



PETRONAS DAGANGAN BERHAD (88222-D)

20 February 2001

The Listing Department
Kuala Lumpur Stock Exchange
9th Floor, Exchange Square, Bukit Kewangan
50200 Kuala Lumpur

(Attn.: Cik Lili Wati)

BY FAX

Fax No: 03-~~466326771~~

4663263

Dear Sirs,

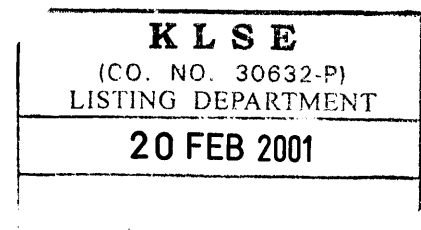
**Re : PETRONAS DAGANGAN BERHAD (PDB)
QUARTERLY REPORT ENDED 31 DECEMBER 2000**

With reference to the abovecaptioned subject, enclose herewith the Quarter Report and we seek your kind assistance to announce the report.

Yours faithfully,
for **PETRONAS Dagangan Berhad**

Abdul Kadir Sarjuni

Encl...





Form Version 1.0

Financial Result Announcement

Reference No PD-010219-38512

Submitting Merchant Bank :
 (if applicable)
 Submitting Secretarial Firm Name :
 (if applicable)
 * Company name : **Petronas Dagangan Berhad**
 * Stock name : **PETDAG**
 * Stock code : **5681**
 * Contact person : **Abdul Rahman Musa**
 * Designation : **Company Secretary**

* Financial Year End : 31/03/2001 16

* Quarter : 1 Qtr 2 Qtr 3 Qtr 4 Qtr Other

Quarterly report on consolidated results for the financial period ended

* 31/12/2000 16

* The figures have been audited have not been audited.

CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER
	31/12/2000 <input checked="" type="checkbox"/> 16	31/12/99 <input checked="" type="checkbox"/> 16	31/12/2000 <input checked="" type="checkbox"/> 16	31/12/99 <input checked="" type="checkbox"/> 16
	[dd/mm/yyyy] RM'000	[dd/mm/yyyy] RM'000	[dd/mm/yyyy] RM'000	[dd/mm/yyyy] RM'000
1 (a) Turnover	1,733,899	1,317,970		
(b) Investment income				
(c) Other income including interest income	-820	896		
2 (a) Operating profit/(loss) before interest on borrowings, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	193,488	79,418		
(b) Less interest on borrowings	1,249	1,789		
(c) Less depreciation and amortisation	28,453	25,590		
(d) Exceptional items				

(e)	Operating profit/(loss) after interest on borrowings, depreciation and amortisation and exceptional items but before income tax, minority interests and extraordinary items	163,786	62,039		
(f)	Share in the results of associated companies	-25	-23		
(g)	Profit/(loss) before taxation, minority interests and extraordinary items	163,761	62,016		
(h)	Taxation	-49,487	-19,191		
(i)	Profit/(loss) after taxation before deducting minority interests	114,274	32,825		
(ii)	Less minority interests	33	-69		
(j)	Profit/(loss) after taxation attributable to members of the company				
(k)	Extraordinary items				
(i)	Less minority interests				
(iii)	Extraordinary items attributable to members of the company				
(l)	Profit/ (loss) after taxation and extraordinary items attributable to members of the company	114,241	32,894		
3 (a)	Earnings per share based on 2(j) above after deducting any provision for preference dividends, if any :				
(i)	Basic (based on ordinary shares - sen)	23.00	6.60		
(ii)	Fully diluted (based on ordinary shares - sen)				
4 (a)	Dividend per share (sen)				
(b)	Dividend Description				

		AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
5)	Net tangible assets per share (RM)	3.4900	3.1600

Remark :

Please attach the full Financial Result Announcement here :

3.1600

Kindly note that only attachment prepared using Microsoft Word and Microsoft Excel are to be attached.



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ATTACHMENT I

PETRONAS Dagangan Berhad (80222 - D)

UNAUDITED CONSOLIDATED INCOME STATEMENT FOR
THE THIRD QUARTER ENDED 31 DECEMBER 2000

	Third Quarter		Cumulative Quarter	
	Current Year Quarter 31/12/2000 RM'000	Preceding Year Quarter 31/12/1999 RM'000	Current Year To Date 31/12/2000 RM'000	Preceding Year 31/12/1999 RM'000
Turnover	1,733,699	1,317,970	4,835,590	3,689,437
Other income including interest income	(820)	896	2,686	13,087
Operating profit/(loss) before interest on borrowings, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	193,486	79,418	377,634	262,964
Interest on borrowings	(1,249)	(1,789)	(5,526)	(6,439)
Depreciation and amortisation	(28,453)	(25,590)	(84,158)	(76,553)
Operating profit/(loss) after interest on borrowings, depreciation and amortisation and exceptional items but before income tax, minority interests and extraordinary items	163,786	52,039	287,950	179,972
Share in the results of an associated company	(25)	(23)	43	(49)
Profit/(Loss) before taxation, minority interests and extraordinary items	163,761	52,016	287,993	179,923
Taxation	(49,487)	(19,191)	(89,680)	(58,397)
Profit/(Loss) after taxation before deducting minority interests	114,274	32,825	198,313	121,526
Less Minority Interests	(33)	69	(319)	38
Profit/(Loss) after taxation and extraordinary items attributable to members of the company	114,241	32,894	197,994	121,564
Earnings per share after deducting any provision for preference dividends, if any :- Basic (based on 496,727,000) sen	23.0	6.6	39.9	24.5

PETRONAS Dagangan Berhad (88222 - D)

UNAUDITED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2000

	As at end of Current Quarter 31/12/2000 RM'000	As at preceding Financial Year End 31/3/2000 RM'000
FIXED ASSETS	1,392,478	1,307,267
INTEREST IN ASSOCIATED COMPANIES	2,385	2,356
LONG TERM RECEIVABLES	132,546	129,725
EXPENDITURE CARRIED FORWARD	0	10
CURRENT ASSETS		
Stocks	147,353	222,317
Trade Debtors	634,365	404,267
Other debtors	555,428	239,965
Amount due from holding company	0	6,772
Amount due from related companies	30,041	36,979
Amount due from associated companies	1,956	1,984
Fund Investments	255,577	433,693
Cash	89,125	54,955
	<u>1,713,845</u>	<u>1,400,932</u>
CURRENT LIABILITIES		
Other creditors	236,807	196,775
Amount due to holding company	21,958	0
Amount due to related companies	953,408	781,711
Short Term Borrowings	7,249	4,110
Provision for taxation	115,238	95,258
Proposed dividend	35,764	35,764
	<u>1,370,424</u>	<u>1,113,618</u>
Net Current Assets or (Current Liabilities)	343,421	287,314
	<u>1,870,830</u>	<u>1,726,672</u>
Financed by :-		
SHARE CAPITAL	496,727	496,727
RESERVES		
SHARE PREMIUM	213,708	213,708
RETAINED PROFIT	1,023,508	861,278
SHAREHOLDERS' FUNDS	<u>1,733,943</u>	<u>1,571,713</u>
MINORITY INTEREST	31,562	31,243
LONG TERM BORROWINGS	53,789	71,283
DEFERRED TAXATION	51,536	52,433
	<u>136,887</u>	<u>154,959</u>
	<u>1,870,830</u>	<u>1,726,672</u>
Net Tangible Assets per Share (sen)	349	316

PETRONAS DAGANGAN BERHAD

For The Quarter Ended 31 December 2000.

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 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:

	Third Quarter Current Year <u>31.12.2000</u> RM'000	Cumulative Quarter Current Year To Date <u>31.12.2000</u> RM'000
<u>Income tax :</u>		
Current Year	49,494	90,563
 <u>Deferred taxation :</u>		
Transfer to/(from) Deferred Taxation	0	(897)
	<u>49,494</u>	<u>89,666</u>
 Share of income tax in associated company	(7)	14
	<u>49,487</u>	<u>89,680</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 disposal 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 CORPORATE PROPOSALS**

On 20 November 2000, PETRONAS Dagangan Berhad (PDB) and Shell Malaysia Trading Sdn Bhd (SMTSB), the co-owners of the Multi-Product Pipeline, the Klang Valley Distribution Terminal and associated facilities (the 'Facility'), had executed the Sale and Purchase Agreement with Esso Malaysia Berhad (EMB) on the divestment of a 20% participating interest by the co-owners (PDB 10%, SMTSB 10%) in the Facility to EMB at a total price of RM120 million. The parties are awaiting the necessary authorities' approval before completing the divestment.

10. **SEASONALITY OR CYCLICALITY OF OPERATIONS**

The Group's operations is not significantly affected by seasonal or cyclical fluctuations of the business/industry. However, the Group's profitability may be influenced by the Automatic Pricing Mechanism (APM) introduced by the Government in 1983 to regulate the retail prices of LPG, petrol and diesel. The retail prices are reviewed monthly by the Ministry of Domestic Trade and Consumer Affairs.

Product cost may vary from month to month depending on the international market prices and the Ringgit-US Dollar exchange rate fluctuations. The marketing and distribution costs, dealer's commission and company margin are held constant until changes are agreed between the Government and the oil companies. To maintain the retail price, the sales tax or subsidy component is adjusted. In times of low product cost, sales tax will be increased and conversely in times of high product cost, sales tax will be reduced and if applicable, subsidy will be introduced.

Due to operational reasons, the computation of the retail price for a particular month utilises the monthly average product cost two months earlier. This has resulted in a lag in the application of the computed sales tax or subsidy, where the sales tax or subsidy determined for a particular month was computed based on the monthly average product cost two months earlier. For this quarter, the lag effect of the APM resulted in higher margin from lower sales tax/higher subsidies.

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

During the financial period, there were no issuance and repayment of debt and equity securities, share buy backs, 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 31 December 2000, is as follows:

	<u>31.12.2000</u>
	RM'000
Short term – Secured	7,249
Long Term – Secured	53,789

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.**

The Group Profit Before Tax in the third quarter ended 31 December 2000 recorded an increase of RM172.8 million to RM163.8 million from a loss of RM9.0 million in the second quarter of 2000/2001. The earnings per share for this third quarter is 23.0sen as compared to a loss of 1.9sen in the preceding quarter. The improvement in results was mainly due to lower overall product costs because of the weakening market for crude oil and the lag effect of the Automatic Pricing Mechanism (APM) as explained in Note 10 above.

18. **REVIEW OF PERFORMANCE**

The Group continues to maintain high turnover as a result of the continuation of its aggressive marketing initiatives aimed at improving market share. The improvement in results was mainly due to lower overall product costs and the lag effect of the Automatic Pricing Mechanism (APM).

In the opinion of the directors, the results of the Group for the current financial period has not been affected by any transaction or event of a material or unusual nature which has arisen between 31 December 2000 and the date of this announcement.

19. **CURRENT YEAR PROSPECTS**

The directors are of the opinion that the current year's turnover is expected to improve with aggressive marketing initiatives. However, profits for the year will continue to be influenced by volatility in product costs.

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

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

21. **DIVIDEND**

No dividend has been declared for the period under review.

BY ORDER OF THE BOARD

Abdul Rahman Bin Musa @ Onn
Yeap Kok Leong
Joint Secretaries

Kuala Lumpur
20 February 2001