ESSO MALAYSIA BERHAD
(Company Number 3927 V)

The Directors of Esso Malaysia Berhad are pleased to announce the financial results of the Company for the quarter ended December 31, 2010.

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2010

		Quarter ended		12 months ended	
		31.12.2010	31.12.2009	31.12.2010	31.12.2009
	Note	RM'000	RM'000	RM'000	RM'000
Revenues		2,359,536	2,253,055	8,427,445	8,032,440
Cost of sales		(2,093,841)	(2,171,228)	(7,650,829)	(7,429,880)
Gross profit		265,695	81,827	776,616	602,560
Other income		6,105	5,855	22,229	22,946
Expenses		(107,757)	(106,898)	(409,956)	(402,315)
Finance cost		158	(4,972)	(20,432)	(22,195)
Profit/(loss) before tax		164,201	(24,188)	368,457	200,996
Tax (expense) / credit	16	(42,686)	7,573	(99,878)	(55,478)
Net profit/(loss) for the period attributable to shareholders		121,515	(16,615)	268,579	145,518
Other comprehensive income		-	-	-	-
Total comprehensive income attributable to shareholders		**121,515**	**(16,615)**	**268,579**	**145,518**
Earnings/(loss) per ordinary stock unit (sen)	24	45.0	(6.2)	99.5	53.9

(The condensed statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended December 31, 2009)

ESSO MALAYSIA BERHAD
(Company Number 3927 V)

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2010 (UNAUDITED)

	Note	As at 31.12.2010 RM'000	As at 31.12.2009 RM'000
NON-CURRENT ASSETS			
Property, plant and equipment		830,244	806,203
Long-term assets and receivables		308,714	315,310
Intangible assets - software		148	671
TOTAL NON-CURRENT ASSETS		1,139,106	1,122,184
CURRENT ASSETS			
Inventories		468,109	456,380
Assets held for sale		-	2,552
Receivables		243,830	143,924
Amounts due from related corporations		140,417	181,699
Deposit, cash and bank balances		102,261	75,869
Taxation		-	35,234
TOTAL CURRENT ASSETS		954,617	895,658
CURRENT LIABILITIES			
Payables		142,327	135,467
Retirement benefits obligations		1,006	2,721
Amounts due to related corporations		396,907	443,040
Borrowings (unsecured)	20	616,307	807,950
Taxation		54,257	-
TOTAL CURRENT LIABILITIES		1,210,804	1,389,178
NET CURRENT LIABILITIES		(256,187)	(493,520)
LESS: NON-CURRENT LIABILITIES			
Retirement benefits obligations		50,383	48,449
Deferred taxation		75,014	66,972
		125,397	115,421
TOTAL NET ASSETS EMPLOYED		**757,522**	**513,243**
		=======	=======
FINANCED BY:			
SHARE CAPITAL		135,000	135,000
RESERVES		8,000	8,000
RETAINED PROFITS		614,522	370,243
SHAREHOLDERS' EQUITY		**757,522**	**513,243**
		=======	=======

(The condensed statement of financial position should be read in conjunction with the audited financial statements for the year ended December 31, 2009)

ESSO MALAYSIA BERHAD
(Company Number 3927 V)

CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2010

	Issued and fully paid ordinary stock of RM0.50 each				
	Number of ordinary stock unit '000	Nominal value RM'000	Non-distributable capital redemption reserves RM'000	Distributable retained profits RM'000	Total RM'000
At January 1, 2009	270,000	135,000	8,000	249,025	392,025
Net profit	-	-	-	145,518	145,518
Dividends for the year ended December 31, 2008 (final)	-	-	-	(24,300)	(24,300)
At December 31, 2009	**270,000**	**135,000**	**8,000**	**370,243**	**513,243**
At January 1, 2010	270,000	135,000	8,000	370,243	513,243
Net profit	-	-	-	268,579	268,579
Dividends for the year ended December 31, 2009 (final)	-	-	-	(24,300)	(24,300)
At December, 2010	**270,000**	**135,000**	**8,000**	**614,522**	**757,522**

(The condensed statement of changes in equity should be read in conjunction with the audited financial statements for the year ended December 31, 2009)

ESSO MALAYSIA BERHAD
(Company Number 3927 V)

CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE QUARTER ENDED DECEMBER 31, 2010

	12 months ended	
	31.12.2010	31.12.2009
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit/(loss) attributable to shareholders	268,579	145,518
Adjustments for non-cash items	176,517	155,987
Changes in working capital:		
(Increase) / decrease in current assets	(70,290)	(257,648)
Increase / (decrease) in current liabilities and provisions	(31,748)	93,444
Cash from operations	343,058	137,301
Interest / Tax / Retirement benefits refund/(payment)	(23,815)	(26,958)
Net cash from operating activities	**319,243**	**110,343**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangibles	(87,853)	(47,096)
(Increase) / decrease in long-term assets and receivables	6,596	30,982
Proceeds from disposal of assets held for sale	3,211	5,874
Proceeds from disposal of property, plant and equipment and intangibles	960	992
Net cash used in investing activities	**(77,086)**	**(9,248)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings - net	(191,643)	(17,058)
Dividends paid to shareholders	(24,300)	(24,300)
Net cash used in financing activities	**(215,943)**	**(41,358)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**26,214**	**59,737**
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**68,358**	**8,621**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**94,572**	**68,358**

(The condensed statement of cash flows should be read in conjunction with the audited financial statements for the year ended December 31, 2009)

Part A - Explanatory Notes Pursuant to FRS 134

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard (FRS) 134 Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (BMSB).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2009. The explanatory notes to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and the performance of the Company since the financial year ended December 31, 2009.

The same accounting policies and methods of computation are followed in the interim financial statements as for the financial statements for the year ended December 31, 2009 except as disclosed below.

a) Standards, amendments to published standards and interpretations that are applicable to the Company and are effective

The new accounting standards, amendments to published standards and interpretations to existing standards effective for the financial period beginning January 1, 2010 and applicable to the Company are as follows:

- Amendment to FRS 1 First Time Adoption of Financial Reporting Standards
- Amendments to FRS 2 Share-Based Payment Vesting Conditions and Cancellations
- FRS 8 Operating Segments and Amendment to FRS 8 Operating Segments
- FRS 101 (Revised) Presentation of Financial Statements
- FRS 123 (Revised) Borrowing Costs
- Amendment to FRS 127 Consolidated and Separate Financial Statements
- Amendments to FRS 132 Financial Instruments: Presentation
- Amendments to FRS 132 Financial Instruments: Presentation (paragraphs 95A, 97AA and 97AB) relating to classification of the compound financial instrument into its liability and equity elements when the entity first applies FRS 139 Financial Instruments: Recognition and Measurement
- Amendments to FRSs contained in the document entitled "Improvements to FRSs (2009)" The improvements contain amendments to twenty two FRSs which involves changes to presentation, recognition, or measurement and some are changes to terminology with little effect on accounting
- IC Interpretation 9 and Amendment to IC Interpretation 9: Reassessment of Embedded Derivatives
- IC Interpretation 10: Interim Financial Reporting and Impairment
- IC Interpretation 11: FRS 2 Group and Treasury Share Transaction
- IC Interpretation 13: Customer Loyalty Programmes
- IC Interpretation 14: FRS 119 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Part A - Explanatory Notes Pursuant to FRS 134 (Continued)

1. Basis of Preparation (Continued)

- FRS 7 Financial Instruments: Disclosures and Amendment to FRS 7 Financial Instruments: Disclosures
- FRS 139 Financial Instruments: Recognition and Measurement and Amendment to FRS 139 Financial Instruments: Recognition and Measurement.

The adoption of all the standards and interpretations above do not have any material impact on the financial position of the Company. All changes in accounting policies have been made in accordance with the adoption of all the standards which do not result in significant changes in accounting policies and disclosures, except as disclosed below:

- FRS 8 Operating Segments and Amendment to FRS 8 Operating Segments. FRS 8 replaces FRS 114_{2004} Segment Reporting. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The amendment to the standard clarifies that entities that do not provide information about segment assets to the chief operating decision-maker will no longer need to report this information. The Company determined that the operating segment was unchanged as previously identified under FRS 114_{2004} and additional disclosures about the segment is shown in Note 7. Comparative information has been presented in conformity with the transitional requirements of such standard.

- FRS 101 (Revised) Presentation of Financial Statements. It prohibits the presentation of items of income and expenses (non-owner changes in equity) in the statement of changes in equity. 'Non-owner changes in equity' are to be presented separately from owner changes in equity in a statement of comprehensive income.

- FRS 123 (Revised) Borrowing Costs. The new standard requires an entity to capitalise borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Previously the Company immediately recognised all borrowing costs as an expense.

- FRS 139 Financial Instruments: Recognition and Measurement and Amendment to FRS 139 Financial Instruments: Recognition and Measurement. On adoption of FRS 139, the Company measures financial assets and financial liabilities initially at fair value and subsequently carried at amortised cost using the effective interest rate method.

The remaining standards and interpretations that are effective for financial period beginning January 1, 2010 are not applicable to the Company's operations.

1. Basis of Preparation (Continued)

b) Standards, amendments to published standards and interpretations to existing standards that are applicable to the Company but not yet effective

The new standards, amendments to published standards and interpretations to existing standards applicable to the Company that will be effective but have not been early adopted by the Company, are as follows:

i) Standards effective from March 1, 2010

- Amendment to FRS 132 Financial Instruments: Presentation (paragraphs 11, 16 and 97E of FRS 132) relating to Classification of Rights Issues. The amendments require that rights issues be classified as equity regardless of the currency in which the exercise price is denominated, provided certain conditions are met.

ii) Standards effective from July 1, 2010

- FRS 1 First-time Adoption of Financial Reporting Standards. This is a revision to the existing FRS 1 merely to improve the structure of the standard.

- FRS 127 Consolidated and Separate Financial Statements. The revised standard requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses.

- IC Interpretation 17: Distributions of Non-cash Assets to Owners. It provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends.

- Amendments to FRS 2 Share-based Payment. It clarifies that contributions of a business on formation of a joint venture and common control transactions are outside the scope of FRS 2.

- Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations. It clarifies that all of a subsidiary's assets and liabilities are classified as held for sale if a partial disposal sale plan results in loss of control.

- Amendment to FRS 138 Intangible Assets. It clarifies that a group of complementary intangible assets acquired in a business combination is recognised as a single asset if the individual asset has similar useful lives.

- Amendment to IC 9: Reassessment of Embedded Derivatives. The amendments clarify that the Interpretation does not apply to embedded derivatives in contracts acquired in a business combination, businesses under common control or the formation of a joint venture.

Part A - Explanatory Notes Pursuant to FRS 134 (Continued)

1. Basis of Preparation (Continued)

iii) Standards effective from January 1, 2011

- Amendment to FRS 1 (Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters) relieves first-time adopters of FRS from providing the additional disclosures required from the amendments to FRS 7.

- Amendments to FRS 7 (Improving Disclosures about Financial Instruments) reinforce existing principles for disclosures about liquidity risk and require enhanced disclosures about fair value measurements.

- Amendment to FRS 1 (Additional Exemptions for First-time Adopters) exempts oil and gas entities using the full cost method from retrospective application of FRS for its oil and gas assets.

- Amendments to FRS 2 (Group Cash-Settled Share-based Payment Transactions) clarifies that an entity must account for goods or services received in a share-based payment arrangement regardless of which entity in the group settles the transaction and whether the settlement is in shares or cash.

- Amendment to IC Interpretation 4: Determining whether an Arrangement contains a Lease clarifies that although an arrangement does not take the legal form of a lease, it is a lease when the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement to convey a right to use the asset.

- Amendment to IC Interpretation 18: Transfers of Assets from Customers clarifies that if an entity receives property, plant and equipment (PPE) and such PPE meet the definition of an asset, it shall recognise it in accordance with FRS 116 Property, Plant and Equipment.

The Company will apply the above standards, amendments and interpretations from financial period beginning January 1, 2011. The adoptions of these standards are not expected to have a material impact on the financial position of the Company.

The remaining standards and interpretations that are issued but not yet effective are not applicable to the Company's operations.

2. Comments about Seasonal or Cyclical Factors

The operations of the business are not seasonal or cyclical in nature.

3. Unusual Items Due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income and cash flows of the Company during the current quarter.

Part A - Explanatory Notes Pursuant to FRS 134 (Continued)

4. Changes in Estimates

There were no changes in estimates that have had a material effect in the current quarter.

5. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale or repayments of debt and equity securities during the current quarter.

6. Dividend Paid

The amount of dividends paid since December 31, 2009 are as follows:

	RM'000
In respect of the year ended December 31, 2009:	
Final dividend per stock unit, paid on June 21, 2010:	
Ordinary - 12 sen gross less income tax at 25%	24,300
	=====

7. Segmental Information

The Company is organised as one integrated business segment which operates to manufacture and sell petroleum products. These integrated activities are known across the petroleum industry as the Downstream segment. As such, the assets and liabilities are disclosed within the financial statements as one segment.

Revenues are mainly derived from the sale of petroleum products to domestic customers including its affiliates and competitors, and sales to ExxonMobil Asia Pacific Pte. Ltd. (EMAPPL), Singapore. A breakdown of the revenues by geographical location is as follows:

	Quarter ended		12 months ended	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	RM'000	RM'000	RM'000	RM'000
Singapore	438,753	462,439	1,344,114	1,559,337
Domestic	1,920,783	1,790,616	7,083,331	6,473,103
Total Revenues	2,359,536	2,253,055	8,427,445	8,032,440
	=======	=======	=======	=======

For the twelve months ended December 31, 2010 approximately RM3,095,359,000 (2009: RM3,215,303,000) of the revenues are derived from two major customers whom are related parties to the Company.

All non-current assets of the Company are located in Malaysia.

Part A - Explanatory Notes Pursuant to FRS 134 (Continued)

8. Carrying Amount of Revalued Assets

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended December 31, 2009.

9. Subsequent Events

There were no material events subsequent to the end of the current quarter.

10. Changes in Composition of the Company

There were no changes in the composition of the Company during the current quarter.

11. Changes in Contingent Liabilities

There were no significant changes in contingent liabilities or contingent assets since the last annual statement of financial position as at December 31, 2009.

12. Capital Commitments

Capital commitments not provided for in the Interim Financial Report as at December 31, 2010 are as follows:

Property, plant & equipment	**RM'000**
Approved and contracted for	13,261
Approved but not contracted for	9,082
	22,343

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of BMSB

13. Review of Performance - Current Financial Period ended December 31, 2010

The Company recorded an after tax profit of RM122 million for the fourth quarter of 2010, compared with the RM17 million loss recorded for the same quarter last year. For the full year, the Company recorded a profit of RM269 million compared to a profit of RM146 million recorded in 2009.

The improved financial performance for the fourth quarter and for the full year of 2010 was primarily driven by stronger operating margins as the increase in product prices outpaced the increase in crude cost.

Revenues for the fourth quarter of 2010 were RM2.4 billion, compared with the RM2.3 billion recorded in the same quarter of 2009. Revenues for 2010 were RM8.4 billion, higher compared to the RM8.0 billion recorded in 2009. These trends were reflective of higher petroleum product prices in 2010.

In 2010, the Port Dickson Refinery safely executed a major planned turnaround, for equipment maintenance and to install facilities to improve operational efficiency and flexibility. The refinery and product terminals remained committed to high levels of operating performance, completing 14 years without any employee lost time injury. The Company continued to grow its local market sales with five new service stations opened during the year. The Company also successfully launched its new fuel quality campaign and introduced a co-brand credit and debit card programme with a local bank.

14. Commentary on Prospects

The outlook for the Malaysian economy in 2011 remains positive, and demand for petroleum products is expected to be robust. However, volatility in the crude price environment will continue to affect the industry. Recognising the potential for earnings volatility, the Company's focus shall remain on sustaining flawless operations, cost control and product and services quality, as well as strengthening its business position through continued emphasis on strategic investment.

15. Profit Forecast or Profit Guarantee

As a matter of policy, the Company does not make profit forecasts or profit guarantees.

16. Taxation

	Quarter ended		12 months ended	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	RM'000	RM'000	RM'000	RM'000
Current taxation	42,788	-	91,837	-
Prior year				
- Income tax	-	(115)	-	(115)
- Real Property Gains Tax	-	-	(1)	(120)
Deferred taxation	(102)	(7,458)	8,042	55,713
	42,686	(7,573)	99,878	55,478
	=====	=====	=====	=====

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of BMSB

17. Sale of Unquoted Investments and Properties

There were no sales of land in the current quarter. For the period ended December 31, 2010, the Company recorded a gain of RM729,000 from sale of land.

18. Quoted Securities

There were no purchases or disposals of quoted securities during the current quarter.

19. Corporate Proposals

There were no corporate proposals.

20. Borrowings

The Company's borrowings as at December 31, 2010 are as follows:

	RM'000
Short-term, unsecured	616,307
	=======

	USD'000	RM'000
Borrowings include a floating rate term loan at fixed foreign exchange rate from a related party	100,457	366,306

21. Off Statement of Financial Position Financial Instruments

There were no financial arrangements with off statement of financial position risk.

22. Changes in Material Litigation

There were no significant changes to material litigation since December 31, 2009.

ESSO MALAYSIA BERHAD
(Company Number 3927 V)

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of BMSB

23. Dividend Payable

The Directors propose that a final dividend of 14 sen less Malaysian income tax at 25% per ordinary stock unit, amounting to RM28,350,000 for the year ended December 31, 2010, be payable on June 22, 2011 or such other date as determined by the management to stockholders who are registered in the Register of Members and Register of Depositors on June 1, 2011.

24. Earnings Per Ordinary Stock Unit

	Quarter ended		12 months ended	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Net profit/(loss) for the period (RM'000)	121,515	(16,615)	268,579	145,518
Number of ordinary stock unit in issue ('000)	270,000	270,000	270,000	270,000
Earnings/(loss) per stock unit (sen)	45.0	(6.2)	99.5	53.9
	=====	=====	=====	=====

25. Reserves

	12 months ended	
	31.12.2010	31.12.2009
	RM'000	RM'000
Capital redemption reserve (non-distributable)	8,000	8,000
Retained profits (distributable)	614,522	370,243
	622,522	378,243
	======	======

26. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the Company's financial statements for the year ended December 31, 2009 was not qualified.

27. Supplementary information disclosed pursuant to Bursa Malaysia Securities Berhad Listing Requirements

The following analysis of realised and unrealised retained profits at the legal entity level is prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants whilst the disclosure is based on the prescribed format by the Bursa Malaysia Securities Berhad.

	2010 RM'000
Total retained profits:	
- realised	681,723
- unrealised	(67,201)
Total retained profits	614,522

The disclosure of realised and unrealised profits/(losses) above is solely for compliance with the directive issued by the Bursa Malaysia Securities Berhad and should not be used for any other purpose.