

PETRONAS Dagangan Berhad (88222 - D)

AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2011

	As at 31/03/2011 RM'000	As at preceding Financial Year End 31/03/2010 RM'000 Restated
ASSETS		
Property, Plant and Equipment	3,583,364	3,568,833
Investment in Associates	8,770	3,617
Prepaid Lease Payments	364,886	351,397
TOTAL NON-CURRENT ASSETS	3,957,020	3,923,847
Inventories	832,600	751,182
Trade and Other Receivables	2,668,903	2,297,248
Cash and Cash Equivalents	1,026,209	912,471
TOTAL CURRENT ASSETS	4,527,712	3,960,901
TOTAL ASSETS	8,484,732	7,884,748
EQUITY		
Share Capital	993,454	993,454
Reserves	3,801,494	3,565,093
Total Equity Attributable to Shareholders of the Company	4,794,948	4,558,547
Minority Shareholders' Interests	35,646	35,511
TOTAL EQUITY	4,830,594	4,594,058
LIABILITIES		
Borrowing	16,232	-
Deferred Tax Liabilities	162,833	126,510
Provisions	19,564	20,970
TOTAL NON-CURRENT LIABILITIES	198,629	147,480
LIABILITIES		
Trade and Other Payables	3,351,073	3,000,404
Taxation	104,436	142,806
TOTAL CURRENT LIABILITIES	3,455,509	3,143,210
TOTAL LIABILITIES	3,654,138	3,290,690
TOTAL EQUITY AND LIABILITIES	8,484,732	7,884,748
Net Assets per Share Attributable to Ordinary Equity Holders of the Parent (sen)	483	459

The Audited Consolidated Statement of Financial Position should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 March 2010.

AUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2011

	Individual Quarter		Individual/ Cumulative Quarter	
	Current Year To Date 31/03/2011 RM'000	Preceding Year Corresponding Period 31/03/2010 RM'000	Current Year To Date 31/03/2011 RM'000	Preceding Year Corresponding Period 31/03/2010 RM'000
Revenue	<u>6,382,665</u>	<u>5,417,494</u>	<u>23,267,648</u>	<u>20,687,042</u>
Profit from operations	315,588	239,836	1,209,173	1,048,967
Finance costs	(245)	(8,875)	(1,015)	(3,409)
Share of profit after tax of associates	<u>198</u>	<u>136</u>	<u>753</u>	<u>444</u>
Profit before taxation	315,541	231,097	1,208,911	1,046,002
Tax expense	(85,768)	(68,632)	(332,984)	(288,478)
Profit for the period/ Total comprehensive income for the period	<u>229,773</u>	<u>162,465</u>	<u>875,927</u>	<u>757,524</u>
Attributable to:				
Shareholders of the Company	228,456	161,108	869,728	752,934
Minority shareholders' interests	<u>1,317</u>	<u>1,357</u>	<u>6,199</u>	<u>4,590</u>
Total comprehensive income for the period	<u>229,773</u>	<u>162,465</u>	<u>875,927</u>	<u>757,524</u>
Earnings per ordinary share - basic (sen)	23.0	16.2	87.5	75.8

The Audited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 March 2010.

AUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2011

	-- Attributable to Shareholders of the Company --			Minority Shareholders Interests	Total Equity
	Non Distributable Share Capital	Distributable Retained Profits	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 April 2009	993,454	3,169,802	4,163,256	49,033	4,212,289
Total comprehensive income for the period	-	752,934	752,934	4,590	757,524
Redemption of preference shares by minority shareholders of a subsidiary	-	-	-	(17,325)	(17,325)
Dividends paid	-	(357,643)	(357,643)	(787)	(358,430)
At 31 March 2010	993,454	3,565,093	4,558,547	35,511	4,594,058
At 1 April 2010	993,454	3,565,093	4,558,547	35,511	4,594,058
Total comprehensive income for the period	-	869,728	869,728	6,199	875,927
Dividends paid	-	(633,327)	(633,327)	(6,064)	(639,391)
At 31 March 2011	993,454	3,801,494	4,794,948	35,646	4,830,594

The Audited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 March 2010.

AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2011

	12 months ended 31/03/2011 RM'000	12 months ended 31/03/2010 RM'000 (Restated)
Receipt from customers	26,911,324	20,620,553
Payment to suppliers and employees	<u>(25,532,354)</u>	<u>(19,302,756)</u>
	1,378,970	1,317,797
Payment of taxes	(335,032)	(211,544)
Net cash generated from operating activities	<u>1,043,938</u>	<u>1,106,253</u>
Investment in an associate	(4,400)	(1,200)
Interest income from deposits with licensed banks	24,101	14,546
Purchase of property, plant and equipment	(289,167)	(341,746)
Prepayment of leases	(47,700)	(29,320)
Proceeds from disposal of property, plant and equipment	10,125	1,328
Proceeds from disposal of prepaid leases	-	453
Receipt of dividends	-	800
Net cash used in investing activities	<u>(307,041)</u>	<u>(355,139)</u>
Drawdown of Islamic financing facility	16,232	-
Repayment of finance lease liabilities	-	(941)
Payment of interest for finance lease liabilities	-	(29)
Redemption of preference shares by minority shareholders of a subsidiary	-	(17,325)
Payment of dividends to shareholders	(633,327)	(357,643)
Payment of dividends to minority shareholders of a subsidiary	(6,064)	(787)
Net cash used in financing activities	<u>(623,159)</u>	<u>(376,725)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	113,738	374,389
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	912,471	538,082
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>1,026,209</u>	<u>912,471</u>

The Audited Consolidated Statement of Cash Flows should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 March 2010.

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Notes to the Interim Financial Report

A1 BASIS OF PREPARATION

The Interim Financial Report is unaudited and has been prepared in accordance with the requirements of FRS 134, *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Interim Financial Report should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 March 2010. The explanatory notes attached to the Interim Financial Report provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the year ended 31 March 2010.

Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the Audited Annual Financial Statements for the year ended 31 March 2010.

On 1 April 2010 the following Financial Reporting Standards (FRSs), Interpretations and Amendments to FRSs which are effective for annual periods beginning on or after 1 January 2010 (unless otherwise stated) have been adopted:

FRS 8	<i>Operating Segments</i> (which is effective for annual periods beginning or after 1 July 2009)
FRS 101	<i>Presentation of Financial Statements (revised)</i>
FRS 123	<i>Borrowing Costs (Revised)</i>
Amendment to FRS 1	<i>First-time Adoption of Financial Reporting Standards and FRS 127, Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i>
Amendment to FRS 8	<i>Operating Segments</i>
Amendment to FRS 107	<i>Cash Flow Statements</i>
Amendment to FRS 108	<i>Accounting Policies, Changes in Accounting Estimates and Errors</i>
Amendments to FRS 110	<i>Events After the Reporting Date</i>
Amendment to FRS 116	<i>Property, Plant and Equipment</i>
Amendment to FRS 117	<i>Leases</i>
Amendment to FRS 118	<i>Revenue</i>
Amendment to FRS 123	<i>Borrowing Costs</i>
Amendment to FRS 127	<i>Consolidated and Separate Financial Statements</i>
Amendment to FRS 128	<i>Investment in Associates</i>
Amendment to FRS 132	<i>Financial Instruments: Presentation (issued on 15 September 2009)</i>
Amendment to FRS 134	<i>Interim Financial Statements</i>
Amendment to FRS 136	<i>Impairment of Assets</i>
Amendment to FRS 138	<i>Intangible Assets</i>
Amendments to FRS 139, FRS 7 and IC Interpretation 9	<i>Financial Instruments: Recognition and Measurement; Financial Instruments: Disclosures; and Reassessment of Embedded Derivatives</i>

The adoption of the abovementioned FRSs, Interpretation and Amendments to FRSs other than FRS 8, FRS 101 and FRS 117 do not result in any significant changes in the accounting policies and presentation of the financial results of the Group, other than as highlighted below:

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FRS 8: Operating Segments

FRS 8 addresses the presentation of financial information to the users in the same way as it is presented to the Chief Operating Decision Maker (CODM), being the Board in the case of PDB. Currently, the Group presents segmental information in respect of its business and geographical segments as per requirement of FRS 114. FRS 8 requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the entity's CODM in order to allocate resources to the segment and to assess its performance. Therefore, on adoption of FRS 8, the Group presents segmental information in respect of its reportable segments as Retail, Commercial and Others.

The impact of applying FRS 8 on the financial statements upon first adoption of this FRS as required by paragraph 30(b) of FRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors* are set out in A9.

FRS 101: Presentation of Financial Statements

The components of the financial statements presented in the past consisted of balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the financial statements. With the adoption of the revised FRS 101, the components of the financial statements presented consist of statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements.

FRS 117: Leases

Prior to 1 April 2010, the Group has recorded the cost of leasehold lands as prepaid lease payments. The costs are amortised on a straight-line basis over the remaining lease period.

Upon the adoption of Amendments to FRS 117, the Group has reassessed and determined all leasehold lands of the Group which are in substance finance leases and accordingly reclassified them as Property, Plant and Equipment and depreciated based on a straight-line basis over the remaining lease period. The change in accounting policy has been made retrospectively in accordance with the transitional provisions of the amendments.

The following comparative figures have been restated following the adoption of the Amendments to FRS 117:

	As at 31 March 2010 As previously reported (RM'000)	Effect of amendments to FRS 117 (RM'000)	As at 31 March 2010 As restated (RM'000)
Statement of financial position			
Non-current assets			
Property, plant and equipment	3,130,217	438,616	3,568,833
Prepaid lease payments	790,013	(438,616)	351,397
Statement of cash flow			
Cash flows from investing activities			
Purchase of property, plant and equipment	(295,588)	(46,158)	(341,746)
Prepayment of leases	(75,478)	46,158	(29,320)

A2 AUDIT QUALIFICATION

Not applicable.

A3 SEASONAL OR CYCLICAL FACTORS

The Group's operations in relation to sales volume are not significantly affected by seasonal or cyclical fluctuations of the business/industry.

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A4 EXCEPTIONAL ITEM

None.

A5 CHANGES IN ACCOUNTING ESTIMATES

There were no material changes in accounting estimates in the current quarter.

A6 CAPITAL COMMITMENTS

Outstanding commitments in respect of capital expenditure at balance sheet date not provided for in the Interim Financial Report are:-

	<u>31/03/2011</u> RM'000
Approved and contracted for	28,042
Approved but not contracted for	59,889
	<hr/> 87,931 <hr/>

A7 ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

None.

A8 DIVIDENDS PAID

During the year ended 31 March 2011, the following dividend payments were made:

1. A final dividend of 30 sen per ordinary share less tax at 25% amounting to RM223,527,150 (2009: 33 sen per ordinary share less tax at 25% amounting to RM245,879,865) was paid on 24 August 2010 in respect of financial year ended 31 March 2010. In addition, a special dividend of 15 sen per ordinary share less tax at 25% amounting to RM 111,763,575 (2009: nil) was also paid on 24 August 2010 in respect of financial year ended 31 March 2010.
2. A interim dividend of 30 sen per ordinary share less tax at 25% amounting to RM223,527,150 (2009: 15 sen per ordinary share less tax at 25% amounting to RM111,763,575) was paid on 28 December 2010 in respect of financial year ended 31 March 2011. In addition, a special dividend of 10 sen per ordinary share less tax at 25% amounting to RM74,509,050 (2009: nil) was also paid on 28 December 2010 in respect of financial year ended 31 March 2011.

A9 SEGMENTAL INFORMATION

Segmental information is presented in respect of the Group's reportable segments which are based on internal reports regularly reviewed by the entity's Chief Operating Decision Maker in order to allocate resources to the segment and to assess its performance.

The Group operates only in Malaysia and accordingly, information by geographical location of the Group's operation is not presented.

Segmental results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

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Results for Year-ended 31 March 2011

Reportable Segments	Retail RM '000	Commercial RM '000	Others RM '000	Elimination RM '000	Group RM '000
Revenue	11,262,366	12,163,125	48,905	(206,747)	23,267,649
Operating expenditures					
Depreciation & Amortisation	247,936	46,429	1,532	-	295,897
Finance costs	913	102	-	-	1,015
Impairment of PPE	3,611				3,611
Profit before taxation for reportable segments	611,806	427,172	22,733	(626)	1,061,085
Other income	103,035	-	78,663	(34,625)	147,073
Share of profit after tax of associates					753
Profit before taxation					1,208,911

Results for Year-ended 31 March 2010

Reportable Segments	Retail RM '000	Commercial RM '000	Others RM '000	Elimination RM '000	Group RM '000
Revenue	10,353,947	10,450,132	42,690	(159,727)	20,687,042
Operating expenditures					
Depreciation & Amortisation	251,529	41,543	1,528	-	294,600
Finance costs	2,863	517	-	-	3,380
Impairment of PPE	-	-	-	-	-
Profit before taxation for reportable segments	553,862	350,150	17,105	(2,465)	918,652
Other income	92,839	-	36,330	(2,263)	126,906
Share of profit after tax of associates					444
Profit before taxation					1,046,002

A10 PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment except for freehold land are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is stated at cost less accumulated impairment losses, if any.

A11 EVENTS AFTER BALANCE SHEET DATE

In the opinion of the Directors, no transaction or event of a material or unusual nature had occurred between 31 December 2011 and the date of this announcement.

A12 CHANGES IN THE COMPOSITION OF THE GROUP

None.

A13 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

None.

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Additional information required by the Bursa Malaysia Listing Requirements

B1 REVIEW OF PERFORMANCE

Group revenue for the quarter and year ended 31 March 2011 increased by RM965.2 million and RM2,580.6million to RM6,382.7 million and RM23,267.6 million respectively, from the results of the corresponding period last year. The increases resulted from higher product average selling prices and higher sales volume.

Group profit before tax for the quarter and year ended 31 March 2011 increased by RM84.4 million and RM162.9 million to RM315.5 million and RM1,208.9 million respectively, from the corresponding period last year due to lower operating expenditures.

B2 VARIATION OF RESULTS AGAINST PRECEDING QUARTER

The Group revenue for the current quarter was RM6,382.7 million, an increase of RM450.5 million from the results of the preceding quarter. The increase in revenue was due to higher average product selling prices.

Group profit before tax for the current quarter was RM315.5 million, a decrease of RM16.4 million compared to the preceding quarter profit before tax of RM331.9 million mainly due to higher operating expenditures during the current quarter.

B3 NEXT FINANCIAL PERIOD PROSPECTS (2011)

The Directors are of the opinion that market demand conditions remain challenging due to the slowdown in economic growth and rising inflation rates. However market leadership will continue to be maintained with continuous strategic marketing efforts and initiatives. Efforts to improve margin will continue through cost optimization and operational efficiency initiatives. Profits for the next financial period will be lower due to the 9-month financial period arising from the change in financial year end to 31 December beginning in 2011. Furthermore, the profits may be impacted by fluctuations in international oil price, petroleum product costing and global economy.

B4 PROFIT FORECAST

No profit forecast was issued for the financial period.

B5 TAX EXPENSE

Taxation comprises the following:

	Fourth Quarter Current Year	Cumulative Quarter Current Year-to-date
	<u>31/03/2011</u>	<u>31/03/2011</u>
	RM'000	RM'000
<u>Income Tax:</u>		
Current Quarter / Year-to-date	76,685	296,661
 <u>Deferred Taxation:</u>		
Current Quarter / Year-to-date	<u>9,084</u>	<u>36,323</u>
	<u>85,769</u>	<u>332,984</u>

The effective tax rate is higher than the statutory tax rate due to certain expenses disallowed for tax purposes.

B6 UNQUOTED INVESTMENTS AND PROPERTIES

There were no disposals of unquoted securities and no material gains or losses from disposal of properties during the financial period.

B7 QUOTED INVESTMENTS

There were no investments in quoted securities during the financial period.

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B8 STATUS OF CORPORATE PROPOSALS ANNOUNCED

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

B9 BORROWINGS

Particulars of the Group's borrowing, all of which is denominated in Ringgit Malaysia, as at 31 March 2011 is as follows:

	31/03/2011
	RM'000
Long Term - Unsecured	16,232

B10 DERIVATIVE FINANCIAL INSTRUMENTS

Forward foreign currency contracts are entered into by the Group in currencies other than the functional currency to manage exposure to the fluctuations in foreign currency exchange rates.

Forward foreign currency contracts are recognized on the contractual dates and are measured at fair value with changes in fair value recognized in profit or loss.

The outstanding forward foreign currency contracts as at 31 March 2011 are as follows:

Type of Derivative	Contract Value	Fair Value	Gain/(Loss) Arising from Fair Value Changes
	RM'000	RM'000	RM'000
Forward foreign currency sale contract			
- Less than 1 year	21,227	21,179	48
Forward foreign currency purchase contract			
- Less than 1 year	142,129	141,979	(150)

B11 FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

There are no financial liabilities (other than derivative financial instruments) measured at fair value through profit or loss as at the date of this report.

B12 MATERIAL LITIGATION

There are no material litigations as at the date of this report.

B13 DIVIDENDS

The Board has declared an interim dividend of 30 sen per ordinary share less tax at 25% for the six months ended 30 September 2010 amounting to RM223,527,150 paid on 28 December 2010 (2009: 15 sen per ordinary share less tax at 25% amounting to RM111,763,575) in respect of financial year ended 31 March 2011. In addition, a special dividend of 10 sen per ordinary share less tax at 25% amounting to RM74,509,050 (2009: nil) was also paid on 28 December 2010 in respect of financial year ended 31 March 2011.

The Directors propose a Final Dividend of 35 sen per ordinary share less tax at 25% amounting to RM260,781,675 (2009/10: 30 sen per ordinary share less tax at 25% amounting to RM223,527,150) to shareholders to be tabled at the next Annual General Meeting, payable on a date to be announced later.

In addition, the Directors propose a Special Dividend of 25 sen per ordinary share less tax at 25% amounting to RM186,272,625 (2009/10: 15 sen per ordinary share less tax at 25% amounting to RM 111,763,575) to shareholders to be tabled at the next Annual General Meeting, payable on a date to be announced later.

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B14 BASIC EARNINGS PER SHARE

Basic earnings per share is derived based on the profit attributable to shareholders of the Company and based on the number of ordinary shares outstanding as at 31 March..

	Fourth Quarter Current Year		Cumulative Quarter Current Year-to-date	
	<u>31/03/2011</u>	<u>31/03/2010</u>	<u>31/03/2011</u>	<u>31/03/2010</u>
Profit attributable to shareholders of the Company (RM'000)	228,456	161,108	869,728	752,934
Number of ordinary shares in issue ('000)	993,454	993,454	993,454	993,454
Earnings per ordinary share (sen)	23.0	16.2	87.5	75.8

B15 REALISED AND UNREALISED PROFIT/LOSSES

The breakdown of the retained earnings of the Group as at 31 March 2011, into realised and unrealised profits is as follows:

	2011 Group RM'000
Total retained profits/(accumulated losses) for the company and its subsidiaries	
- realised	4,007,034
- unrealised	(162,270)
	<hr/>
	3,844,764
Total retained profits/(accumulated losses) of associates attributable to the Group	
- realised	2,962
- unrealised	(17)
Less: Consolidation adjustments	(46,215)
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Total retained profits	3,801,494
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BY ORDER OF THE BOARD
 Nur Ashikin Khalid (LS 0008025)
 Yeap Kok Leong (MAICSA 0862549)
 Joint Secretaries
 Kuala Lumpur
 24 May 2011