

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

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2011**

	As at 30/09/2011 RM'000	As at 31/03/2011 RM'000
<b>ASSETS</b>		
Property, Plant and Equipment	3,554,402	3,583,364
Investment in Associates	9,130	8,770
Prepaid Lease Payments	375,754	364,886
<b>TOTAL NON-CURRENT ASSETS</b>	<b>3,939,286</b>	<b>3,957,020</b>
Inventories	910,128	832,600
Trade and Other Receivables	3,293,649	2,668,903
Cash and Cash Equivalents	664,464	1,026,209
<b>TOTAL CURRENT ASSETS</b>	<b>4,868,241</b>	<b>4,527,712</b>
<b>TOTAL ASSETS</b>	<b>8,807,526</b>	<b>8,484,732</b>
<b>EQUITY</b>		
Share Capital	993,454	993,454
Reserves	3,675,449	3,801,494
Total Equity Attributable to Shareholders of the Company	4,668,903	4,794,948
Non-Controlling Interests	39,111	35,646
<b>TOTAL EQUITY</b>	<b>4,708,014</b>	<b>4,830,594</b>
<b>LIABILITIES</b>		
Borrowing	59,345	16,232
Deferred Tax Liabilities	165,288	162,833
Provisions	20,322	19,564
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>229,950</b>	<b>198,629</b>
<b>LIABILITIES</b>		
Borrowing	400,000	-
Trade and Other Payables	3,328,951	3,351,073
Taxation	125,607	104,436
<b>TOTAL CURRENT LIABILITIES</b>	<b>3,854,558</b>	<b>3,455,509</b>
<b>TOTAL LIABILITIES</b>	<b>4,099,513</b>	<b>3,654,138</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>8,807,527</b>	<b>8,484,732</b>
Net Assets per Share Attributable to Ordinary Equity Holders of the Parent (sen)	470	483

The Unaudited Consolidated Statement of Financial Position should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 March 2011.

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

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2011**

	Individual Quarter		Cumulative Quarter	
	Current Quarter	Preceding Year Corresponding Period	Current Year To Date	Preceding Year Corresponding Period
	30/09/2011	30/09/2010	30/09/2011	30/09/2010
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	7,304,943	5,496,313	14,844,870	10,952,785
<b>Profit from operations</b>	302,156	284,414	594,267	561,615
Finance costs	(1,948)	(296)	(3,427)	(522)
Share of profit after tax of associates	185	132	360	380
<b>Profit before taxation</b>	300,393	284,250	591,200	561,473
Tax expense	(74,665)	(76,932)	(154,963)	(152,929)
<b>Profit for the period/ Total comprehensive income for the period</b>	<b>225,728</b>	<b>207,318</b>	<b>436,237</b>	<b>408,544</b>
<b>Attributable to:</b>				
Shareholders of the Company	224,046	205,440	432,772	405,108
Non-Controlling interests	1,682	1,878	3,465	3,436
<b>Total comprehensive income for the period</b>	<b>225,728</b>	<b>207,318</b>	<b>436,237</b>	<b>408,544</b>
Earnings per ordinary share - basic (sen)	22.6	20.7	43.6	40.8

The Unaudited Consolidated Statement of Cash Flow should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 March 2011.

PETRONAS Dagangan Berhad (88222-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2011

	-- Attributable to Shareholders of the Company --			Non-Controlling Interests	Total Equity
	Non Distributable Share Capital	Distributable Retained Profits	Total		
	RM'000	RM'000	RM'000		
<b>At 1 April 2010</b>	993,454	3,565,093	4,558,547	35,511	4,594,058
Total comprehensive income for the period	-	405,108	405,108	3,436	408,544
Dividends Paid	-	(335,291)	(335,291)	-	(335,291)
<b>At 30 September 2010</b>	993,454	3,634,910	4,628,364	38,947	4,667,311
<b>At 1 April 2011</b>	993,454	3,801,494	4,794,948	35,646	4,830,594
Total comprehensive income for the period	-	432,772	432,772	3,465	436,237
Dividends Paid	-	(558,817)	(558,817)	-	(558,817)
<b>At 30 September 2011</b>	993,454	3,675,449	4,668,903	39,111	4,708,014

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 March 2011.

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

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2011**

	<b>6 months ended 30/09/2011 RM'000</b>	<b>6 months ended 30/09/2010 RM'000</b>
Receipt from customers	14,455,685	12,063,768
Payment to suppliers and employees	(14,408,862)	(10,916,780)
Payment of interest	(1,264)	-
	<u>45,559</u>	<u>1,146,988</u>
Payment of taxes	(131,333)	(136,218)
<b>Net cash (used)/generated from operating activities</b>	<b><u>(85,774)</u></b>	<b><u>1,010,770</u></b>
Investment in an associate	-	(4,400)
Interest income from deposits with licensed banks	8,194	9,658
Purchase of property, plant and equipment	(141,202)	(153,102)
Prepayment of leases	(26,554)	(14,038)
Proceeds from disposal of property, plant and equipment	-	10,408
<b>Net cash used in investing activities</b>	<b><u>(159,562)</u></b>	<b><u>(151,474)</u></b>
Drawdown of Islamic financing facility	43,113	-
Payment of profit margin for Islamic financing facility	(705)	-
Drawdown of Revolving Credit	400,000	-
Payment of dividends to shareholders	(558,817)	(335,291)
<b>Net cash generated from financing activities</b>	<b><u>(116,409)</u></b>	<b><u>(335,291)</u></b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b><u>(361,745)</u></b>	<b><u>524,005</u></b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b><u>1,026,209</u></b>	<b><u>912,471</u></b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b><u>664,464</u></b>	<b><u>1,436,476</u></b>

The Unaudited Consolidated Statement of Cash Flows should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 March 2011.

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

**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 2011. 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 2011.

**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 2011.

On 1 April 2011 the following Financial Reporting Standards (FRSs), Interpretations and Amendments to FRSs which are effective for annual periods beginning on or after 1 July 2010 (unless otherwise stated) have been adopted:

FRS 1	<i>First-Time Adoption of Financial Reporting Standards (revised);</i>
FRS 3	<i>Business Combinations (revised);</i>
FRS 127	<i>Consolidated and Separate Financial Statements (Revised);</i>
FRS 138	<i>Intangible Assets;</i>
Amendments to FRS 1	<i>First-time Adoption of Financial Reporting Standard – Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters and Additional Exemptions for First Time Adopters (effective from annual periods beginning on or after 1 January 2011)</i>
Amendments to FRS 1	<i>First-time Adoption of Financial Reporting Standard [Improvements to FRSs (2010)] (effective from annual periods beginning on or after 1 January 2011);</i>
Amendments to FRS 3	<i>Business Combinations [Improvements to FRSs (2010)] (effective for annual periods beginning on or after 1 January 2011);</i>
Amendments to FRS 7	<i>Financial Instruments: Disclosures - [Improvements to FRSs (2010)] (effective for annual periods beginning on or after 1 January 2011);</i>
Amendments to FRS 101	<i>Improvements to FRSs (2010) (effective for annual periods beginning on or after 1 January 2011);</i>
Amendments to FRS 128	<i>Investment in Associates [Improvements to FRSs (2010)] (effective for annual periods beginning on or after 1 January 2011);</i>
Amendments to FRS 131	<i>Interests in Joint Ventures [Improvements to FRSs (2010)] (effective for annual periods beginning on or after 1 January 2011);</i>

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

Amendments to FRS 132	<i>Financial Instruments: Presentation [Improvements to FRSs (2010)]</i> (effective for annual periods beginning on or after 1 January 2011);
Amendments to FRS 134	<i>Interim Financial Reporting [Improvements to FRSs (2010)]</i> (effective for annual periods beginning on or after 1 January 2011);
Amendments to FRS 139	<i>Financial Instruments: Recognition and Measurement [Improvements to FRSs (2010)]</i> (effective for annual periods beginning on or after 1 January 2011);
IC Interpretation 4	<i>Determining Whether an Arrangement contains a Lease</i> (effective for annual periods beginning on or after 1 January 2011)
Amendments to IC 13	<i>Customer Loyalty Programmes [Improvements to Interpretation 13 FRSs (2010)]</i> (effective for annual periods beginning on or after 1 January 2011);
IC Interpretation 19	<i>Extinguishing Financial Liabilities with Equity Instruments</i> (effective for annual periods beginning on or after 1 July 2011); <i>and</i>
FRS 124	<i>Related Party Disclosures Transactions</i> (effective for annual periods beginning on or after 1 January 2012).

Initial application of these pronouncements for the Group and the Company will be effective from the annual period beginning:

- (i) 1 April 2011 for pronouncements which are effective for annual periods beginning on or after 1 July 2010 and 1 January 2011.
- (ii) 1 January 2012 for pronouncements which are effective for annual periods beginning on or after 1 July 2011 and 1 January 2012.

The above mentioned new and revised FRSs, amendments to FRS, and IC Interpretations which was already adopted will have no significant impact on the interim financial statements report.

**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.

**A4 EXCEPTIONAL ITEM**

None.

**A5 CHANGES IN ACCOUNTING ESTIMATES**

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

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

**A6 CAPITAL COMMITMENTS**

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

	<u>30/09/2011</u>
	RM'000
Approved and contracted for	60,574
Approved but not contracted for	268,220
	<hr/>
	328,794
	<hr/>

**A7 ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES**

None.

**A8 DIVIDENDS PAID**

During the six months period ended 30 September 2011, the following dividend payments were made:

1. A final dividend of 35 sen per ordinary share less tax at 25% amounting to RM260,781,675 (2010: 30 sen per ordinary share less tax at 25% amounting to RM223,527,150) and special final dividend of 25 sen per ordinary share less tax at 25% amounting to RM186,272,625 (2010: 15 sen per ordinary share less tax at 25% amounting to RM111,763,575) was paid on 23 August 2011 in respect of financial year ended 31 March 2011.
2. In addition, an interim dividend of 15 sen per ordinary shares less tax at 25% amounting to RM111,763,575 (2010: Nil) was also paid on 22 September 2011 in respect of financial year ended 31 December 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.

PETRONAS Dagangan Berhad (88222-D)

Results for Period-ended 30 September 2011

Reportable Segments	Retail RM '000	Commercial RM '000	Others RM '000	Elimination RM '000	Group RM '000
Revenue	6,294,861	8,592,788	25,337	(68,116)	14,844,870
Operating expenditures					
Depreciation & Amortisation	118,672	21,767	742	-	141,181
Finance costs	2,930	497	-	-	3,427
Impairment of PPE	1,734	-	-	-	1,734
<b>Profit before taxation for reportable segments</b>	<b>234,480</b>	<b>270,523</b>	<b>12,973</b>	<b>747</b>	<b>518,723</b>
Other income	50,850	-	21,267	-	72,117
Share of profit after tax of associates					360
<b>Profit before taxation</b>					<b>591,200</b>

Results for Period-ended 30 September 2010

Reportable Segments	Retail RM '000	Commercial RM '000	Others RM '000	Elimination RM '000	Group RM '000
Revenue	5,560,447	5,474,476	24,879	(107,017)	10,952,785
Operating expenditures					
Depreciation & Amortisation	107,256	21,044	789	-	129,089
Finance costs	459	63	-	-	522
<b>Profit before taxation for reportable segments</b>	<b>245,866</b>	<b>227,632</b>	<b>12,626</b>	<b>(280)</b>	<b>485,844</b>
Other income	46,951	-	28,299	-	75,250
Share of profit after tax of associates					380
<b>Profit before taxation</b>					<b>561,474</b>



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

**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 30 September 2011 and the date of this announcement.

**A12 CHANGES IN THE COMPOSITION OF THE GROUP**

None.

**A13 CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

None.

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

**Additional information required by the Bursa Malaysia Listing Requirements**

**B1 REVIEW OF PERFORMANCE**

Group revenue for the quarter 30 September 2011 increased by RM1,808.6 million to RM7,304.9 million, from the results of the corresponding period last year. The increase resulted from higher average product selling prices and higher sales volume.

Group profit before tax for the quarter ended 30 September 2011 increased by RM16.1 million to RM300.4 million, from the corresponding period last year due to higher gross profit.

**B2 VARIATION OF RESULTS AGAINST PRECEDING QUARTER**

The Group revenue for the current quarter was RM7,304.9 million, a decrease of RM235.0 million from the results of the preceding quarter. The decrease in revenue was due to lower average product selling prices and lower sales volume.

Group profit before tax for the current quarter was RM300.4 million, an increase of RM9.6 million compared to the preceding quarter profit before tax of RM290.8 million mainly due to higher gross profit during the current quarter.

**B3 CURRENT YEAR PROSPECTS (2011)**

The Directors are of the opinion that market demand conditions remain challenging due to the slowdown in economic growth. 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 current year will be lower due to the 9-month financial period arising from the change in financial year end to 31 December beginning from April 2011. 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:

	Second Quarter Current Year <u>30/09/2011</u> RM'000	Cumulative Quarter Current Year <u>30/09/2011</u> RM'000
<u>Income Tax:</u>		
Current Quarter / Year-to-date	72,384	152,506
<u>Deferred Taxation:</u>		
Current Quarter / Year-to-date	<u>2,281</u>	<u>2,457</u>
	<u>74,665</u>	<u>154,963</u>

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

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

**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.

**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 30 September 2011 is as follows:

	<b>30/09/2011</b>
	<b>RM'000</b>
Long Term - Unsecured	59,345
Short Term – Unsecured	400,000

**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 30 September 2011 are as follows:

	<b>Contract Value</b>	<b>Fair Value</b>	<b>Gain/(Loss)</b>
<b>Type of Derivative</b>	<b>RM'000</b>	<b>RM'000</b>	<b>Arising from Fair Value Changes</b>
			<b>RM'000</b>
Forward foreign currency sales contract			
- Less than 1 year	9,882	10,502	(620)

**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.

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

**B13 DIVIDENDS**

The Directors has declared an Interim Dividend of 15 sen per ordinary share less tax at 25% for the six month ended 30 September 2011 amounting to RM111,763,575 (2010/11: Interim Dividend of 30 sen per ordinary share less tax at 25% amounting to RM223,527,150 and Special Interim Dividend of 10 sen per ordinary share less tax 25% amounting to RM74,509,050) to shareholders payable on 23 December 2011.

NOTICE IS HEREBY GIVEN that the Interim Dividend of 15 sen less tax at 25% will be payable on 23 December 2011 to depositors registered in the Records of Depositors at the close of the business on 9 December 2011. A depositor shall qualify for entitlement to the dividends only in respect of:-

- a) Shares transferred into Depositors' Securities Account before 4 pm on 9 December 2011 in respect of ordinary transfer.
- b) Share bought on the Bursa Malaysia on a cum entitlement basis according to the rules of the Bursa Malaysia.

**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 30 September 2011.

	Second Quarter Current Year		Cumulative Quarter Current Year-to-date	
	<u>30/09/2011</u>	<u>30/09/2010</u>	<u>30/09/2011</u>	<u>30/09/2010</u>
Profit attributable to shareholders of the Company (RM'000)	224,046	205,440	432,772	405,108
Number of ordinary shares in issue ('000)	993,454	993,454	993,454	993,454
Earnings per ordinary share (sen)	22.6	20.7	43.6	40.8

**B15 REALISED AND UNREALISED PROFIT/LOSSES**

The breakdown of the retained earnings of the Group as at 30 September 2011 into realised and unrealised profits is as follows:

	<b>2011 Group RM'000</b>
Total retained profits for the company and its subsidiaries	
- realised	3,910,083
- unrealised	(189,007)
	3,721,076
Total retained profits of associates attributable to the Group	
- realised	3,308
- unrealised	(3)
Less: Consolidation adjustments	(48,932)
<b>Total retained profits</b>	<b>3,675,449</b>

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

**BY ORDER OF THE BOARD**

Nur Ashikin Khalid (LS 0008025)

Yeap Kok Leong (MAICSA 0862549)

Joint Secretaries

Kuala Lumpur

23 November 2011