


PETRONAS Dagangan Berhad (88222-D)
UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2013

	As at 31/03/2013 RM'000	As at 31/12/2012 RM'000
ASSETS		
Property, Plant and Equipment	3,787,630	3,765,700
Prepaid Lease Payments	438,964	433,739
Investment in Associates	9,365	8,302
Investment in Jointly Controlled Entities	4,449	4,350
Deferred Tax Asset	709	702
TOTAL NON-CURRENT ASSETS	4,241,117	4,212,793
Inventories	824,019	1,278,681
Trade and Other Receivables	5,133,151	4,180,954
Cash and Cash Equivalents	874,828	251,300
TOTAL CURRENT ASSETS	6,831,998	5,710,935
TOTAL ASSETS	11,073,115	9,923,728
EQUITY		
Share Capital	993,454	993,454
Reserves	4,057,264	3,816,538
Total Equity Attributable to Shareholders of the Company	5,050,718	4,809,992
Non-Controlling Interests	37,564	35,289
TOTAL EQUITY	5,088,282	4,845,281
LIABILITIES		
Borrowings	153,476	139,047
Deferred Tax Liabilities	131,231	140,017
Other Long Term Liabilities and Provisions	19,854	19,796
TOTAL NON-CURRENT LIABILITIES	304,561	298,860
Borrowings	394,354	324,656
Trade and Other Payables	5,105,683	4,301,028
Taxation	180,235	153,903
TOTAL CURRENT LIABILITIES	5,680,272	4,779,587
TOTAL LIABILITIES	5,984,833	5,078,447
TOTAL EQUITY AND LIABILITIES	11,073,115	9,923,728
Net Assets per Share Attributable to Ordinary Equity Holders of the Parent (sen)	508	484

The Unaudited Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and accompanying explanatory notes attached to the Interim Consolidated Financial Statements.

PETRONAS Dagangan Berhad (88222-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2013

	Individual Quarter	
	Current Year To Date 31/03/2013 RM'000	Preceding Year Corresponding Period 31/03/2012 RM'000
Revenue	7,618,972	6,852,755
Profit from operations	332,033	344,859
Finance costs	(6,226)	(5,483)
Share of profit after tax of associates and jointly controlled entities	1,162	310
Profit before taxation	326,969	339,686
Tax expense	(87,597)	(91,802)
Profit for the period	239,372	247,884
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange difference arising from translation of financial statements of foreign operations	3,629	-
Total comprehensive income for the period	243,001	247,884
Profit attributable to:		
Shareholders of the Company	237,097	246,211
Non-controlling interests	2,275	1,673
Profit for the period	239,372	247,884
Total comprehensive income attributable to:		
Shareholders of the Company	240,726	246,211
Non-controlling interests	2,275	1,673
Total comprehensive income for the period	243,001	247,884
Earnings per ordinary share- basic (sen)	23.9	24.8

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and accompanying explanatory notes to the Interim Consolidated Financial Statements.

PETRONAS Dagangan Berhad (88222-D)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2013

	← Attributable to Shareholders of the Company →				Total	Non-Controlling Interests	Total Equity
	Share Capital	Foreign Currency Translation Reserves	Capital Reserves	Retained Profits			
	RM'000	RM'000	RM'000	RM'000			
At 1 January 2012	993,454	-	-	3,785,446	4,778,900	33,064	4,811,964
Exchange difference arising from translation of financial statements of foreign operations	-	2,020	-	-	2,020	-	2,020
Profit for the year	-	-	-	836,843	836,843	6,425	843,268
Reserves arising from business combination of entities under common control	-	-	(44,053)	-	(44,053)	-	(44,053)
Dividends Paid	-	-	-	(763,718)	(763,718)	(4,200)	(767,918)
At 31 December 2012/ 1 January 2013	993,454	2,020	(44,053)	3,858,571	4,809,992	35,289	4,845,281
Exchange difference arising from translation of financial statements of foreign operations	-	3,629	-	-	3,629	-	3,629
Profit for the period	-	-	-	237,097	237,097	2,275	239,372
At 31 March 2013	993,454	5,649	(44,053)	4,095,668	5,050,718	37,564	5,088,282

The Unaudited Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and accompanying explanatory notes attached to the Interim Consolidated Financial Statements.

PETRONAS Dagangan Berhad (88222-D)

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2013

	3 months Ended 31/03/2013	3 months Ended 31/03/2012
	RM'000	RM'000
Cash receipt from customers	7,095,235	6,669,841
Cash paid to suppliers and employees	(6,403,697)	(5,489,226)
Payment of interest for revolving credit	(3,612)	(6,229)
	<u>687,926</u>	<u>1,174,386</u>
Taxation paid	(69,124)	(81,712)
Net cash generated from operating activities	<u>618,802</u>	<u>1,092,674</u>
Interest income from fund and other investments	3,922	4,410
Purchase of property, plant and equipment	(103,914)	(66,172)
Prepayment of leases	(6,829)	(31,393)
Proceeds from disposal of property, plant and equipment	5,388	185
Net cash used in investing activities	<u>(101,433)</u>	<u>(92,970)</u>
Drawdown of Islamic financing facility	-	8,904
Drawdown of term loan	21,939	-
Payment of profit margin for Islamic financing facility	(1,179)	(647)
Net of drawdown /(repayment) of revolving credit	85,399	(600,000)
Payment of dividends to shareholders	-	(111,763)
Net cash generated from/(used in) financing activities	<u>106,159</u>	<u>(703,506)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	623,528	296,198
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	251,300	470,183
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>874,828</u>	<u>766,381</u>

The Unaudited Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and accompanying explanatory notes attached to the Interim Consolidated Financial Statements.

PETRONAS Dagangan Berhad (88222-D)

Notes to the interim financial statements

A1 BASIS OF PREPARATION

The interim financial statements have been prepared using historical cost basis except for certain financial assets and financial liabilities that are stated at fair value.

The interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*, MFRS 134 *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements is unaudited and should be read in conjunction with the audited financial statements for the year ended 31 December 2012. 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 December 2012.

Within the context of these financial statements, the Group comprises the Company and its subsidiaries, and the Group's interest in an associate and its joint ventures as at and for the quarter ended 31 March 2013.

Significant Accounting Policies

The financial information presented herein has been prepared in accordance with the accounting policies to be used in preparing the annual consolidated financial statements for 31 December 2013 under the Malaysian Financial Reporting Standards (MFRS) framework. These policies do not differ significantly from those used in the audited consolidated financial statements for 31 December 2012 except as described below.

As of 1 January 2013, the Group has adopted the following new and revised MFRSs, amendments and IC interpretations (collectively referred to as "pronouncements") which are effective for annual periods beginning on or after 1 January 2013.

MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (revised)
MFRS 127	Separate Financial Statements
MFRS 128	Investments in Associates and Joint Ventures
Amendments to MFRS 7	Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 11	Joint Arrangements: Transition Guidance
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Transition Guidance
Amendments to MFRS 101	Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 116	Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 132	Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)

PETRONAS Dagangan Berhad (88222-D)

A1 BASIS OF PREPARATION (cont.)

Significant Accounting Policies (cont.)

Amendments to MFRS 134	Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)
------------------------	--

The adoption of the above pronouncements does not have material impact on the financial statements of the Group.

A2 AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

There was no qualified audit report issued by the auditors in the annual financial statements for the year ended 31 December 2012.

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

There were no exceptional items during the current quarter under review.

A5 MATERIAL CHANGES IN ACCOUNTING ESTIMATES

There were no material changes in estimates of the amounts reported in the interim financial statements of the Group for the quarter ended 31 March 2013 that may have a material effect in the current quarter results.

A6 CAPITAL COMMITMENTS

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

	<u>31/03/2013</u>
	<u>RM'000</u>
Approved and contracted for	90,784
Approved but not contracted for	579,453
	<hr/>
	670,237
	<hr/> <hr/>

A7 DEBT AND EQUITY SECURITIES

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter ended 31 March 2013.

A8 DIVIDENDS PAID

There were no dividends paid during the period under review.

PETRONAS Dagangan Berhad (88222-D)

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.

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

There is no disclosure on geographical segment information as the result of the Group's operations outside of Malaysia is not material during the period under review.

PETRONAS Dagangan Berhad (88222-D)

Results for 3 months period ended 31 March

Reportable Segments	Retail		Commercial		Others		Elimination		Group	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Revenue	3,381,726	3,211,591	4,140,486	3,662,403	183,860	12,387	(87,100)	(33,626)	7,618,972	6,852,755
=====										
Operating expenditures:										
Depreciation and amortisation	53,493	62,701	10,167	10,590	4,075	397	-	-	67,735	73,688
Finance costs	4,762	4,413	1,218	1,070	246	-	-	-	6,226	5,483
Profit before taxation for reportable segments	164,330	216,462	108,164	78,227	2,608	5,945	(422)	2	274,680	300,636
Other income	45,048	29,642	3,388	-	2,691	9,098	-	-	51,127	38,740
Share of profit after tax of associates and jointly controlled entities									1,162	310
Profit before taxation									326,969	339,686

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 SUBSEQUENT EVENTS

In the opinion of the Directors, there were no transactions or events of a material or unusual nature that had occurred between 31 March 2013 and the date of this announcement.

A12 CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the period under review.

A13 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no material contingent liabilities and contingent assets.

A14 RELATED PARTY TRANSACTIONS

There were no significant transactions with related party in addition to the related party transactions disclosed in the audited financial statements for the year ended 31 December 2012.

PETRONAS Dagangan Berhad (88222-D)
Additional information required by the Bursa Malaysia Listing Requirements

B1 REVIEW OF PERFORMANCE

a) Performance of the current quarter against the corresponding quarter

The Group's revenue for the quarter ended 31 March 2013 was RM7,619.0 million, an increase of RM766.2 million over the results of the corresponding quarter last year mainly as a result of an increase in sales volume by 12.3%.

The group's profit before taxation for the quarter was RM327.0 million, a decrease of RM12.7 million compared to the corresponding quarter last year due to lower gross profit by RM45.6 million arising from a decrease in Mean of Platts Singapore ("MOPS") prices during the quarter which resulted in lower margin despite higher volume achieved. This was offset by lower operating expenditure by RM19.6 million and higher other income by RM12.4 million.

Revenue Performance of Main Segments

	Individual Quarter Current Quarter <u>31/03/2013</u>	Preceding Year Corresponding Period <u>31/03/2012</u>
Revenue of:	RM'Mill	RM'Mill
Retail	3,381.7	3,211.6
Commercial	4,140.5	3,662.4

Retail Segment

An overall net increase in revenue of RM170.1 million was mainly due to the increase in volume by 109.0 million litres contributed by:

- i. Diesel by 68.2 million litres resulting in additional revenue contribution of RM118.5 million; and
- ii. Mogas by 29.8 million litres resulting in additional revenue contribution of RM48.7 million.

Commercial Segment

An overall net increase in revenue of RM478.1 million which was mainly due to increase in volume by 273.6 million litres contributed by:

- i. Fuel Oil by 175.7 million litres resulting in higher revenue contribution of RM294.6 million; and
- ii. Aviation by 126.7 million litres resulting in a higher revenue contribution by RM311.1 million.

This was offset by lower diesel and bitumen volume by 40.9 million litres and 18.1 million litres respectively. This resulted in lower revenue contribution of RM166.0 million.

PETRONAS Dagangan Berhad (88222-D)

B2 VARIATION OF RESULTS AGAINST PRECEDING QUARTER

The Group's revenue for the current quarter was RM7,619.0 million, a decrease of RM69.0 million from the results of the preceding quarter. The decrease in revenue was as a result of slightly lower sales volume by 0.4%.

The group's profit before taxation was RM327.0 million, an increase of RM76.2 million compared to the preceding quarter mainly due to higher gross profit of RM61.0 million coupled with lower operating expenditure by RM20.0 million.

B3 CURRENT YEAR PROSPECTS (2013)

The Directors are of the opinion that market demand conditions remain challenging due to continued uncertainties in the global economy. However, PDB will continue to defend its overall market leadership through strategic marketing efforts and initiatives. Efforts to improve margins will be pursued through cost optimization via efficient supply chain and distribution, coupled with other operational efficiency initiatives. The profits may be impacted by fluctuations in international oil price, petroleum product costing and global economy.

Retail Segment

Retail Segment is expected to maintain its margin contribution, mainly from sales of subsidised petroleum products, as the management does not foresee any significant changes to the current petroleum subsidy structure. In addition, the Retail segment shall leverage on its extensive station network, innovative product and services, as well as differentiated offerings, to have a positive impact on customer demand and satisfaction.

Commercial Segment

Commercial Segment is expected to maintain its performance and large customer base despite the expected slowdown in global economy and intense domestic competition. Its current product mix allows it to optimize opportunities arising from oil price volatility. Demand for product is expected to be positive in tandem with the increase in government and private sector spending on infrastructure projects. In addition, Commercial segment will also leverage on its superior logistics and leadership position to defend and strengthen its market leadership with personalized services and differentiated offerings.

B4 PROFIT FORECAST

There was no profit forecast issued for the financial period.

PETRONAS Dagangan Berhad (88222-D)

B5 TAX EXPENSE

Taxation comprises the following:

	First Quarter Current Year <u>31/03/2013</u> RM'000
<u>Income Tax:</u>	
Current Quarter / Year-to-date	87,953
<u>Deferred Taxation:</u>	
Current Quarter / Year-to-date	(356)
	<u>87,597</u>

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

B6 STATUS OF CORPORATE PROPOSALS ANNOUNCED

There were no corporate proposals announced as at the date of this report.

B7 BORROWINGS

Particulars of the Group's borrowing as at 31 March 2013 is as follows:

	<u>31/03/2013</u> RM'000	<u>31/03/2012</u> RM'000
Non Current - Unsecured	119,433	82,315
Non Current - Secured	34,043	-
Current - Unsecured	394,354	400,000

B8 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.

As at 31 March 2013, there were no outstanding forward foreign currency contracts.

B9 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.

B10 MATERIAL LITIGATION

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

PETRONAS Dagangan Berhad (88222-D)

B11 DIVIDENDS

The Board has declared an interim dividend of 17.5 sen per ordinary shares less tax at 25% for three months ended 31 March 2013 amounting to RM130,390,837.50 payable on 9 July 2013 (2012: an interim dividend of 17.5 sen per ordinary shares less tax at 25% amounting to RM130,390,837.50).

NOTICE IS HEREBY GIVEN that the Interim Dividend of 17.5 sen less tax at 25% will be payable on 9 July 2013 to depositors registered in the Records of Depositors at the close of the business on 12 June 2013. A depositor shall qualify for entitlement to the dividends only in respect of:-

- a) Shares transferred into Depositors' Securities Account before 4 pm on 12 June 2013 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.

B12 BASIC EARNINGS PER SHARE

Basic earnings per share is derived based on the profit attributable to shareholders of the Group and based on the number of ordinary shares outstanding as at 31 March 2013.

	First Quarter Current Year	
	<u>31/03/2013</u>	<u>31/03/2012</u>
Profit attributable to shareholders of the Group (RM'000)	237,097	246,211
Number of ordinary shares ('000)	993,454	993,454
Earnings per ordinary share (sen)	23.9	24.8

B13 REALISED AND UNREALISED PROFIT/LOSSES

The breakdown of the retained earnings of the Group as at 31 March 2013 into realised and unrealised profits is as follows:

	Group	
	<u>31/03/2013</u>	<u>31/03/2012</u>
	RM'000	RM'000
Total retained profits		
- realised	4,009,447	4,114,418
- unrealised	129,123	(153,828)
	<u>4,138,570</u>	<u>3,960,590</u>
Total retained profit of associates attributable to the Group		
- realised	(6,399)	3,883
- unrealised	132	(3)
Less: Consolidation adjustments	(36,635)	(44,576)
Total retained profits	<u><u>4,095,668</u></u>	<u><u>3,919,894</u></u>

PETRONAS Dagangan Berhad (88222-D)

B14 PROFIT FOR THE PERIOD

	Quarter ended 31/3/2013 RM'000	Quarter ended 31/3/2012 RM'000
Profit for the period is arrived at after charging:		
Depreciation and amortization of property, plant and equipment	67,735	64,908
Property, plant and equipment written off	10	-
Interest on revolving credit and term loan	5,832	4,594
Impairment loss:		
- Trade receivables	-	9,009
Net foreign exchange loss	-	8,587
Trade Receivables written off	-	124
and after crediting:		
Gain on forward contract	-	3,613
Interest income from deposits	7,213	4,982
Net gain on foreign exchange	522	-
Gain on disposal of property, plant and equipment	1,198	-
Reversal of impairment loss		
- Trade receivables	2,781	15

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

BY ORDER OF THE BOARD

Nur Ashikin Khalid (LS 0008025)
Yeap Kok Leong (MAICSA 0862549)
Joint Secretaries
Kuala Lumpur
23 May 2013