

**Condensed Consolidated Statement of Comprehensive Income
for the period ended 30 September 2014**

	3 months ended 30.09.2014	3 months ended 30.09.2013	Cumulative 9 mths ended 30.09.2014	Cumulative 9 mths ended 30.09.2013
	RM'000	RM'000	RM'000	RM'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	734,403	583,702	1,992,962	1,712,982
Cost of sales	(655,766)	(517,589)	(1,777,429)	(1,521,913)
Gross profit	78,637	66,113	215,533	191,069
Finance income	1,646	1,720	4,967	6,261
Other operating income	56	84	565	498
Administrative expenses	(10,613)	(8,728)	(31,726)	(27,505)
Finance cost	(87)	(60)	(271)	(189)
Share of result of joint venture	(261)	-	(261)	-
Profit before zakat and taxation	69,378	59,129	188,807	170,134
Zakat expenses	(875)	(875)	(2,625)	(2,625)
Tax expenses	(14,727)	(12,085)	(41,893)	(36,233)
Net profit for the period	53,776	46,169	144,289	131,276
Other comprehensive income (net of tax)	-	-	-	-
Total comprehensive income for the period	53,776	46,169	144,289	131,276
Net profit attributable to:				
Owners of the Parent	53,776	46,169	144,289	131,276
Non-controlling interest	-	-	-	-
	53,776	46,169	144,289	131,276
Total comprehensive income attributable to:				
Owners of the Parent	53,776	46,169	144,289	131,276
Non-controlling interest	-	-	-	-
	53,776	46,169	144,289	131,276
Earnings per share for profit attributable to the owners of the Parent				
Basic (Sen)	4.19	3.60	11.24	10.22
Diluted (Sen)	4.19	3.60	11.24	10.22

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013.

**Condensed Consolidated Statement of Financial Position
as at 30 September 2014**

	As at 30.09.2014 RM' 000 (Unaudited)	As at 31.12.2013 RM' 000 (Audited)
Non-Current Assets		
Property, plant and equipment	1,000,856	961,512
Prepaid lease payments	17,728	18,030
Investment in joint venture	2,379	-
Deferred taxation	2,384	2,384
	<u>1,023,347</u>	<u>981,926</u>
Current Assets		
Trade and other receivables	293,518	231,094
Deposits, bank and cash balances	291,020	294,218
	<u>584,538</u>	<u>525,312</u>
	<u>1,607,885</u>	<u>1,507,238</u>
Total Assets		
Equity		
Equity attributable to owners of the Parent		
Share capital	642,000	642,000
Retained profits	347,655	362,068
Total equity	<u>989,655</u>	<u>1,004,068</u>
Non-Current Liabilities		
Redeemable preference share	0 #	0 #
Deferred taxation	165,346	170,763
	<u>165,346</u>	<u>170,763</u>
Current Liabilities		
Trade and other payables	438,531	326,401
Taxation	14,353	6,006
	<u>452,884</u>	<u>332,407</u>
Total liabilities	<u>618,230</u>	<u>503,170</u>
Total equity and liabilities	<u>1,607,885</u>	<u>1,507,238</u>
Net assets per share attributable to ordinary equity holders of parent (Sen)	77.08	78.20

Denotes RM0.50

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013.

Unaudited Condensed Consolidated Statement of Changes in Equity for the period ended 30 September 2014

	Number of Shares Million	Share Capital RM'000	Retained Profits RM'000	Total RM'000
At 1 January 2014	1,284	642,000	362,068	1,004,068
Net profit /total comprehensive income for the financial period	-	-	144,289	144,289
Dividends:				
- Interim dividend for the financial year ending 31 December 2014	-	-	(64,200)	(64,200)
- Final dividend for the financial year ended 31 December 2013	-	-	(55,982)	(55,982)
- Second interim dividend for the financial year ended 31 December 2013	-	-	(38,520)	(38,520)
At 30 September 2014	1,284	642,000	347,655	989,655

The Condensed Consolidated Statement Of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013.

Unaudited Condensed Consolidated Statement of Changes in Equity for the period ended 30 September 2013

	Number of Share Million	Share Capital RM'000	Retained Earnings RM'000	Total RM'000
At 1 January 2013	1,284	642,000	366,412	1,008,412
Net profit /total comprehensive income for the financial period	-	-	131,276	131,276
Dividends:				
- Final dividend for the financial year ended 31 December 2012	-	-	(98,740)	(98,740)
- Interim dividend for the financial year ended 31 December 2013	-	-	(77,040)	(77,040)
At 30 September 2013	1,284	642,000	321,908	963,908

The Condensed Consolidated Statement Of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013.

**Condensed Consolidated Statement of Cash Flows
for the period ended 30 September 2014**

	9 months ended 30.09.2014 RM'000 (Unaudited)	9 months ended 30.09.2013 RM'000 (Unaudited)
Cash flows from operating activities		
Profit before zakat and taxation	188,807	170,134
Adjustments for:		
Depreciation and amortisation	38,208	35,861
Gain on disposal of property, plant and equipment	(3)	(11)
Finance income	(4,967)	(6,261)
Share of result of joint venture	261	-
Operating profit before working capital changes	<u>222,306</u>	<u>199,723</u>
Changes in working capital:		
Net change in receivables	(62,040)	(8,420)
Net change in payables	<u>111,747</u>	<u>2,205</u>
Cash generated from operations	272,013	193,508
Zakat paid	(2,625)	(2,625)
Tax paid	<u>(38,963)</u>	<u>(39,901)</u>
Net cash generated from operating activities	<u>230,425</u>	<u>150,982</u>
Cash flows from investing activities		
Investment in joint venture	(2,640)	-
Purchase of property, plant and equipment	(77,255)	(64,133)
Proceeds from sale of property, plant and equipment	7	11
Finance income received	<u>4,967</u>	<u>6,261</u>
Net cash used in investing activities	<u>(74,921)</u>	<u>(57,861)</u>
Cash flows from financing activities		
Dividend paid	<u>(158,702)</u>	<u>(175,780)</u>
Net cash used in financing activities	<u>(158,702)</u>	<u>(175,780)</u>
Net change in cash and cash equivalents	(3,198)	(82,659)
Cash and cash equivalents at beginning of financial year	<u>294,218</u>	<u>345,138</u>
Cash and cash equivalents at end of financial period	<u><u>291,020</u></u>	<u><u>262,479</u></u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2013.

Notes to the interim financial statements

1. Basis of preparation

The condensed consolidated interim financial information for the three months financial period ended 30 September 2014 has been prepared in accordance with MFRS 134 "Interim Financial Reporting" and Appendix 9B (Part A) of the Listing Requirements of Bursa Malaysia. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the financial year ended 31 December 2013, which have been prepared in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Companies Act, 1965.

2. Changes in Accounting Policies

The significant accounting policies, method of computation and basis of consolidation applied in the condensed consolidated interim financial information are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2013 except for the adoption of the following amendments to Malaysian Financial Reporting Standards ("MFRS") which are effective for the financial period beginning on or after 1 January 2014:

Amendment to MFRS 132	Financial Instruments: Presentation
Amendment to MFRS 136	Impairment of Assets
Amendments to MFRS 10, MFRS 12 and MFRS 127	Investment Entities

The adoption of the above amendments to MFRSs does not have a significant impact on the financial performance and financial position of the Group.

3. Auditors' report on preceding annual financial statements

The report of the auditors on the Group's financial statements for the financial year ended 31 December 2013 was unqualified.

4. Seasonal or cyclical factors

The Group's operations are not significantly affected by seasonal or cyclical factors.

5. Unusual or significant event/transactions

There was no individual unusual or significant transaction that has taken place that materially affects the financial performance or financial position of the Group since the end of the previous annual reporting period.

6. Changes in estimates

There was no material change in financial estimates reported in prior interim periods that could materially affect the current interim period's financial statements.

7. Debt and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the three months financial period ended 30 September 2014.

8. Dividend Paid

On 30 September 2014, the Company paid a single-tier interim dividend of 5.00 sen per share on the 1,284,000,000 ordinary shares of RM0.50 each, amounting to RM64,200,000 in respect of financial year ending 31 December 2014.

9. Segment Reporting

The Group's segmental report for the nine months financial period ended 30 September 2014 is as follows:

	Natural <u>Gas & LPG</u>	<u>Others</u>	<u>Total</u>
	RM' 000	RM' 000	RM' 000
<u>30 September 2014</u>			
<u>Revenue:</u>			
Total segment revenue			
-external	1,992,962	-	1,992,962
<u>Results:</u>			
Profit/(loss) before zakat and taxation	189,166	(359)	188,807
Finance income	(4,967)	-	(4,967)
Depreciation and amortisation	38,167	41	38,208
Earnings before finance income, zakat, taxation, depreciation and amortisation	222,366	(318)	222,048

The Group's segmental report for the corresponding nine months financial period ended 30 September 2013 is as follows:

	Natural		
	<u>Gas & LPG</u>	<u>Others</u>	<u>Total</u>
	RM' 000	RM' 000	RM' 000
<u>30 September 2013</u>			
<u>Revenue:</u>			
Total segment revenue			
-external	1,712,982	-	1,712,982
<u>Results:</u>			
Profit/(loss) before zakat			
and taxation	170,231	(97)	170,134
Finance income	(6,261)	-	(6,261)
Depreciation and			
amortisation	35,764	97	35,861
Earnings before finance			
income, zakat, taxation,			
depreciation and			
amortisation	199,734	-	199,734

The Group's operations are conducted within Peninsular Malaysia.

10. Events subsequent to the end of reporting period

There was no material event which occurred subsequent to the end of the three months financial period ended 30 September 2014.

11. Changes in composition of the Group

The changes in composition of the Group during the current quarter ended 30 September 2014 are as follows:

- a) On 23 September 2014, an announcement was made that the Company had acquired two (2) ordinary shares of RM1.00 each, representing the entire issued and paid-up share capital of Gas Malaysia Venture 1 Sdn. Bhd. ("GMV1") for a total cash consideration of RM2.00. Currently GMV1 is a dormant company with an authorized share capital of RM100,000 ordinary shares of RM1.00 each.
- b) On 23 September 2014, an announcement was also made that the Company had acquired two (2) ordinary shares of RM1.00 each, representing the entire issued and paid-up share capital of Gas Malaysia Venture 2 Sdn. Bhd. ("GMV2") for a total cash consideration of RM2.00. Currently GMV2 is a dormant company with an authorized share capital of RM100,000 ordinary shares of RM1.00 each.

12. Changes in contingent liabilities or contingent assets

There was no contingent liability or contingent asset since the last audited financial statements for the financial year ended 31 December 2013.

13. Capital commitments

Capital commitments for the Group not provided for in the condensed consolidated interim financial information are as follows:

	As at
	30.09.14
	RM' 000
Property, plant and equipment:	
Authorised and contracted for	63,763
Authorised but not contracted for	127,053
	<u>190,816</u>

14. Related party transactions

Significant related party transactions for the financial period ended 30 September 2014:

	Cumulative 9 months ended 30.09.14 RM' 000	Cumulative 9 months ended 30.09.13 RM' 000
Parties transacted with:		
Petroliam Nasional Berhad		
- Purchase of natural gas**	(1,696,757)	(1,447,196)
- Tolling fee income*	11,391	11,534
- Cash contribution paid*	(3,876)	(4,012)
Petronas Dagangan Berhad		
- Purchase of liquefied petroleum gas*	(14,330)	(11,914)
Central Sugar Refinery Sdn Bhd		
- Sales of natural gas**	36,776	31,351
Gula Padang Terap Sdn Bhd		
- Cash contribution received*	-	3,115
- Sales of natural gas**	10,300	8,114

* The transactions have been entered into in the normal course of business and have been established under negotiated terms agreed by both parties.

** The transactions have been entered into based on regulated prices in Peninsular Malaysia which are set by Energy Commission of Malaysia.

Additional information required by the Bursa Securities Listing Requirements**15. Review of performance**

The Group's revenue for the third quarter ended 30 September 2014 was RM734.4 million compared to RM583.7 million in the corresponding period in 2013, representing an increase of 25.8%. This was mainly due to higher volume of gas sold and the upward revision of natural gas tariff.

The profit before zakat and taxation for the third quarter ended 30 September 2014 was RM69.4 million, an increase of 17.3% compared to RM59.1 million in the corresponding period last year. This was in line with the higher volume of gas sold and the upward revision of natural gas tariff as stated above.

16. Variation of results against preceding quarter

The Group recorded a profit before zakat and taxation of RM69.4 million in the current quarter as compared to RM63.3 million in the preceding quarter due to higher gross profit by 5.4%.

17. Current prospects

The growth in revenue and profit before tax for the financial period ended 30 September 2014 as compared to corresponding financial period ended 30 September 2013 was primarily driven by the increase in volume of gas sold, number of customers and revision in natural gas tariff effective 1 May 2014. The Board anticipates the increase in gas volume and number of customers to sustain in the remaining quarter of financial year 2014.

The Company has announced on 29 October 2014 that the Government has approved the second natural gas tariff revision for the non-power sector taking effect from 1 November 2014 and that the purchase price of natural gas procured from Petroliam Nasional Berhad will also be adjusted accordingly. The purchase price shall take into account the blended price of domestic natural gas as well as the liquefied natural gas price basing on the volume of gas purchased by the Group.

The impact on Group's earnings is dependent on the cost of natural gas purchased as well as the volume of gas sold to customers. On the assumption that the Group continues to supply natural gas to customers based on volume at prevailing levels, the impact of these tariff revisions, although have caused a margin compression, is not expected to materially, adversely affect the Group's earnings for the financial year 2014 as compared to financial year 2013.

18. Profit before zakat and taxation

Profit before zakat and taxation is stated after charging/(crediting) the following items:

	Third Quarter Ended		Financial Period Ended	
	30.09.14 RM' 000	30.09.13 RM' 000	30.09.14 RM' 000	30.09.13 RM' 000
Finance income	(1,646)	(1,720)	(4,967)	(6,261)
Depreciation and amortisation	12,936	12,086	38,208	35,861

Included in the revenue for the period ended 30 September 2014 is an amount relating to assets contributed by customers amounting to RM2,526,000 (30 September 2013: RM23,280,000).

19. Profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee for the reporting period in a public document.

20. Tax expense

	3 months ended 30.09.14	3 months ended 30.09.13	Cumulative 9 months ended 30.09.14	Cumulative 9 months ended 30.09.13
	RM' 000	RM' 000	RM' 000	RM' 000
Current tax expense	(16,804)	(13,956)	(47,310)	(38,621)
Deferred tax - origination and reversal of temporary timing differences	2,077	1,871	5,417	2,388
	<u>(14,727)</u>	<u>(12,085)</u>	<u>(41,893)</u>	<u>(36,233)</u>

The Group's effective tax rate for three months period ended 30 September 2014 of 21.5% is lower than the statutory income tax rate in Malaysia due to the effect of items not subject to tax and reduction of deferred tax liabilities.

The Group's effective tax rate for the nine months financial period ended 30 September 2014 of 22.5% is lower than the statutory income tax rate in Malaysia due to the effect of items not subject to tax and reduction of deferred tax liabilities.

21. Status of corporate proposals

- a) On 24 December 2013, the Company announced that the Securities Commission Malaysia ("SC") had granted its approval for a further extension of time until 31 December 2015 for the Company to rectify the non-compliance of plots of land erected with stations which are not designated for gas station use ("Condition"). The Condition was imposed by the SC in its approval letter dated 7 October 2011 for the listing exercise of the Company ("Approval").

As at 30 September 2014, the Company rectified thirteen (13) stations which were erected on land not designated for gas station use, or where the express conditions pertaining to the use of land endorsed on the issue documents of title of the relevant land has not been ascertained ("Affected Stations"). The management is in the midst of rectifying the remaining nine (9) Affected Stations, of which the costs of rectification of the non-compliance are not expected to be significant.

- b) On 24 February 2014, an announcement was made that the Company has entered into a Joint Venture Agreement with IEV Energy Sdn Bhd to undertake the Compressed Natural Gas Distribution system for areas that is not accessible by gas pipeline. The incorporation of the joint venture company is pending the fulfillment of conditions precedent in the joint venture agreement.

There was no other corporate proposal announced and pending completion by the Group during the current quarter.

22. Borrowing

The Group does not have any borrowing as at 30 September 2014.

23. Realised and unrealised profit/losses disclosure

The retained profits as at 30 September 2014 is analysed as follows:

	As at 30.09.14 RM'000	As at 31.12.13 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	510,617	530,447
- Unrealised	(162,962)	(168,379)
	<u>347,655</u>	<u>362,068</u>

24. Material litigation

As at 30 September 2014, neither the Company nor its subsidiaries are engaged in any material litigation or arbitration, either as plaintiff or defendant, and our Board is not aware of any legal proceedings pending or threatened or of any fact likely to give rise to any legal proceeding which have a material adverse effect on the business or financial position of the Group.

25. Earnings per ordinary share

Basic/Diluted Earnings Per Ordinary Share ("EPS"):

	3 months ended <u>30.09.14</u>	3 months ended <u>30.09.13</u>	Cumulative 9 months ended <u>30.09.14</u>	Cumulative 9 months ended <u>30.09.13</u>
Profit for the period attributable to owners of the Parent (RM mil)	53.8	46.2	144.3	131.3
Number of ordinary shares in issue (mil)	1,284.0	1,284.0	1,284.0	1,284.0
Basic earnings per ordinary share (Sen)	4.19	3.60	11.24	10.22
Diluted earnings per ordinary share (Sen)	4.19	3.60	11.24	10.22

The Group has no dilutive potential ordinary shares and therefore the diluted EPS is the same as the basic EPS.

26. Dividends

No dividend has been declared by the Directors for the current financial period ended 30 September 2014. No dividend was declared by the Directors for the corresponding financial period ended 30 September 2013.

27. Authorisation for issue

The condensed consolidated interim financial information has been authorised for issue by the Board of Directors in accordance with their resolution on 12 November 2014.

By Order of the Board

Zainul Abidin bin Hj Ahmad (LS 0008854)

Yanti Irwani binti Abu Hassan (MACS 01349)

Company Secretaries

Shah Alam

Dated : 12 November 2014