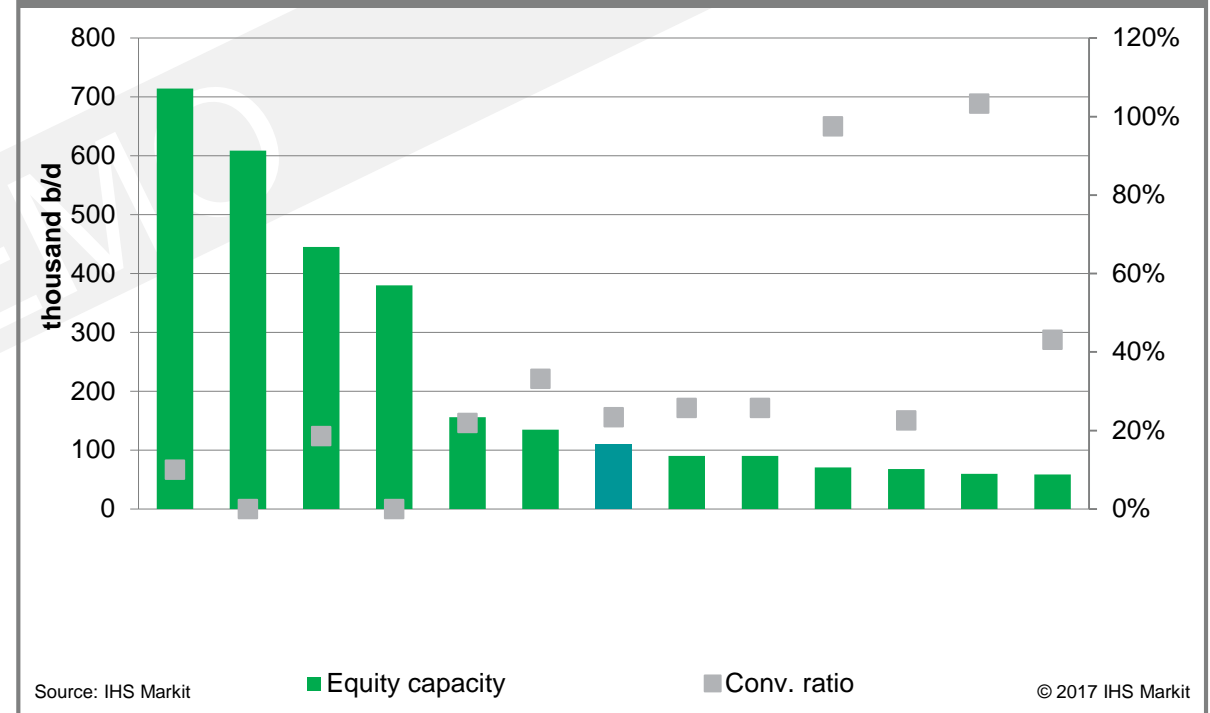


Portfolio Overview – region T

Sample Company to close divestment deal of sole regional asset by end-2017

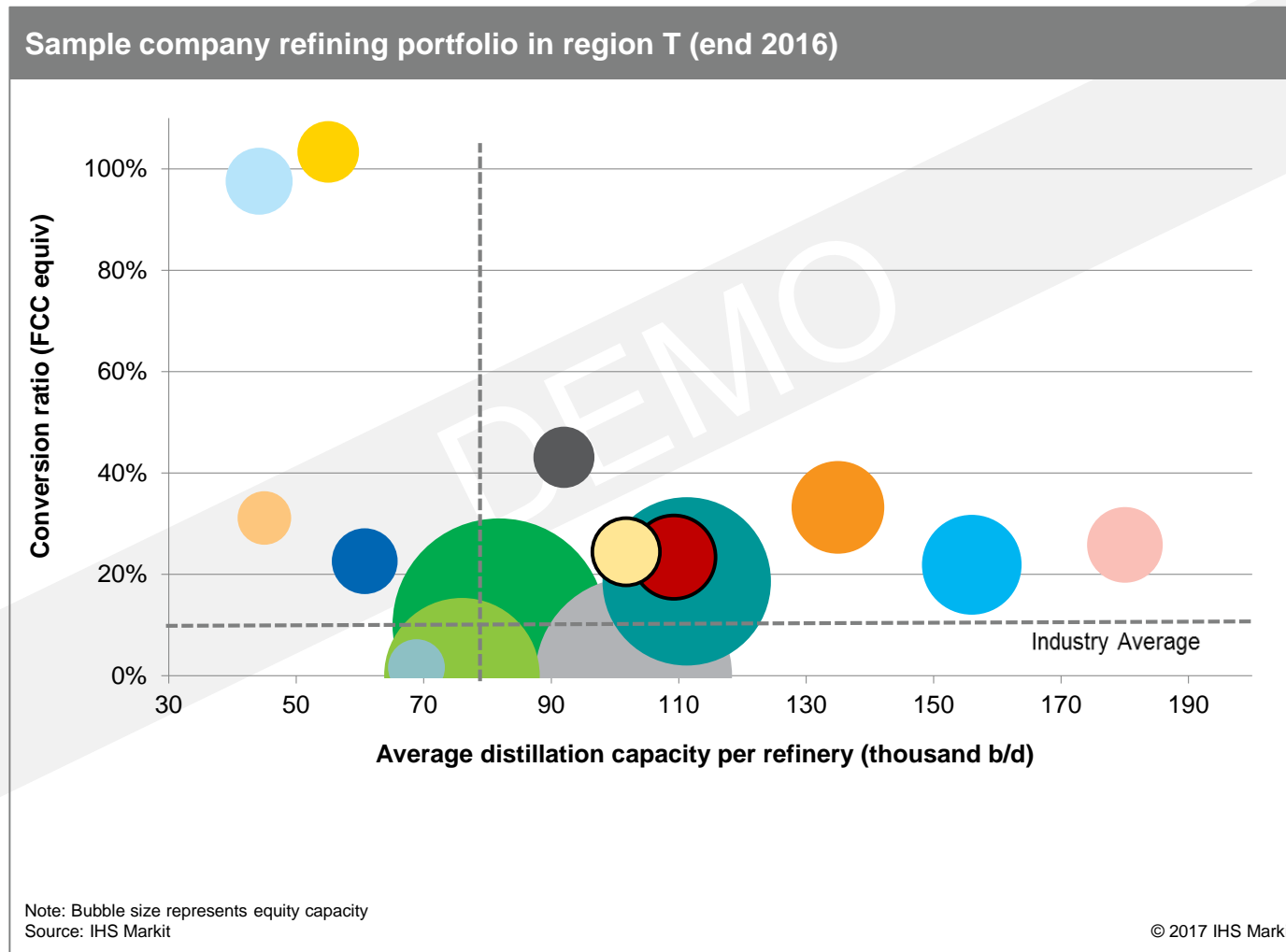
- Sample Company's XX,XXX b/d refinery D, is its only facility in region T.
 - The company is the seventh-largest refiner by capacity in region T, ahead of fellow Global Majors A, B and C.
 - However, Sample Company is actually the second-largest refiner in region T (on an equity basis) after company Y's XX,XXX b/d refinery G.
- With an end-2016 conversion ratio of 23.4%, the plant is both Sample Company's and region T's lowest conversion facility.
 - However, two of the other three refineries in region T also lack sophistication, while the third, refinery P, has the fourth-highest conversion ratio in region T.
 - Overall, refinery D remains regionally competitive considering region T's average conversion ratio of 15.3% in FCC equivalent, which is the lowest of any region in the world.

Region T refining portfolio (end 2016)



Portfolio Overview – region T

Sample Company's lowest conversion refinery is still regionally competitive

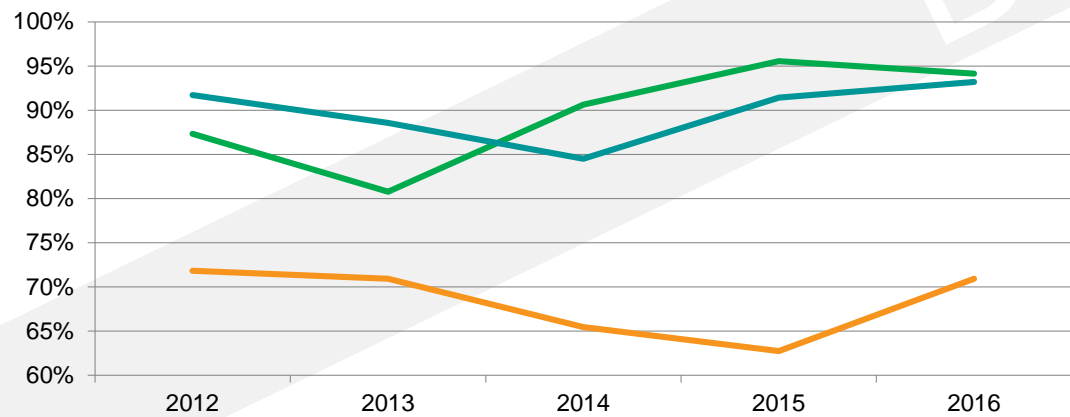


Portfolio Analysis – Utilization

Sample Company's utilization rate reaches a five-year high

- Following a steep rise since 2013, Sample Company's overall utilization rate increased sharply last year.
 - The company's utilization rate was 94%, which was the highest in more than five years.
 - This was more than 7 percentage points higher than the CSP Global peer group average and 12 percentage points higher than the regional average.
- In contrast, region S utilization fell slightly from 96% in 2015 to 94% in 2016.
 - The drop was attributed mainly to the refinery K, whose utilization dropped to 73% after a plant-wide planned turnaround in 2016.
- The uptick in utilization was attributed to an impressive increase of eight percentage points at Sample Company's region T refinery (utilization rate of 71%), and an increase of two percentage points at its region Z refinery (utilization rate of 93%).

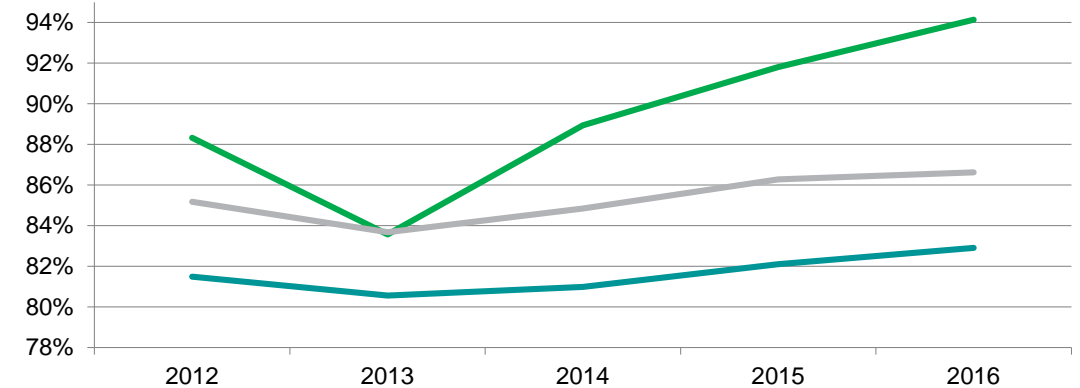
Sample company refinery utilization in different regions



Source: IHS Markit

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Global refinery utilization major players



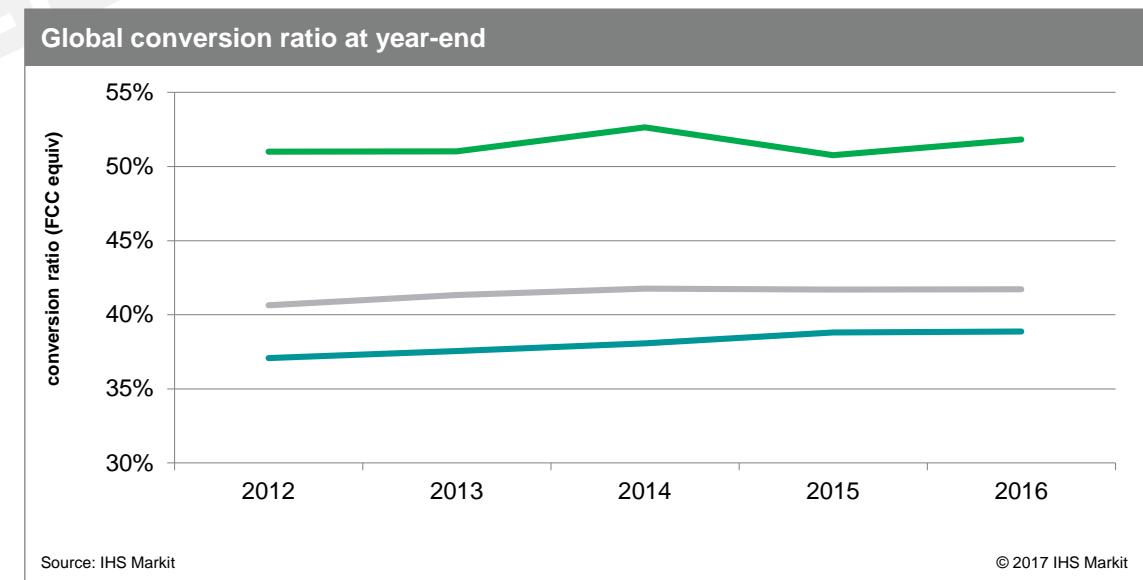
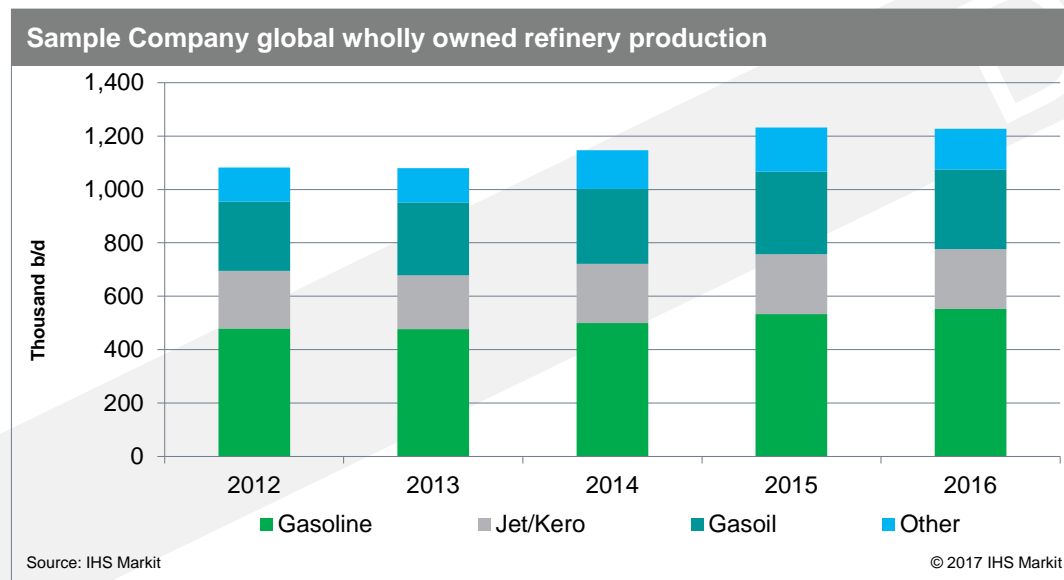
Source: IHS Markit

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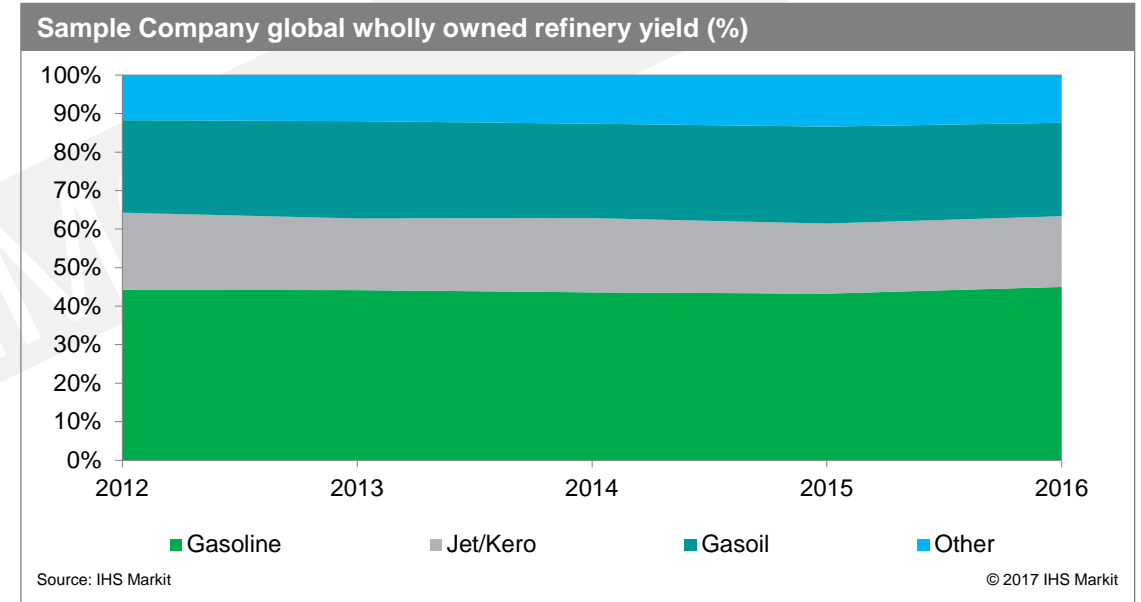
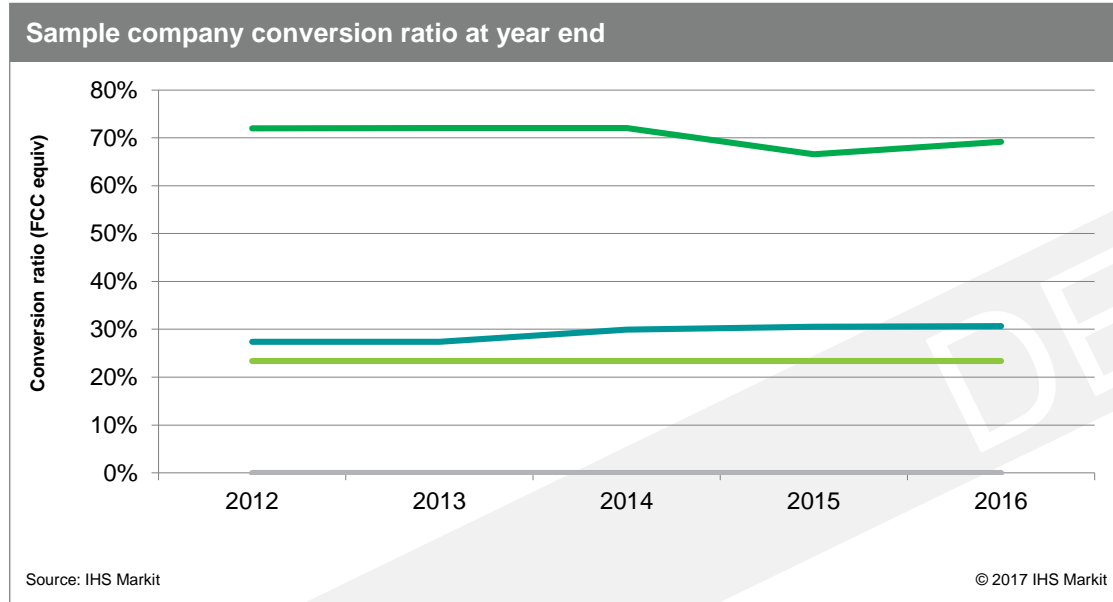
Portfolio Analysis – Complexity and Yield

Light products constitute over three-fourth of Sample Company's product yield

- Light products comprised 83% of Sample Company's output at its wholly owned refineries last year, almost even with production levels of the prior three years.
 - Sample Company's relatively high jet/kerosene yield of around 17% is mostly attributed to its refineries in country U, which are configured to meet high demand for jet fuel in this region.
- The company's heavy fuel oil fraction, after its fall from some 6.5% in 2013, remained at 5%—similar to 2015.
- Production from Sample Company's wholly owned facilities has been on the rise since 2012, around 5% during 2013-2015, but fell marginally in 2016.
- Sample Company's global conversion ratio was far ahead (more than 10 percentage points) of its peer group and the overall industry average.
 - This high conversion ratio is attributed to its sophisticated country D portfolio.



Portfolio Analysis – Complexity and Yield



Portfolio Details

Key Parameters of Marketing Operations – Sample Company (end-2017)

Area/country	Number of retail outlets			Change 16/15	Retail gasoline sales				Retail diesel sales			
	End-14	End-15	End-16		15 (mb/d)	16 (mb/d)	% change	% of area	15 (mb/d)	16 (mb/d)	% change	% of area
Region A	xx	xx	xx	yy%	xx	xx	yy%	yy%	xx	xx	yy%	yy%
<i>Of which Country Q</i>	xx	xx	xx	yy%	xx	xx	yy%	yy%	xx	xx	yy%	yy%
Region B	xx	xx	xx	yy%	xx	xx	yy%	yy%	xx	xx	yy%	yy%
Region C	-	-	-	-	-	-	-	-	-	-	-	-
Region D	xx	xx	xx	yy%	xx	xx	yy%	yy%	xx	xx	yy%	yy%
Region E	-	-	-	-	-	-	-	-	-	-	-	-
Region F	-	-	-	-	-	-	n/a	n/a	n/a	n/a	n/a	n/a
Region G	xx	xx	xx	yy%	xx	xx	n/a	n/a	n/a	n/a	n/a	n/a
World	xx	xx	xx	yy%	xx	xx	yy%	yy%	xx	xx	yy%	yy%

Note: Data reflects 100% of joint ventures and affiliated companies

Based only on countries where the company is present (excluding Africa and the Middle East), Sample company has a gasoline market share of yy%

Source: IHS Markit

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Complexity indicators of Sample Company refining portfolio - end-2017

Region	Conversion ratio				IHS Complexity Index			
	Chevron	Peer group average	Region average	Rank*	Chevron	Peer group average	Region average	Rank*
World	yy%	yy%	yy%	a1	xx	xx	xx	a1
Region A	yy%	yy%	yy%	a2	xx	xx	xx	a2
<i>of which Country</i>	yy%	yy%	yy%	a2	xx	xx	xx	a3
Region B	-	yy%	yy%	-	-	xx	xx	-
Region C	yy%	yy%	yy%	a4	xx	xx	xx	a2
Region D	yy%	yy%	yy%	a7	xx	xx	xx	a4
Region E	-	-	yy%	-	-	-	xx	-
Region F	yy%	yy%	yy%	a6	xx	xx	xx	a5
Region G	yy%	yy%	yy%	a2	xx	xx	xx	a9

* Ranking among CSP-Global competitors

Source: IHS Markit

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Detailed Unit Capacity by Refinery

Refinery capacities at end-2017 - Sample Company (main units, thousand b/d)

Region	Country	Refinery	% share	CDU	VPS	Conversion units					Coking
						FCC	HCK*	Resid HCK	VB	TCK	
World				xx	xx	xx	xx	xx	xx	-	xx
Region A	Country W	abc1	yy%	xx	xx	xx	-	-	xx	-	-
Region B	Country J	abc2	yy%	xx	xx	xx	xx	xx	-	-	-
Region B	Country O	abc3	yy%	xx	xx	xx	xx	xx	xx	-	-
Region B	Country Z	abc4	yy%	xx	xx	xx	xx	xx	-	-	-
Region B	Country B	abc5	yy%	xx	xx	xx	xx	xx	-	-	-
Region C	Country Y	abc6	yy%	xx	xx	xx	xx	-	-	-	xx
Region C	Country Y	abc7	yy%	xx	xx	xx	xx	xx	-	-	xx
Region C	Country Y	abc8	yy%	xx	xx	xx	xx	xx	-	-	-
Region C	Country Y	abc9	yy%	xx	xx	xx	-	-	-	-	xx

Source: IHS Markit

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Detailed Unit Capacity by Refinery

Refinery capacities at end-2017 - Sample Company (secondary units, thousand b/d)

Region	Country	Refinery	Ref.	Alk.	Poly.	Isom.	Oxy.	Hdtr.	Asphalt	Lubes	
World			286.99571	92.77	9.75	84.69581		1.95	1258.5044	30.4	60.49317132
Region A	Country W	abc1	28.5	-	4.0	7.0	-	86.5	4.5	-	
Region B	Country J	abc2	0.0	-	-	0.0	-	0.2	-	-	
Region B	Country O	abc3	8.0	2.3	2.1	-	0.7	50.9	5.2	-	
Region B	Country Z	abc4	53.1	12.3	-	-	1.3	234.9	2.7	13.2	
Region B	Country B	abc5	10.5	-	-	-	-	115.7	-	-	
Region C	Country Y	abc6	44.1	29.0	-	28.6	-	227.7	-	-	
Region C	Country Y	abc7	71.0	14.8	-	-	-	212.9	18.0	25.8	
Region C	Country Y	abc8	64.2	29.4	3.7	47.9	-	279.1	-	21.4	
Region C	Country Y	abc9	7.6	5.0	-	1.2	-	50.6	-	-	

Source: IHS Markit

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Complexity Indicators by Refinery

Refinery complexity indicators at end-2017 - Sample Company							
Region	Country	Refinery	Conversion capacity		Gasoline upgrading		IHS Complexity Index
			as a % of CDU	% in FCC equiv	Reforming as a % of CDU	APIM as a % of CDU	
World			yy%	yy%	yy%	yy%	xx
Region A	Country W	abc1	yy%	yy%	yy%	yy%	xx
Region B	Country J	abc2	-		-		xx
Region B	Country O	abc3	yy%	yy%	yy%	yy%	xx
Region B	Country Z	abc4	yy%	yy%	yy%	yy%	xx
Region B	Country B	abc5	yy%	yy%	yy%	yy%	xx
Region C	Country Y	abc6	yy%	yy%	yy%	yy%	xx
Region C	Country Y	abc7	yy%	yy%	yy%	yy%	xx
Region C	Country Y	abc8	yy%	yy%	yy%	yy%	xx
Region C	Country Y	abc9	yy%	yy%	yy%	yy%	xx

Source: IHS Markit

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Retail and Marketing

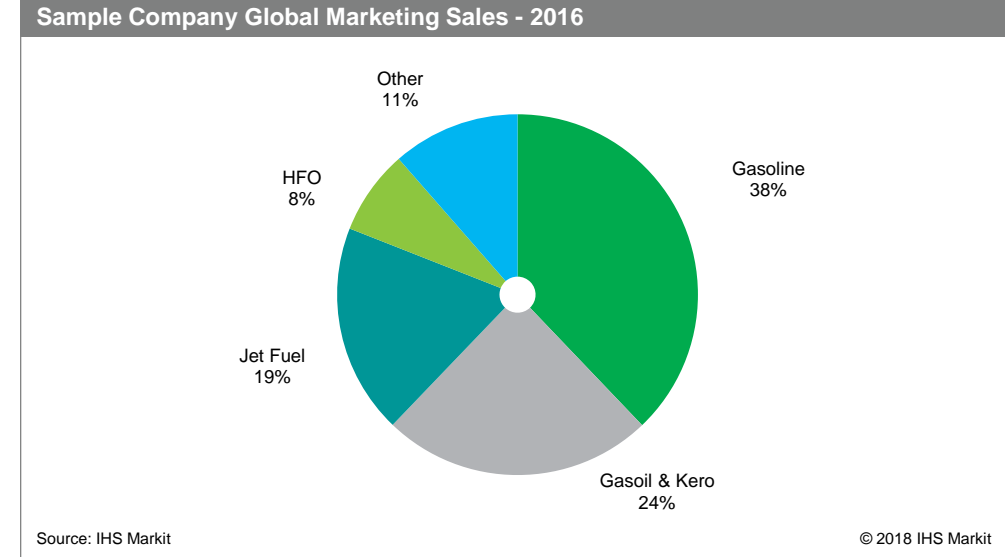
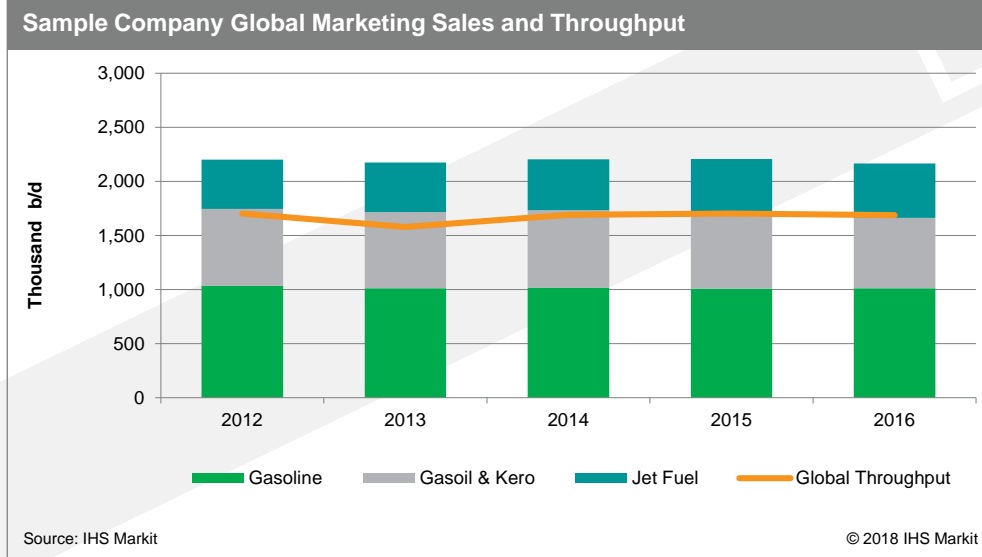
February 2018

- Sample Company's refined product sales decreased by around 2% in 2016 to roughly X.X MMb/d.
- Of the CSP competitors, Sample Company ranked as the ZZ largest by retail sites, with roughly Y,YYY stations at end-2016.
- Sample Company is eliminating its non-core portfolios, and completed sales of its country N non-integrated retail network to company R.
- During 2014-16, Sample Company entirely divested its country A, P, N, and G retail networks, leading to the rationalization of some X,XXX stations.
- In addition, the company sold its country H downstream assets to company S in 2017 and is working to divest its region T and country F assets.

Marketing Overview

Sales declined in 2016

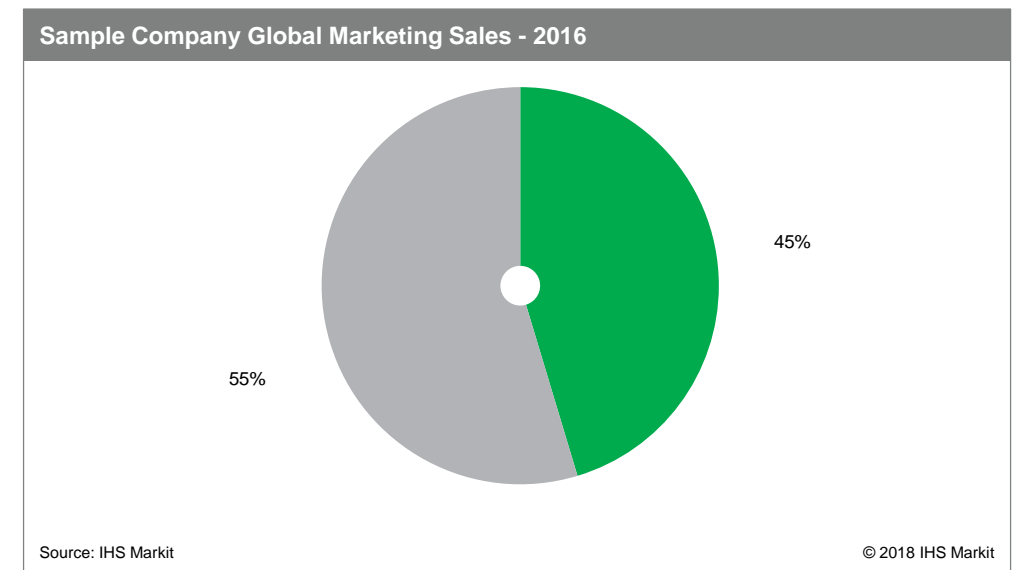
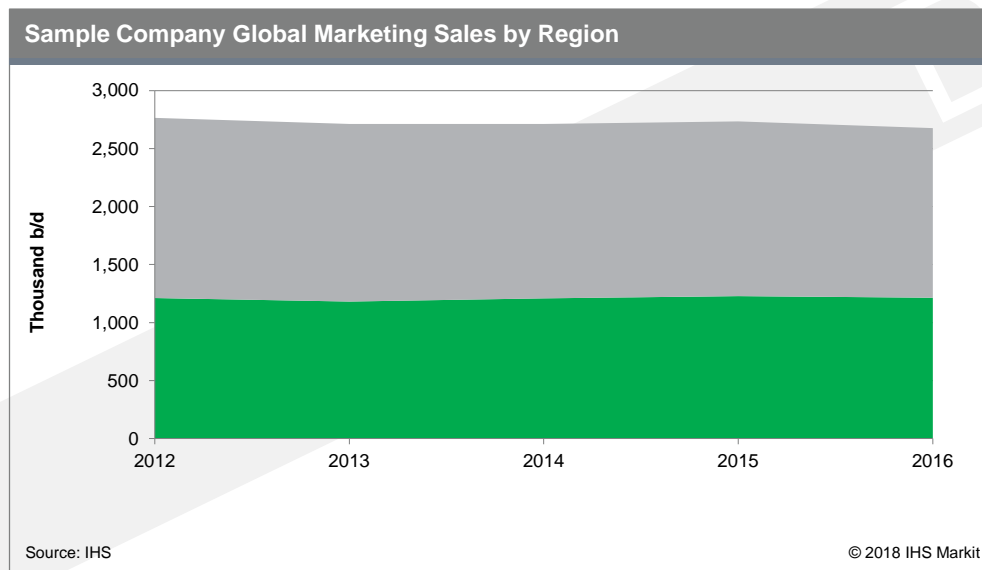
- After increasing in 2015, Sample Company's global refined product sales fell by XX,XXX b/d in 2016, averaged some Y.YY MMB/d.
- Gasoil & kerosene and HFO registered the highest year-on-year (y-o-y) decrease in sales, declining by around 6% and 7% respectively in 2016.
- However, sales of gasoline increased marginally by 0.3% y-o-y, while sales of jet fuel remained unchanged in 2016.
- All in all, the company's sales mainly consist of light products, with gasoline, gasoil & kerosene, and jet fuel constituting over 80% of the company's total sales.
- Refinery throughput was equivalent to 63% of sales in 2016, up from just 55% in 2009, as the company has rationalized its non-integrated marketing activities worldwide.
 - All in all, sales have fallen by 18% over that same time period compared with just a 6% decline in refinery throughput.
 - This trend is likely to continue going forward as the company has divested its non-core refineries, country M downstream assets, and is preparing to exit from region T in 2018.



Marketing Overview

Larger focus on country D sales following rationalization abroad

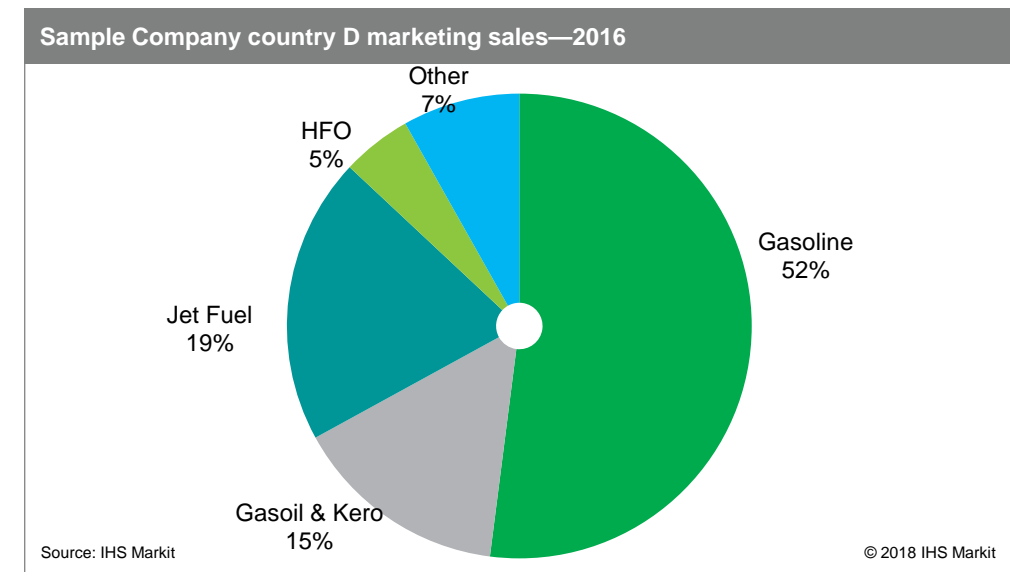
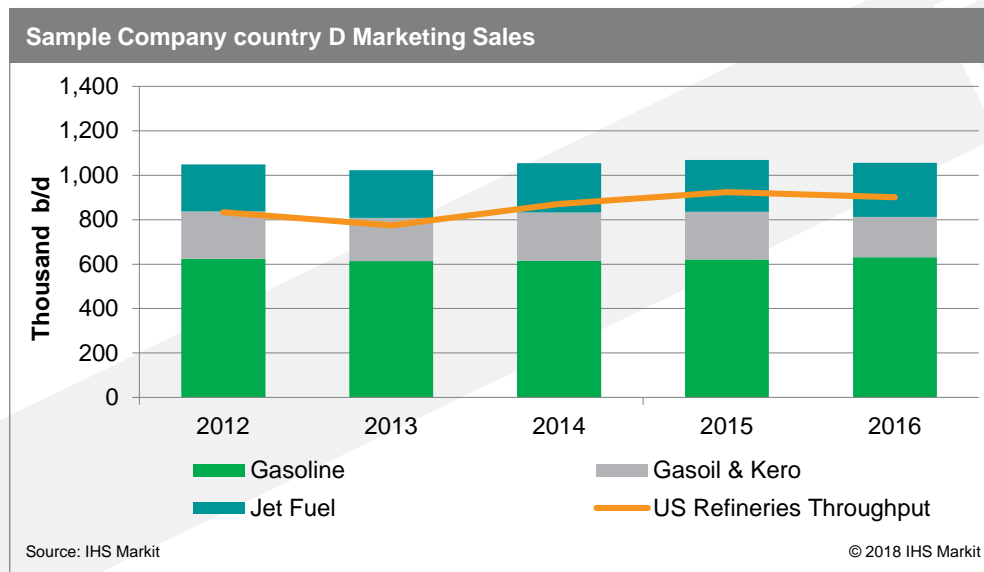
- Sample Company's country D refined product sales have held up relatively better than its non-country D marketing volumes.
 - In 2016, country D accounted for 45% of the company's total sales, up from roughly 40% in 2008.
- This shift is mainly due to Sample Company's downstream rationalization efforts – both in retail and refining – which have been more acute outside of U.
 - The company country D refining capacity decreased by just 5% during 2012-16, but has slashed its non-country D refining capacity by around 15% during the same period.
- The decline in non-country D sales, which have fallen by some 20% from 2009, has primarily come from eliminating non-integrated retail sites, which in turn reduced the firm's third-party purchases.



Marketing Overview

Major country D refined product marketer

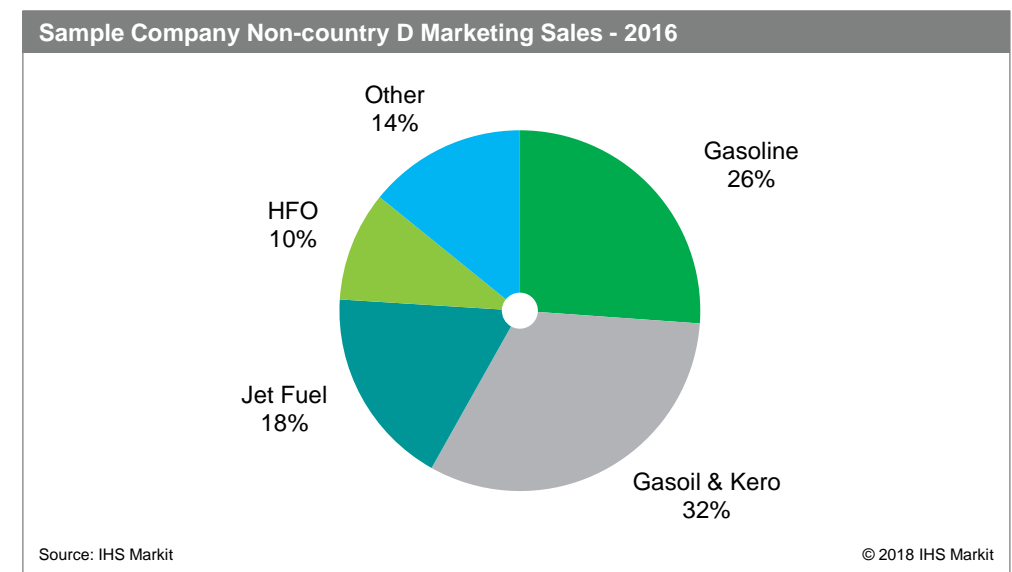
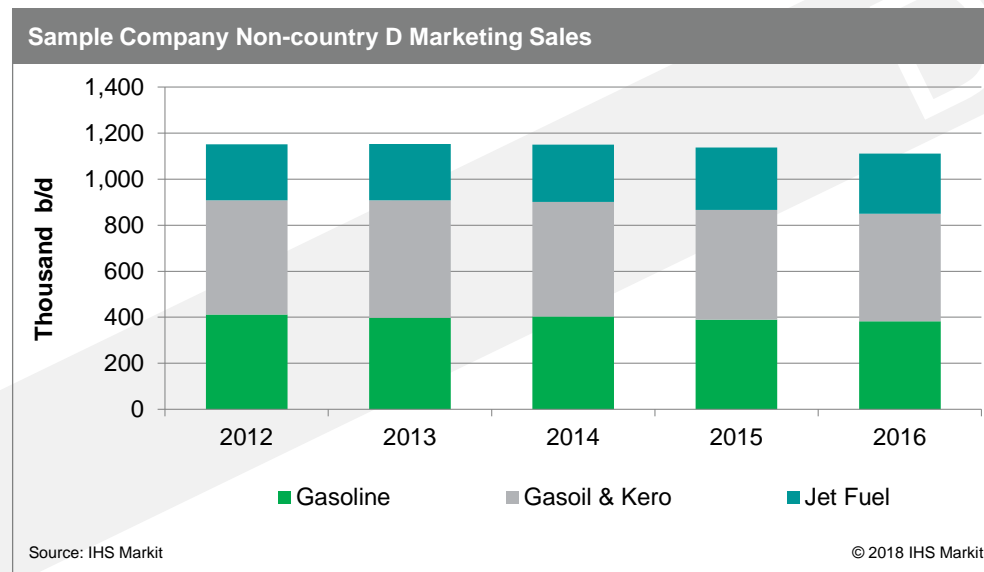
- Sample Company sold over X.XX MMb/d of refined product in country U in 2016, a marginal decrease by around 1% from 2015.
- Sample Company's country D refined product sales declined in 2016, after two years of consecutive growth during 2014-15.
 - Sales were down by some YY,YYY b/d year-on-year (y-o-y) in 2016, owing to a nearly 2% decrease in refinery output.
 - Jet fuel sales observed the highest growth (approximately 4% y-o-y), largely offset by continued decline in gas oil & kerosene volumes, for which sales dropped by almost 15% in 2016.
- Gasoline accounted for over half of Sample Company's total 2016 country D refined product sales while middle distillates contributed more than a third of sales.
 - Sample Company also markets a large volume of HFO and other products like petchems and lubes, although these constitute just 12% of the company's total country D product sales.



Marketing Breakdown – Rest of the world

Non-country D sales more balanced among different products than country D sales

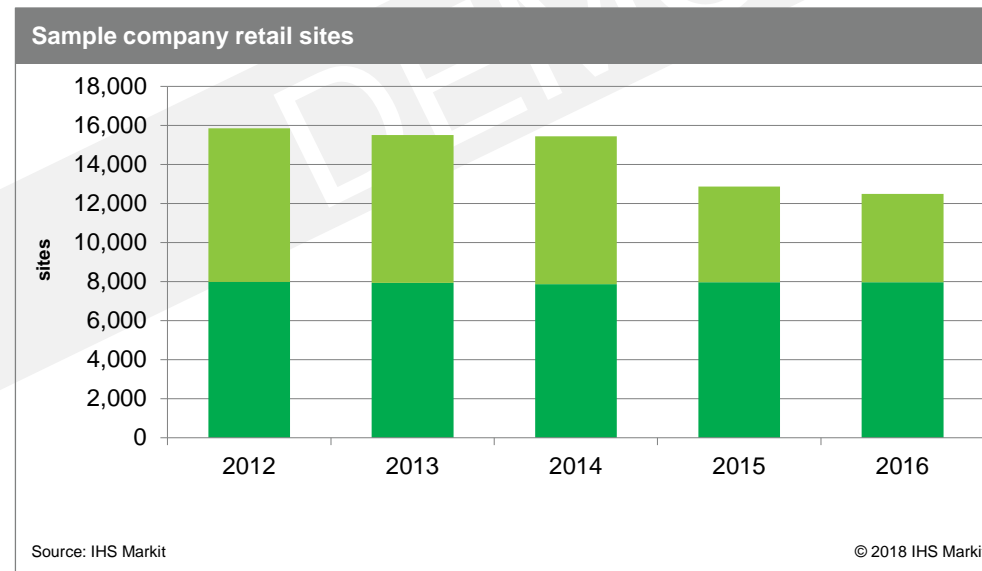
- Although country U is by far Sample Company's largest single market, the company still sells over 20% of its refined products outside the country (X.XX MMb/d in 2016).
 - However, the firm's non-country D sales dropped by more than 3% y-o-y in 2016, in contrast to some 1% decrease in country U sales.
- All in all, during 2012-2016, Sample Company's non-country D retail rationalization (36% reduction during 2012-16) has been far more pronounced than its negligible country D retail network cuts (less than 1% reduction over the same time period).
- Unlike its country D sales, of which over half are gasoline, the company's non-country D sales are more evenly weighted among the different products.
 - In fact, gas oil and kerosene account for the bulk of non-country D sales.
- Non-country D refinery throughput was around 790,000 b/d in 2016, equivalent to just 54% of total sales.
 - This fraction has remained fairly stable since 2009, but is still more than 20 percentage points lower than in U, which boasts a strong balance between refining and retail.



Branded Retail Overview

Retail rationalization continues in 2016

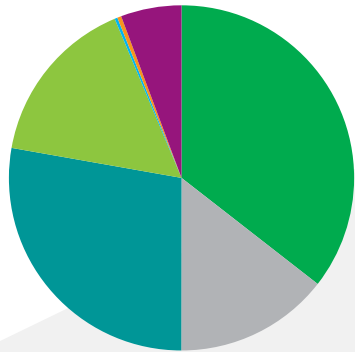
- At end-2016, Sample Company supplied some XX,XXX retail locations, utilizing the Sample Company brands, and ranked as the XX largest retailer by sitecount in the CSP.
 - This was an 18% fall during 2014-16, compared with an average annual decline of 5% during 2012-2016.
- In particular, Sample Company has pruned its retail networks in the regions that do not fit very well into the company's downstream strategy of consolidation and a tighter geographic focus.
 - Sample Company sold its Country G refinery and associated WWW-site network to company D in 2017 and is preparing to sell over SSS sites in region T and country H.



Branded Retail Overview

Far more concentrated in region U and L than the rest of CSP

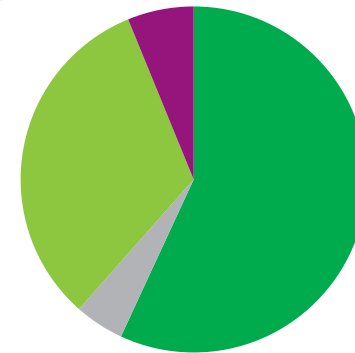
Total CSP retail sites in regions 2016



Source: IHS Markit

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Sample company retail sites - 2016



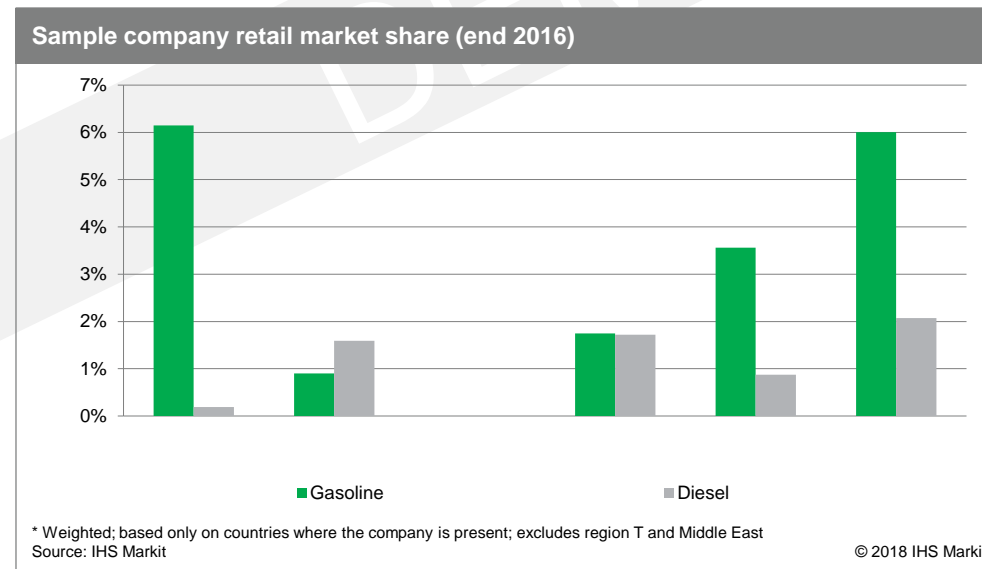
Source: IHS Markit

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Branded Retail Market Share

Sample Company has a commanding market share in region S

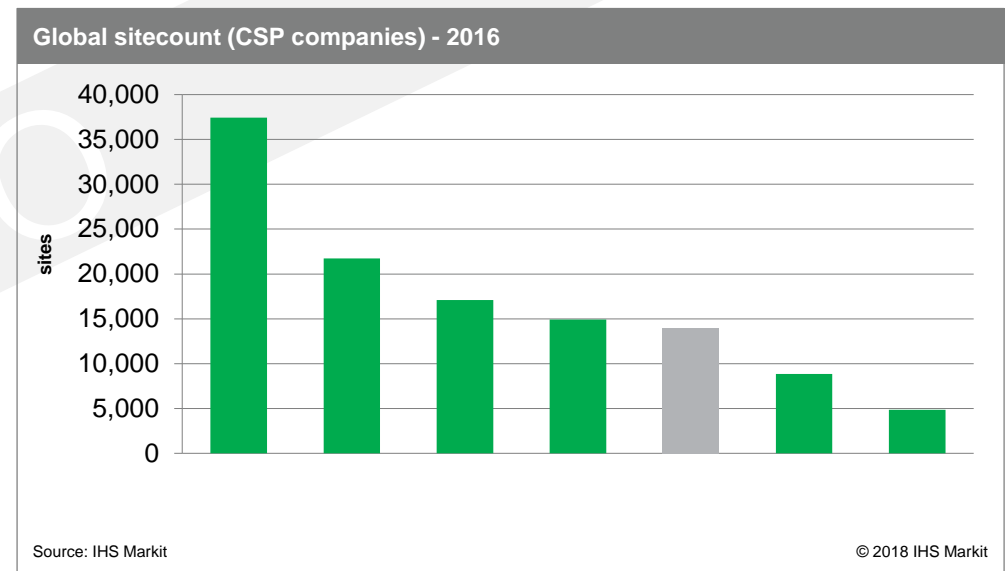
- Sample Company had a branded retail presence in 15 countries at end-2016, spanning region S, Y, G and T.
- With the exception of region Y, all of Sample Company's retail activities in the aforementioned markets are largely integrated with the company's regional/local refining capacity.
- Sample Company is a significant gasoline retailer in its core markets – region S and G – where it commands market shares of roughly 6% and 2%, respectively in 2016.
 - However, G was the only sub-region that reported a decrease in gasoline sales by 7.5% y-o-y, owing to which retail gasoline share dropped slightly from 2% in 2015.
- The only region where the company's retail diesel market share outweighs its retail gasoline market share is T, which accounts for less than 5% of its total branded fuel sales.



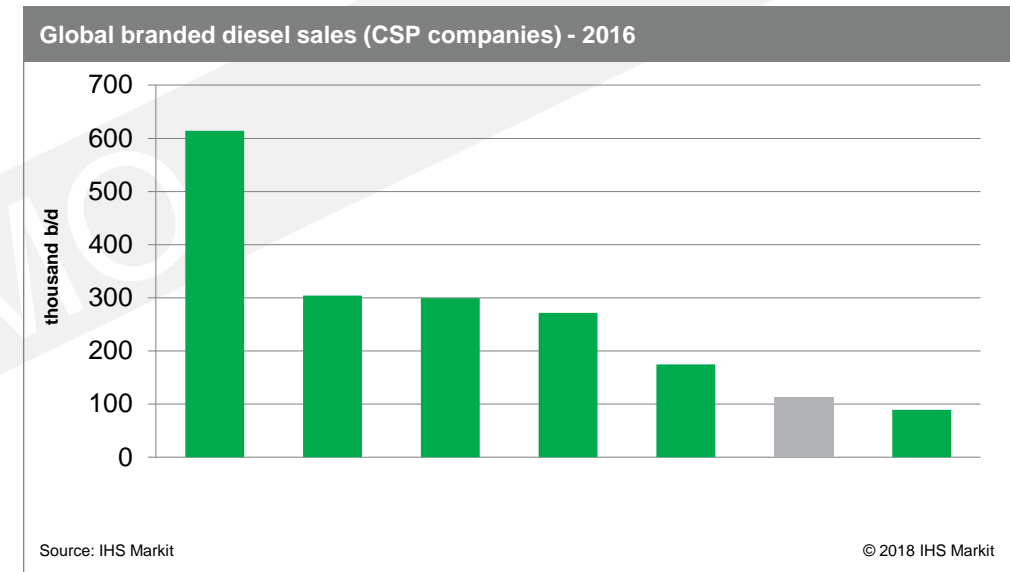
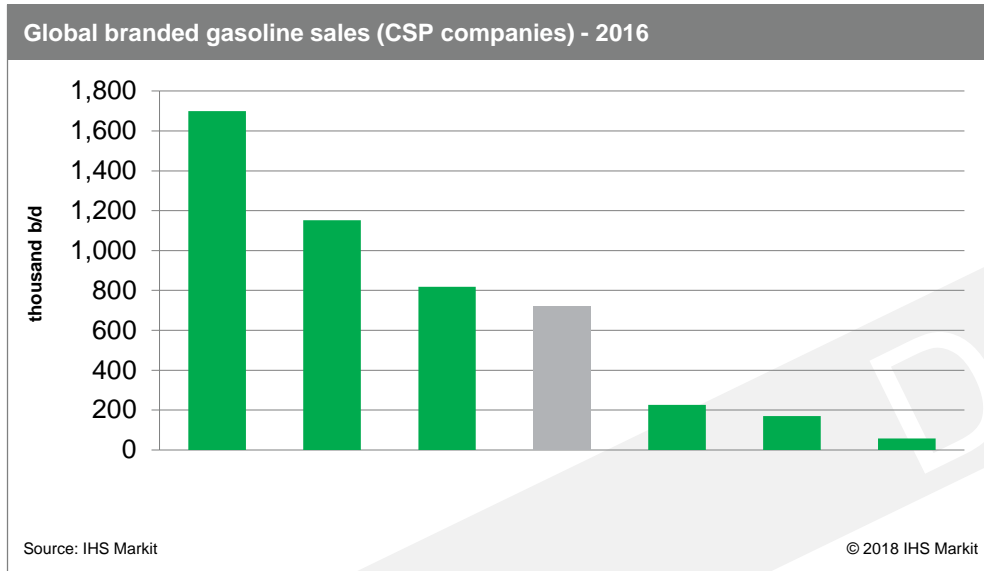
Branded Retail

Sample Company ranking drops, as it eliminates its weaker, non-core assets

- At end-2016, Sample Company supplied just less than XX,XXX retail locations, utilizing the Sample Company brands, ranking as the YY largest retailer by sitecount in the CSP.
 - This was a 3% fall from 2016, compared with an average decline of 5% during 2012-2016.
 - All in all, the company has rationalized roughly Z,ZZZ stations, some 25% of its network during 2011-16.
- Sample Company is positioned behind company R and lagged behind by 7% in terms of site count in 2016.
 - Compared to company G, Sample Company had only 40% of the network size.
- In particular, Sample Company has pruned its retail networks in region T, G , B, K and U - regions and countries that do not fit very well into the company's geographic focused downstream strategy.
- The firm stands out from the Global Majors, for being the only company without any retail operations in region Q.



Branded Retail



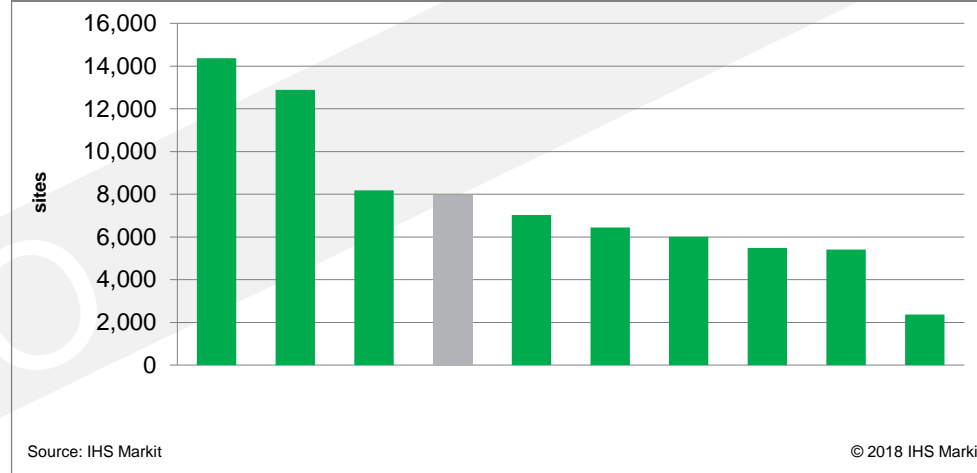
Note: Excludes sales in region T and Middle East. Also excludes truck stop diesel sales in region S.

Branded Retail

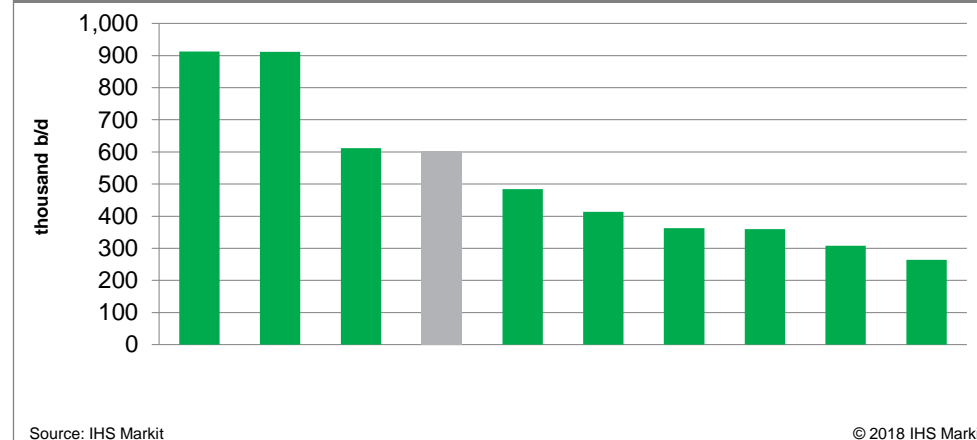
Fourth largest gasoline retailer in region S; strong refinery integration

- In 2016, Sample Company sold nearly XX,XXX b/d of retail gasoline in the region S, trailing only company Y, J and K.
 - Sample Company's region S retail gasoline market share remained almost unchanged y-o-y at some 6% in 2016.
- Sample Company supplied X,XXX branded sites at end-2016, nearly unchanged from the year prior.
 - While adding a handful of sites in region L, M, N and C, the company trimmed its network in the other regions.
- While Sample Company's branded retail network spans all of country D, sites are concentrated in region H and G, not coincidentally home to most of the company's refining capacity.
 - In 2016, Sample Company was the largest retail gasoline player in both the regions.

Branded retail sites in region S - 2016

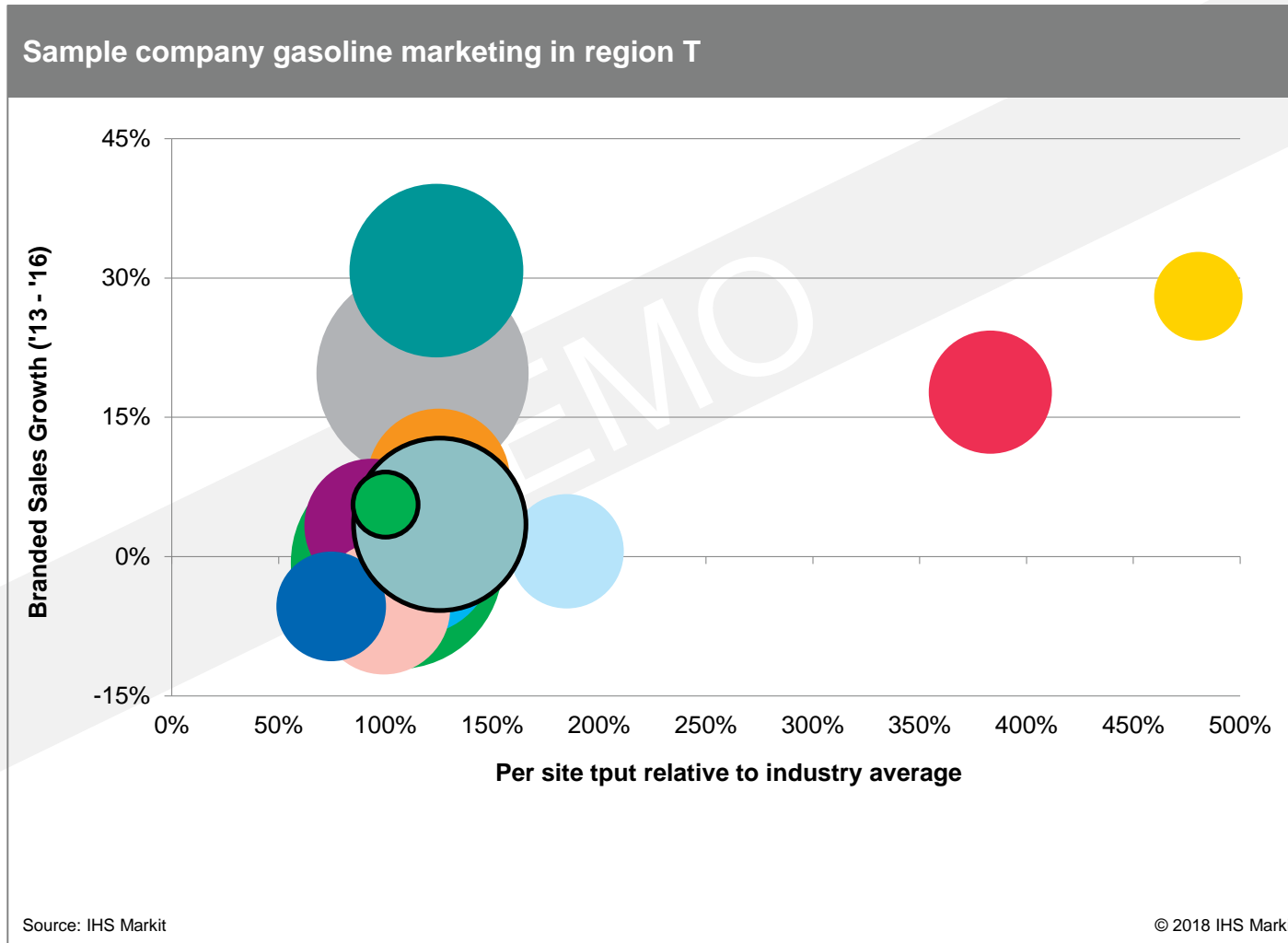


Branded gasoline retail in region S - 2016



Branded Retail

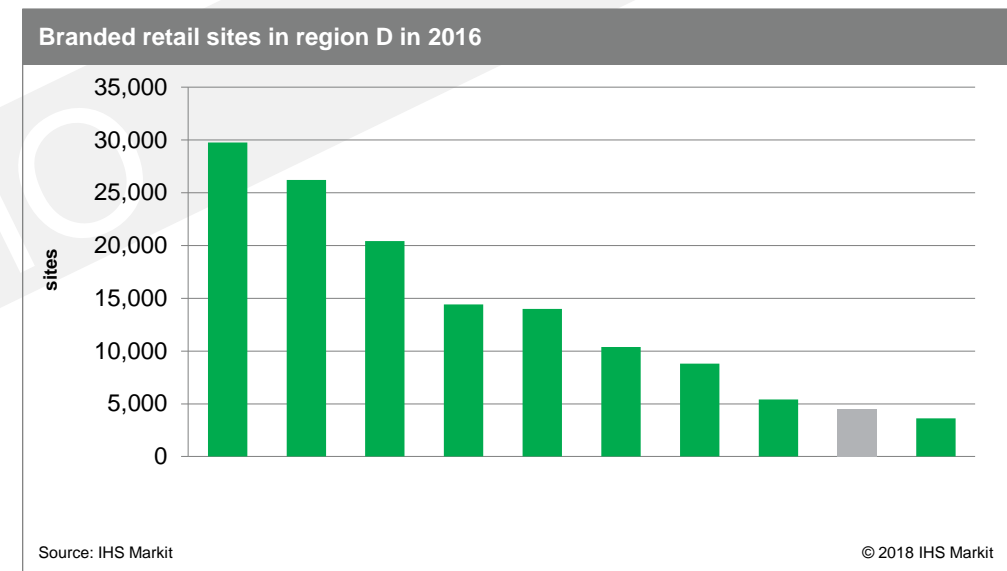
One of the largest and most efficient retailers



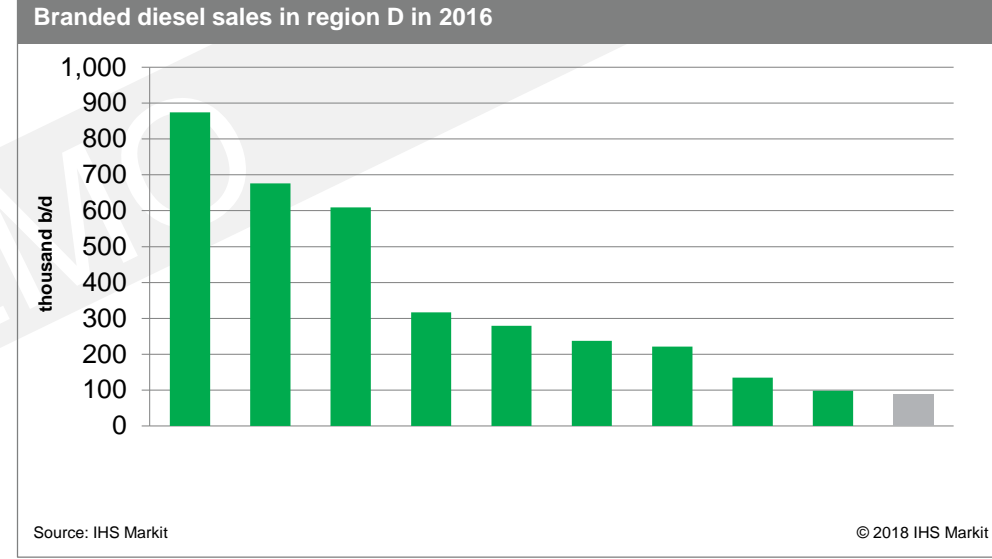
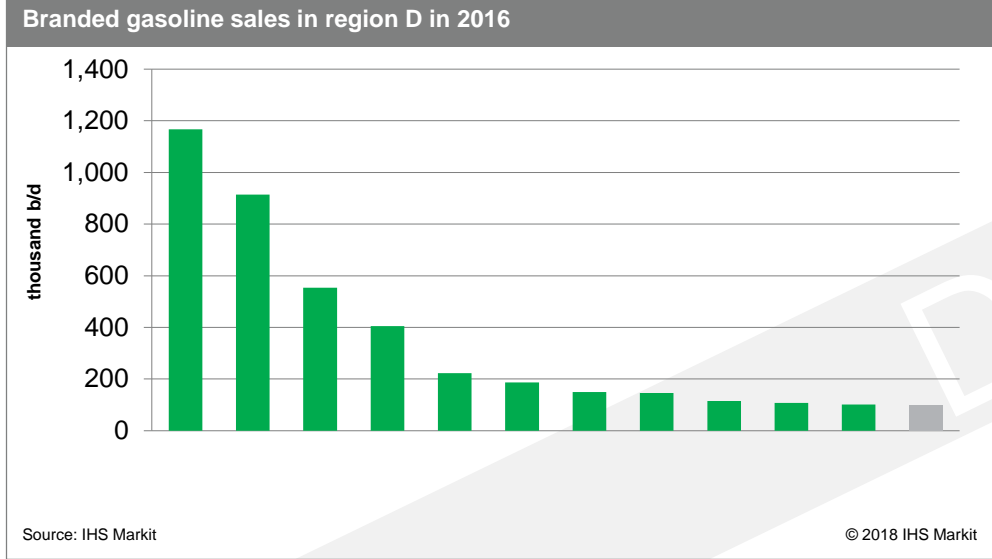
Branded Retail

Rationalization culls Sample Company's retail presence in three countries

- At end-2016, region D was home to approximately 32% of Sample Company's global retail network – a far larger share than any other CSP firm.
- With X,XXX sites in the region, Sample Company had the YY largest branded network in region D and the ZZ largest of any CSP player after company F.
 - However, region D reported the highest retail sitecount decline of around 8% y-o-y, in comparison to the company's other regions.
- At end-2016, Sample Company's stations were spread across X region D markets, with some 65% of the firm's retail sites in country J.
- Sample Company was XX and YY largest regional retailer in gasoline and diesel respectively, with gasoline accounting for roughly 55% of the company's total retail sales.

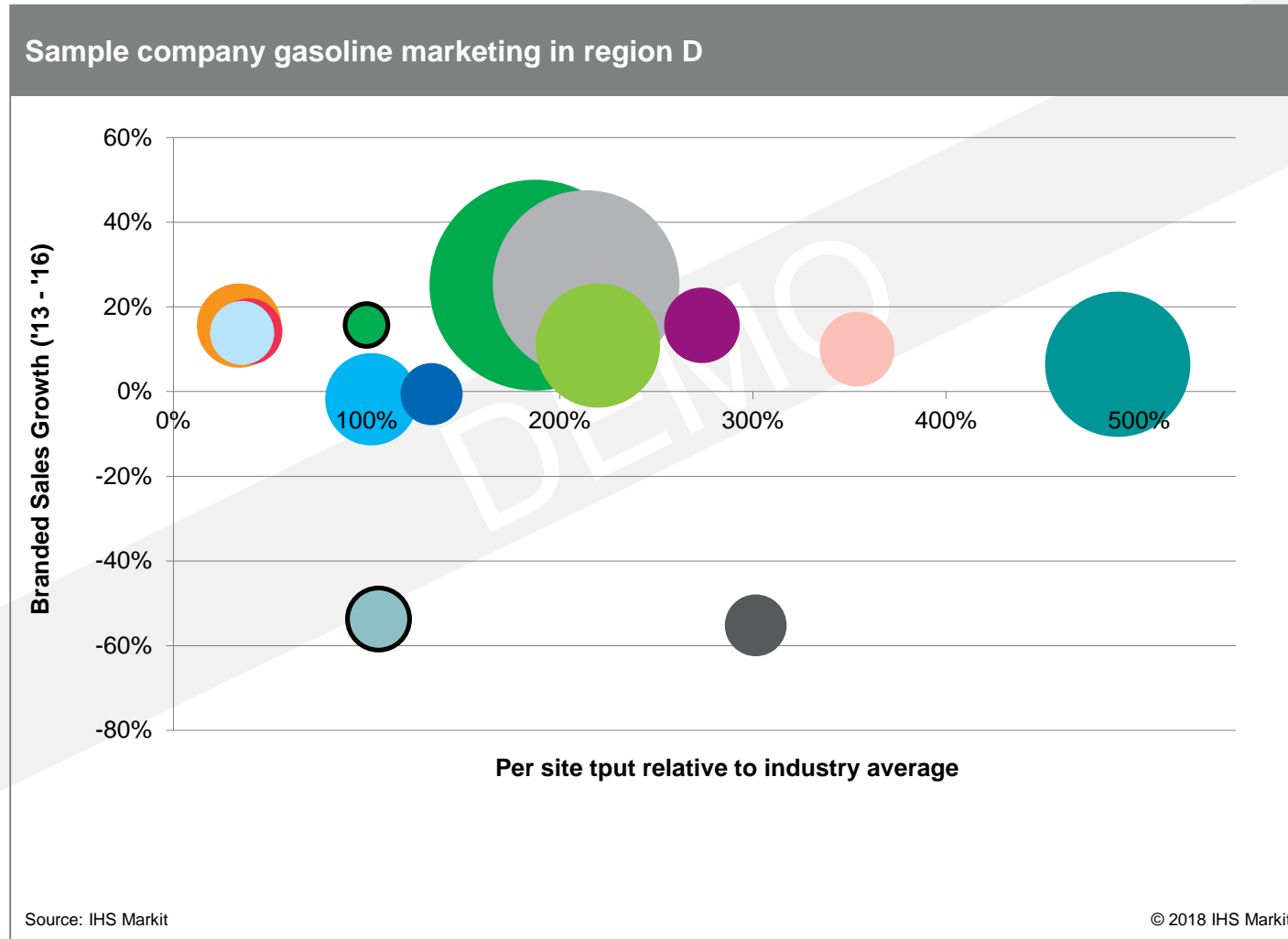


Branded Retail



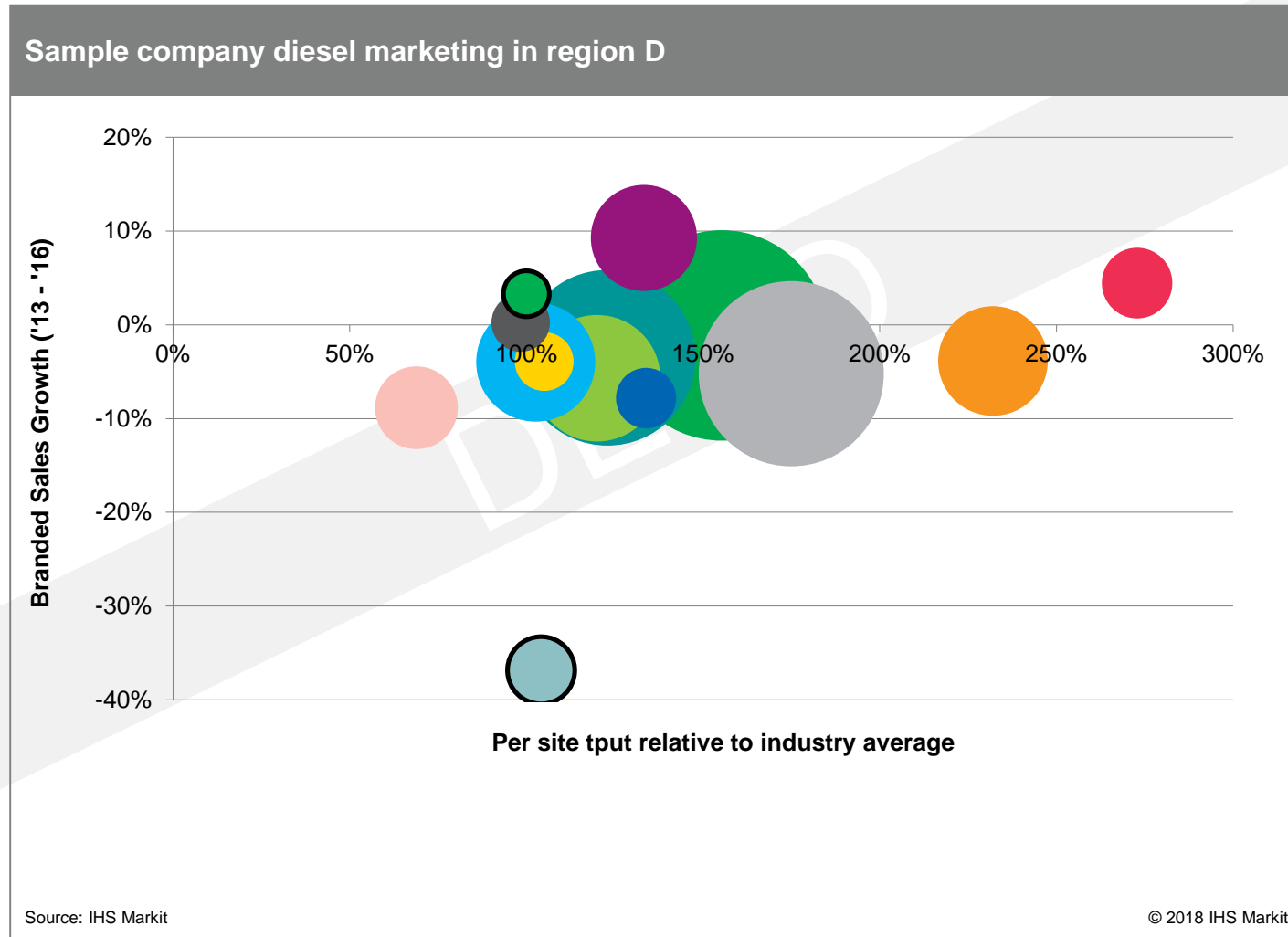
Branded Retail

Second lowest three-year sales growth after company L



Branded Retail

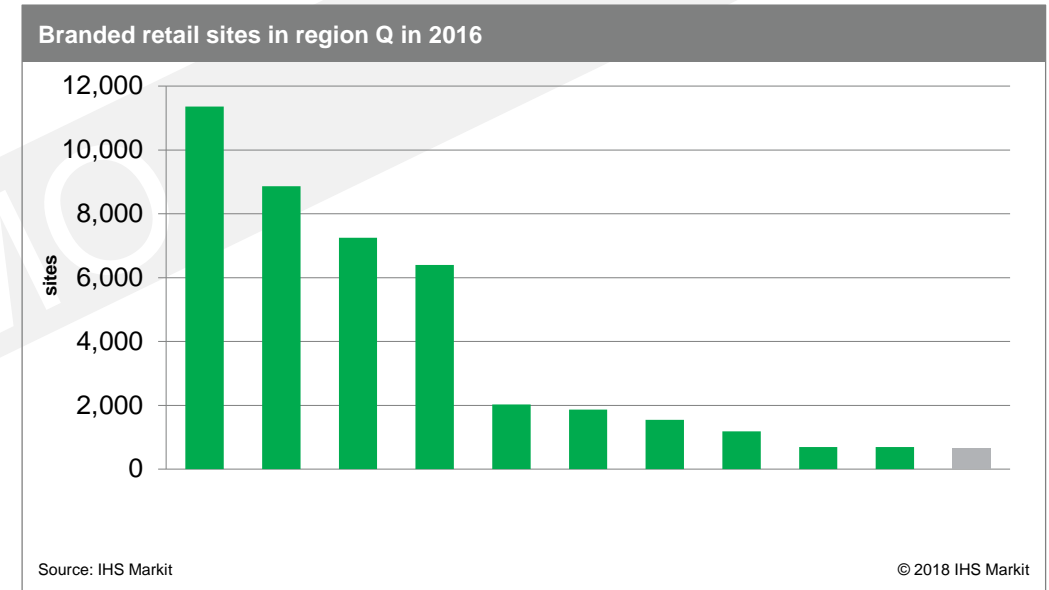
Sales plummeting, but network efficiency on par with industry



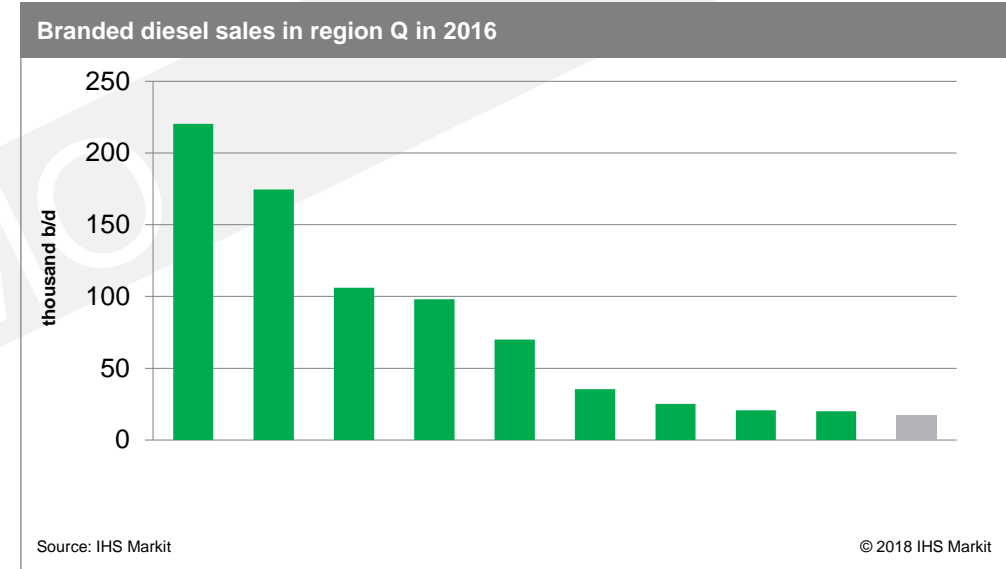
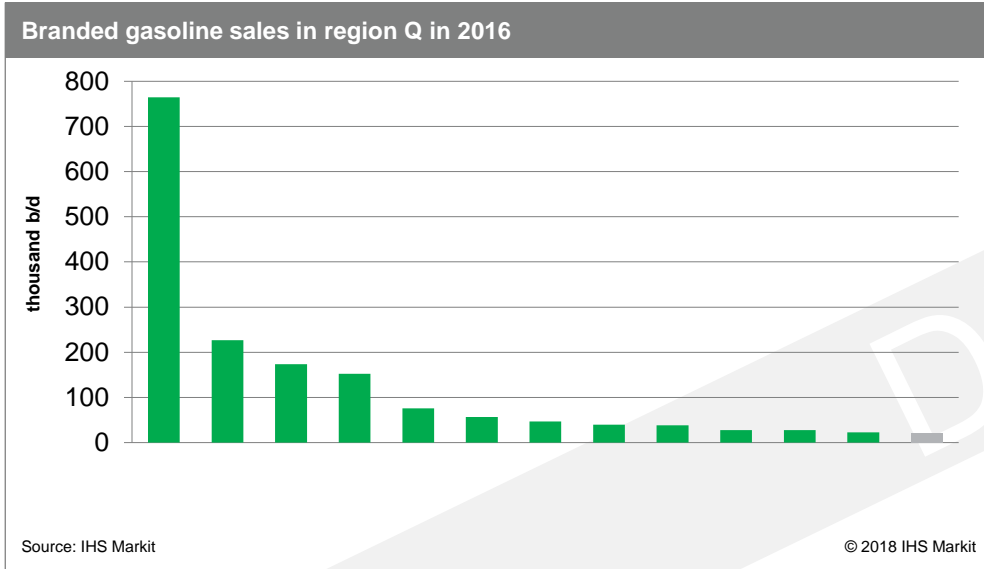
Branded Retail

Branded retail sales increased in 2016

- Sample Company retail site count remained nearly unchanged y-o-y in 2016, with a sitecount of XX stations.
- However, since 2011, Sample Company has trimmed its Region L retail portfolio more than in any other region except Region Z.
 - The company has dramatically lowered its region L sitecount as it has no refineries in the region, which is largely outside of the Pacific Basin.
- All in all, this decline has amounted to roughly 121 sites, over a 15% decrease, during 2012-16 in the region.
 - The company divested close to XXX retail sites in region C and K in 2012, exiting the Country R, J, M, Q, S and divested its small network country V in 2013 and the network country U in 2014.

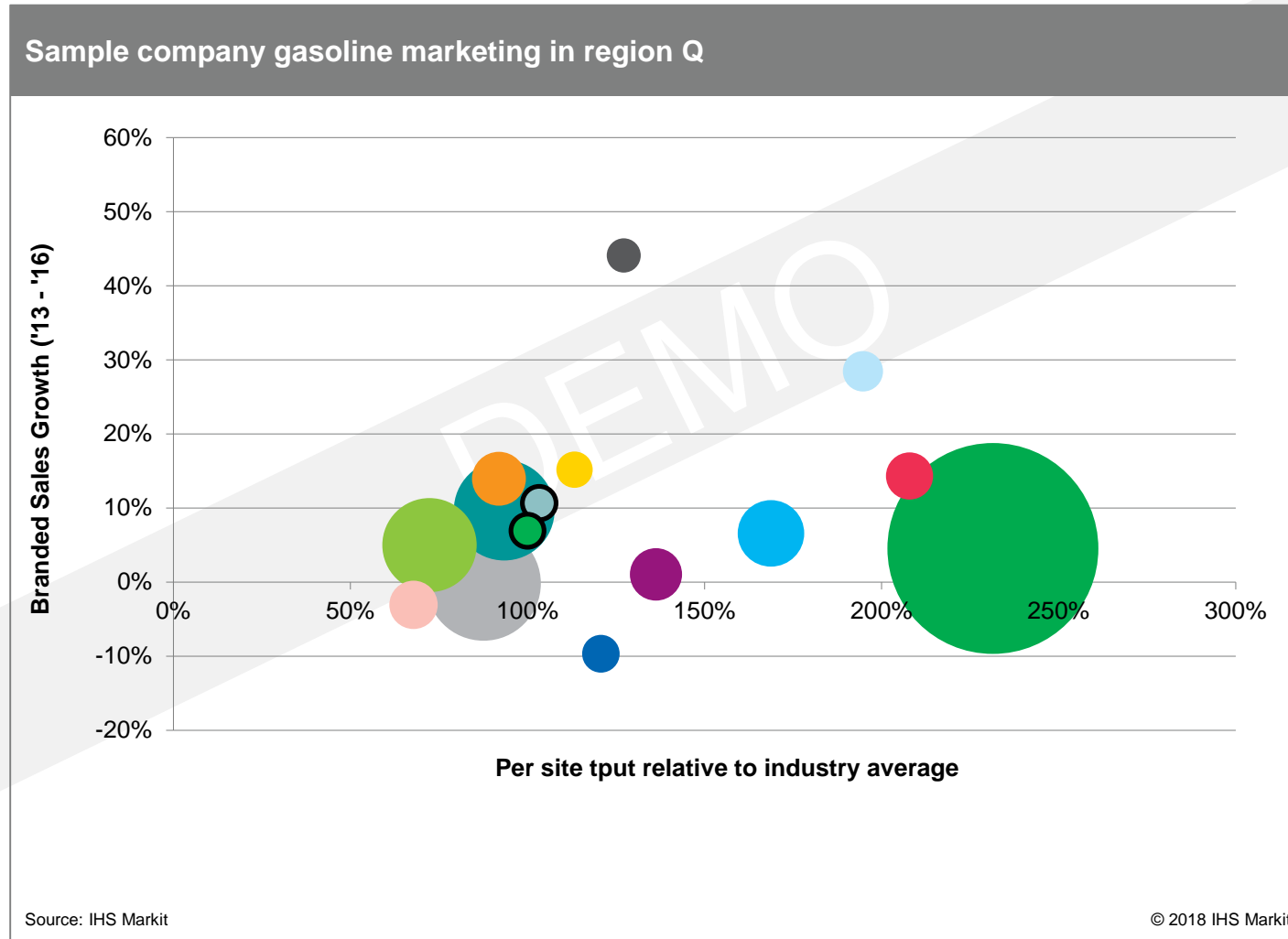


Branded Retail



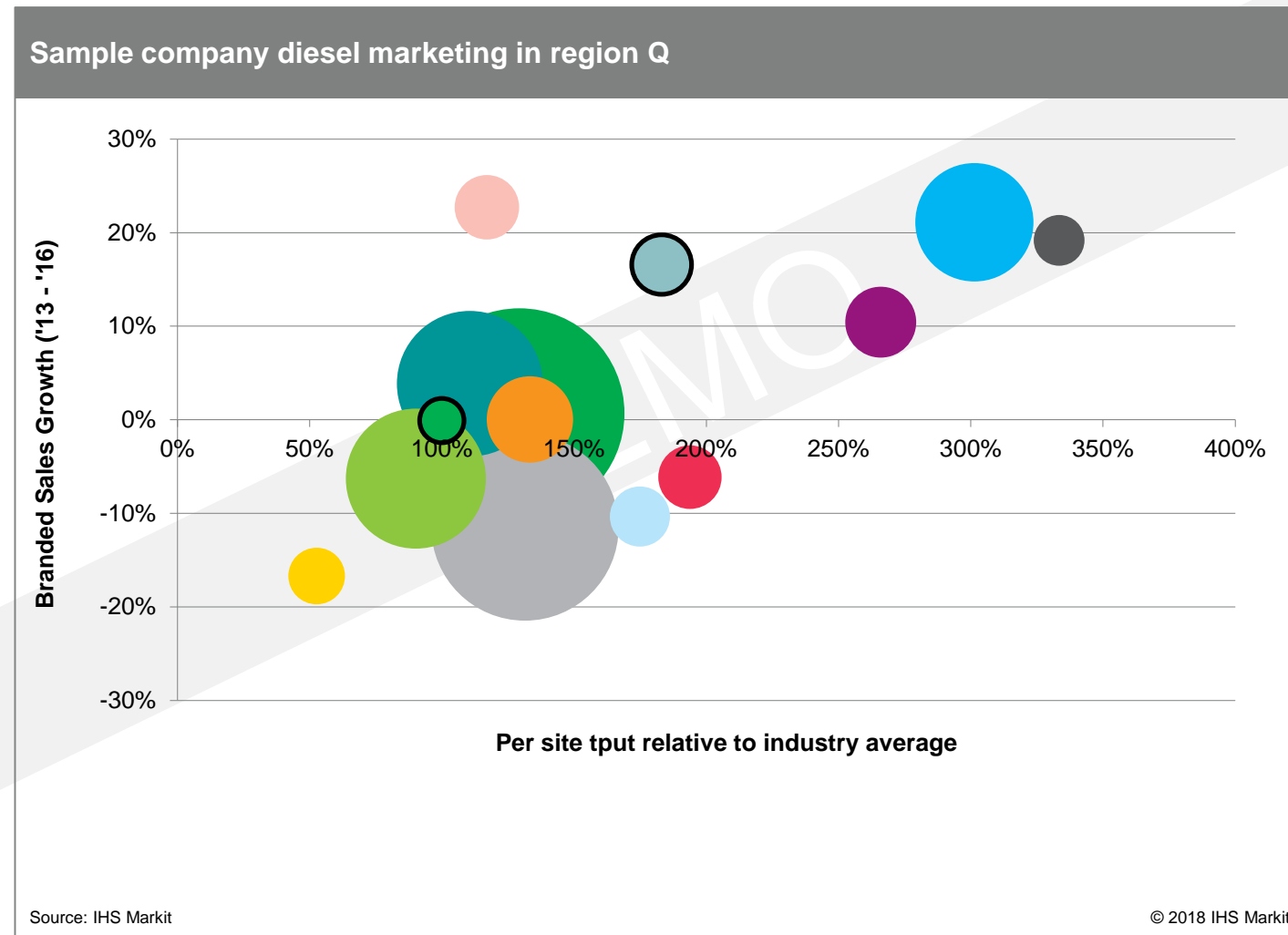
Branded Retail

Sales growth and network efficiency are slightly above the industry average



Branded Retail

High three-year branded sales growth and per-site efficiency

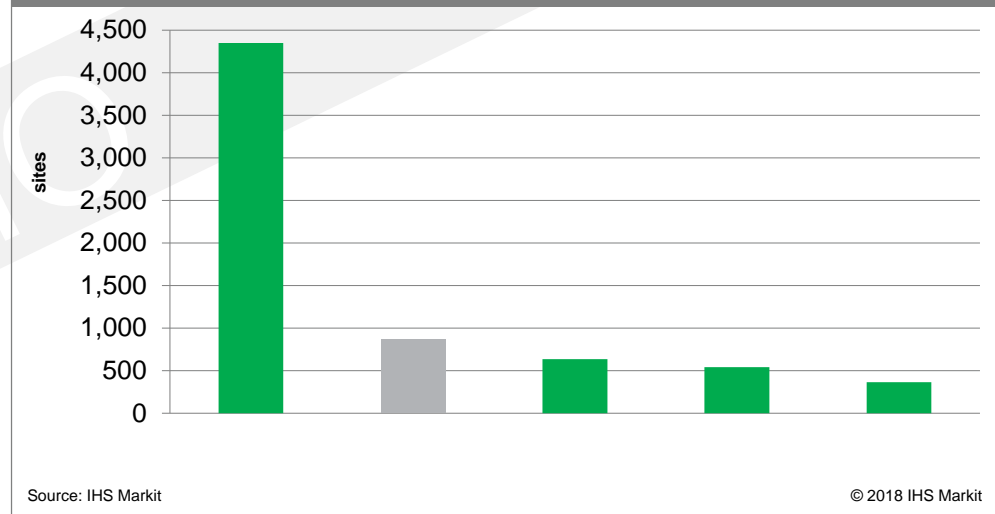


Branded Retail

Integrated retailer to sell integrated network

- As for all of the Global Majors except company J, region T is a relatively minor retail region for Sample Company.
 - At end-2016, Sample Company supplied 865 branded stations in the region, or about 6% of its global retail network.
- Sample Company has been rationalizing its region T retail portfolio, eliminating sites in markets without easy access to equity supply; the firm's remaining stations benefit from integration with its XX,XXX b/d refinery D in region T.
 - In 2013, the company divested its networks in country I and J, which it sold to company W and R, respectively.
 - As a result, the firm's regional network is now almost fully concentrated in region T (ZZZ sites), with just a few sites in neighboring country C.

Global Major Branded Retail Sites in region T - 2016



Sample Company Retail Network Overview

Retail Network and Fuel Sales – Sample Company												
Area	Country	Number of service stations					2016 gasoline retail sales			2016 diesel retail sales		
		2014	2015	2016	Change 16/15	% of area network	Market share	Volume mb/d	Change 16/15	Market share	Volume mb/d	Change 16/15
Region A	Country K	xx	xx	xx	yy%	yy%	n/a	n/a	n/a	n/a	n/a	n/a
Region B	Country L	xx	xx	xx	yy%	yy%	yy%	-	-	-	-	-
Region B	Country M	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%
Region B	Country N	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%
Region B	Country O	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%
Region B	Country P	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%
Region B	Country Q	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%
Region B	Country R	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%
Region B	Country S	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%
Region B	Country T	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%
Region B	Country U	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%
Region B	Country V	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%
Region C	Country W	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%
Region C	Country X	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%
Region C	Country Y	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%
Region C	Country Z	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%
Region C	Country G	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%
Region D	Country H	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%
Region D	Country Q	xx	xx	xx	yy%	yy%	yy%	xx	yy%	yy%	xx	yy%

Source: IHS Markit

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Refinery Profiles

January 2018

DEMO

Refinery Profiles – refinery K (region T)

Sample Company preparing to exit region T downstream market

- Sample Company's refinery K is the company's sole refinery in region T and the only refinery in country V and is the second largest demand center.
 - As such, the plant is the main supplier to South region T.
- The XX,XXX b/d refinery K ranks third among region T's four refineries.
- Refinery K at end of 2016 had FCC equivalent conversion ratio of 23.4% which is the lowest in region T.
- As part of a broader downstream (and portfolio-wide) consolidation effort and stringent clean fuels standard by the government, Sample Company announced in 2016, that it intends to sell its region T subsidiary, which includes a refinery, the service station network, and interest in a lubricants plant.

Refining Capacities-Refinery K, Region T (Sample Company 100%)							
Main units (1,000 b/d)	Topping	VPS	FCC/RCC	HCK *	VB/TCK	Coking	Reforming
	XX	XX	XX	XX	XX	-	XX
Secondary units (1,000 b/d)	Alky.	Isom.	Poly.	Oxygenate	Asphalt	Lubes	
	XX	-	-	-	-	-	
Complexity Indicators	Conversion Ratio Rankings				FCC Equivalent Conversion Ratio		
	IHS Complexity	Canada	US and Canada	World			
		(1-20)	(1-150)	1-900			
	XX	XX	XX	XX	yy%		

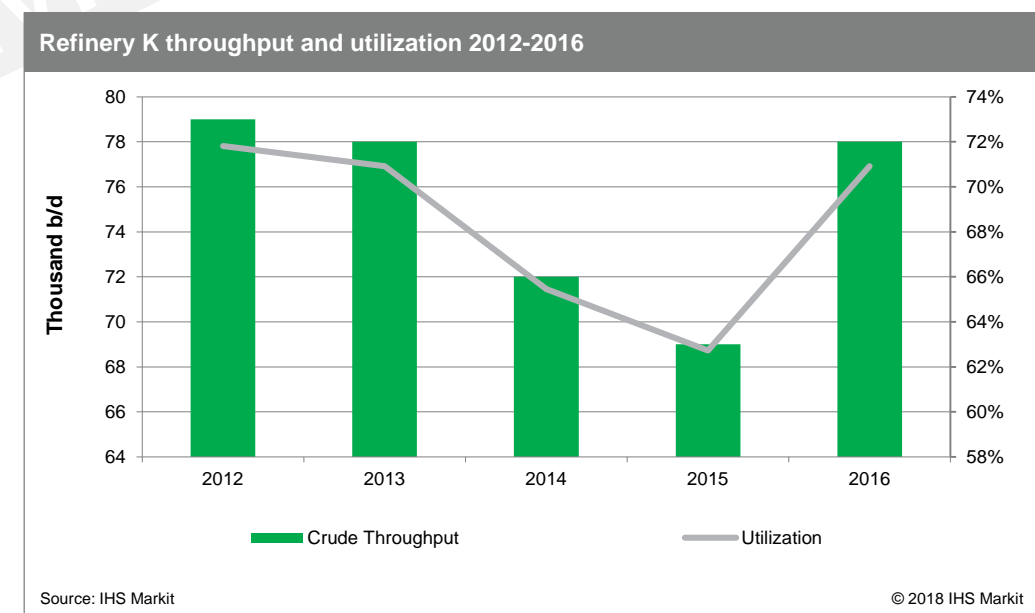
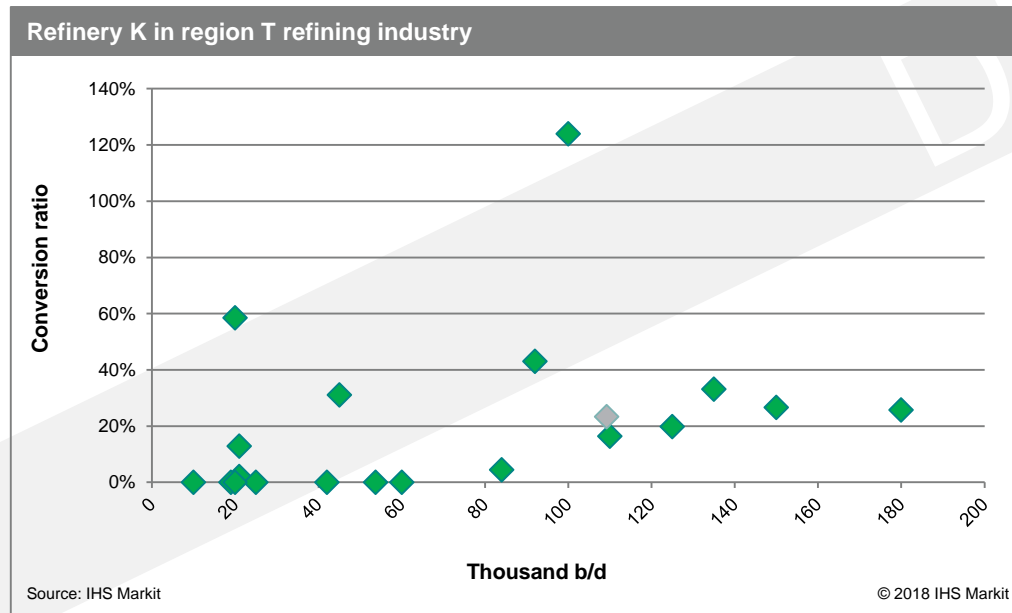
* Excludes lubricant hydrocracking

Source: IHS Markit

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Refinery Profiles – Refinery K (region T)

- Refinery K plays a central supply role for Sample Company's region T retail network, which includes XXX branded retail sites at end-2016, second in size only to company W.
- The refinery also enjoys vertical integration with Sample Company's upstream crude production, sourcing equity Sample Company crude from the company's extensive upstream operations in West and North region T.
- The refinery has historically struggled with low utilization, and was the lowest of all the refineries in Sample Company's portfolio last year.
- Over the past five years, Refinery K has averaged a utilization of just 68%, well below Sample Company's overall average of 89% in that same time period.



Refinery Profiles – Refinery L (region R)

After retail divestment, Sample Company significantly lowered its stake in refinery

- Refinery L is owned by company U in which Sample Company had just 1% stake at end-2016, down from 12% in 2014.
 - Sample Company sold 4.5% of its ownership in the refinery to company U in early 2015.
 - Then, in late 2015, the company divested its retail and commercial fuels businesses in country R to company O.
 - Furthermore, Sample Company lowered its equity stake from 7.5% in 2015 to less than 1% in 2016.
- The XX,XXX b/d refinery is small, amounting to less than half the region R industry average of 113,000 b/d, but is relatively on par with the country R industry, which averages a per refinery size of 57,000 b/d.
- The refinery does not have any conversion units and only has minimal upgrading capacity of just Z,ZZZ b/d (cumulatively from reforming and isomerization unit).
- Again, this is typical of refineries in country R, with only one refinery (out of seven), maintaining a conversion capacity – and that plant's FCC equivalent conversion ratio is just 8.6%.

Refining Capacities-Refinery L, Region R (Sample Company 100%)							
Main units (1,000 b/d)	Topping	VPS	FCC/RCC	HCK *	VB/TCK	Coking	Reforming
	XX	XX	XX	XX	XX	-	XX
Secondary units (1,000 b/d)	Alky.	Isom.	Poly.	Oxygenate	Asphalt	Lubes	
	XX	-	-	-	-	-	
Complexity Indicators	Conversion Ratio Rankings					FCC Equivalent Conversion Ratio	
	IHS Complexity	Canada	US and Canada	World			
		(1-20)	(1-150)	1-900			
	XX	XX	XX	XX	yy%		

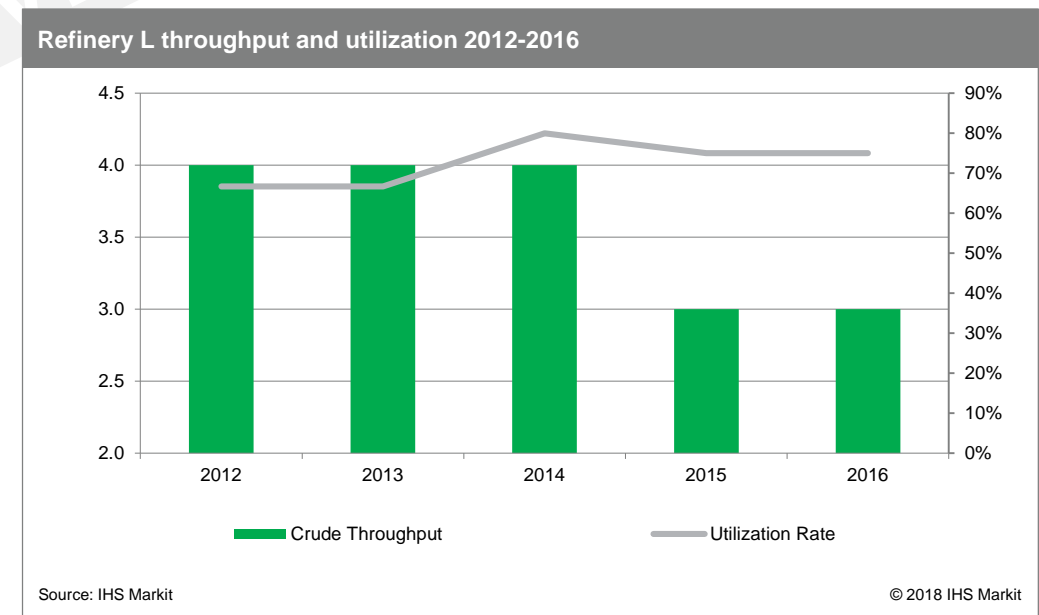
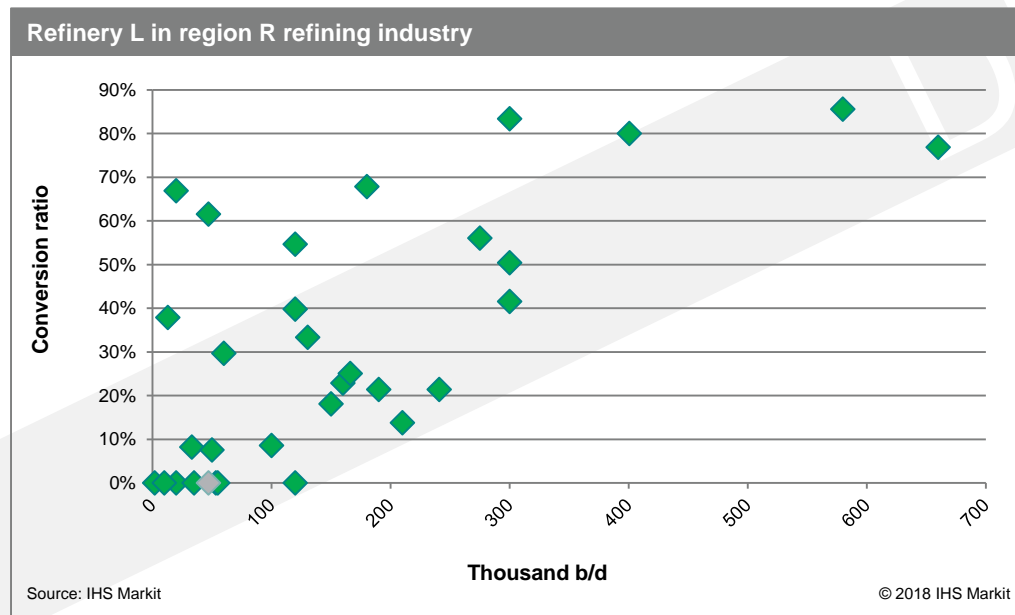
* Excludes lubricant hydrocracking

Source: IHS Markit

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Refinery Profiles – Refinery L (region R)

- Refinery L’s coastal location and onsite berthing facilities allow the refinery to receive crude via tanker from the adjacent terminal.
 - The refinery primarily processes imported region E sourced crudes.
- The refinery yields a large fraction of HFO, and to lighten its output, company O is currently constructing a diesel hydrotreater, and a visbreaker at the plant.
 - Additionally, an isomerization plant was commissioned in 2015, which has nearly doubled the production of high-octane gasoline.
- Sample Company has already sold its around XXX-site retail network, ZZ storage depots, and minority stake in company O’s primary oil products pipeline.
 - The sale of these to company Y was completed by 2015, and the sites are currently being converted to their branding.
 - Company Y has invested approximately country \$XX million, for acquiring and rebranding Sample Company retail businesses.



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