



**PETRONAS Dagangan Berhad (88222 - D)**

**UNAUDITED CONSOLIDATED INCOME STATEMENT FOR  
THE SECOND QUARTER ENDED 30 SEPTEMBER 1999**

	Second Quarter Current Year Quarter 30/09/1999 RM'000	Cumulative Quarter Current Year To Date 30/09/1999 RM'000	Preceding Year Corresponding Period 30/09/1998 RM'000	% + or (-)
Turnover	1,271,209	2,371,467	2,033,308	17
Other income including interest income	4,904	12,216	17,408	(30)
Operating profit/(loss) before interest on borrowings, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	93,708	184,473	263,165	(30)
Interest on borrowings	(1,808)	(4,651)	(1,735)	168
Depreciation and amortisation	(25,349)	(50,963)	(45,238)	13
Operating profit/(loss) after interest on borrowings, depreciation and amortisation and exceptional items but before income tax, minority interests and extraordinary items	66,551	128,859	216,192	(40)
Share in the results of associated companies	(13)	(26)	(44)	(41)
Profit/(Loss) before taxation, minority interests and extraordinary items	66,538	128,833	216,148	(40)
Taxation	(20,634)	(40,136)	(69,002)	(42)
Profit/(Loss) after taxation before deducting minority interests	45,904	88,697	147,146	(40)
Less Minority Interests	(47)	(30)	1,800	(102)
Profit/(Loss) after taxation and extraordinary items attributable to members of the company	45,857	88,667	148,946	(40)
Earnings per share after deducting any provision for preference dividends, if any:-				
Basic (based on 1999; 496,727,000 (1998; 403,974,000) ordinary shares) sen	9.2	17.9	36.8	(51)
Fully diluted (based on 1999; N/A (1998; 497,854,000) ordinary shares) sen	N/A	N/A	31.0	N/A

Note : There are no comparative figures in the preceding year corresponding quarter, as this is the first year of quarterly reporting



**PETRONAS Dagangan Berhad (88222 - D)**

**UNAUDITED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 1999**

	As at End of Current Quarter 30/09/1999 <u>RM'000</u>	As at Preceding Financial Year End 31/03/1999 <u>RM'000</u>
<b>FIXED ASSETS</b>	1,282,564	1,284,817
<b>INTEREST IN ASSOCIATED COMPANIES</b>	2,509	2,535
<b>LONG TERM RECEIVABLES</b>	126,430	117,822
<b>EXPENDITURE CARRIED FORWARD</b>	12	13
<b>CURRENT ASSETS</b>		
Stocks	169,860	142,327
Trade Debtors	430,206	379,610
Fund Investments	601,421	341,772
Cash	38,232	36,534
Others	139,289	112,036
	<u>1,379,098</u>	<u>1,012,279</u>
<b>CURRENT LIABILITIES</b>		
Short Term Borrowings	3,950	2,607
Murabahah Note Issuance Facility	0	130,000
Term Loan	0	282
Trade Creditors - Amount due to related company	752,135	270,137
Other Creditors	199,505	223,140
Provision for Taxation	102,618	98,280
Proposed Dividend	35,764	35,764
Others	1,439	13,001
	<u>1,095,411</u>	<u>773,211</u>
<b>Net Current Assets or (Current Liabilities)</b>	283,687	239,068
	<u>1,695,222</u>	<u>1,644,255</u>
<b>Financed by:-</b>		
<b>SHARE CAPITAL</b>	496,727	496,727
<b>SHARE PREMIUM</b>	213,708	213,708
<b>RETAINED PROFIT</b>	840,096	787,193
<b>SHAREHOLDERS' FUNDS</b>	<u>1,550,531</u>	<u>1,497,628</u>
<b>MINORITY INTEREST</b>	31,204	31,174
<b>LONG TERM BORROWINGS</b>	74,050	75,393
<b>DEFERRED TAXATION</b>	39,437	40,060
	<u>144,691</u>	<u>146,627</u>
	<u>1,695,222</u>	<u>1,644,255</u>
<b>Net Tangible Assets per Share (sen)</b>	312	301

**PETRONAS DAGANGAN BERHAD****Quarterly Report - For Period Ended 30 September 1999****NOTES:****1. ACCOUNTING POLICIES**

The quarterly financial statements have been prepared based on accounting policies and methods of computation consistent with those adopted in the 1998/99 Annual Report.

**2. EXCEPTIONAL ITEMS**

There were no exceptional items for the financial period under review.

**3. EXTRAORDINARY ITEMS**

There were no extraordinary items for the financial period under review.

**4. TAXATION**

Taxation comprises the following:

	Second Quarter Current Year <u>30/09/1999</u> RM'000	Cumulative Quarter Current Year To Date <u>30/09/1999</u> RM'000
<u>Income Tax:</u>		
Current Year	20,941	40,759
<u>Deferred Taxation:</u>		
Transfer to/(from) Deferred Taxation	(307)	(623)
	<u>20,634</u>	<u>40,136</u>
Share of Income Tax in Associated Companies	-	-
	<u>20,634</u>	<u>40,136</u>

**5. PRE-ACQUISITION PROFIT**

There were no pre-acquisition profits or losses for the current financial period-to-date.

**6. PROFIT ON SALE OF PROPERTIES**

There were no profits or losses on any sale of investments and/or properties for the current financial period-to-date.

**7. PURCHASES AND SALES OF QUOTED SECURITIES**

There were no purchases or disposals of quoted securities during the financial period and there were no investments of quoted shares as at the end of the financial period.

**8. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group.

**9. STATUS OF THE CORPORATE PROPOSALS**

There were no corporate proposals announced but not completed at the latest practicable date for the Group.

**10. SEASONALITY OR CYCLICALITY OF OPERATIONS**

The Group's operations is not affected by significant seasonal or cyclical fluctuations.

**11. ISSUANCE OR REPAYMENT OF DEBTS AND EQUITY SECURITIES**

During the period, there were no issuance and repayment of debt and equity securities, shares buy back, share cancellation or shares held as treasury shares and resale of treasury shares.

**12. GROUP BORROWING**

Particulars of the Group borrowing, all of which is denominated in Ringgit Malaysia, as at 30 September 1999 is as follows :

	<u>30 Sept 1999</u>
	RM'000
Short Term - Secured	3,950
Long Term - Secured	74,050

**13. CONTINGENT LIABILITIES**

There are no contingent liabilities to be disclosed as at the date of this report.

**14. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There are no off balance sheet risks as at the date of this report that might materially affect the position or business of the Group.

**15. MATERIAL LITIGATION**

There has been no material litigation at the date of this report.

**16. SEGMENT REPORT**

The Group's principal activities consist of domestic marketing of petroleum products and the operation of service stations. Segment reporting is deemed not necessary.

**17. COMPARISON WITH PRECEDING QUARTER'S RESULTS**

This note is not applicable as this is the first quarterly report issued.

**18. REVIEW OF PERFORMANCE**

The increase in Group turnover was attributable to the general improvement in the domestic economy and the implementation of aggressive marketing initiatives in the current year which includes service stations reimagining, convenient electronic payment systems at service stations and product promotions. The lower Group Operating Profits was mainly due to higher overall product costs in line with the increase in crude oil prices during the period.

In the opinion of the Directors, the results of the Group for the current financial period have not been affected by any transaction or event of a material or unusual nature which has arisen between 30 September 1999 and the date of this announcement.

**19. CURRENT YEAR END PROSPECTS**

The Group expects the second half-year's profit to be lower than the first half-year's in view of the continued high product costs in line with firmer crude oil prices and revision in the pricing mechanism for LPG effective 1 November 1999.

**20. VARIANCE ON FORECAST PROFIT/ PROFIT GUARANTEE**

No profit forecast or profit guarantee was issued for the financial period.

**21. DIVIDEND**

The Directors are recommending an interim dividend of 10% per share less tax at 28% for the six months ended 30 September 1999 amounting to RM35,764,344 (1998 - 10% per share less tax at 28% amounting to RM29,096,640).

NOTICE IS HEREBY GIVEN that the Interim Dividend of 10% will be payable on 20 December 1999 to depositors registered in the Records of Depositors at the close of business on 30 November 1999. A depositor shall qualify for entitlement to the dividends only in respect of:-

- a) Shares transferred into depositor's securities account before 12.30 p.m. on 30 November 1999 in respect of ordinary transfer.
- b) Shares bought on the Kuala Lumpur Stock Exchange on a cum entitlement basis according to the rules of the Kuala Lumpur Stock Exchange.

**22. Y2K UPDATE FOR QUARTERLY REPORT TO THE SHAREHOLDERS**

PDB has completed the rectification work on all the identified systems in October 1999 and is Y2K ready. In addition, PDB has also developed Contingency Plans and successfully conducted Y2K drills on 7 September 1999 and 4 November 1999.