



growing **presence**

## Growing Presence

The cover reflects PETRONAS Dagangan Berhad's strong stable of quality products that have helped propel the Company to its market leadership position today. Be it in commercial or retail sectors, our goal is to bring maximum satisfaction to customers through quality products and services, as well as continuous improvement in the way we operate. We aim to grow our presence in the country and firmly place our brands in the hearts and minds of even more Malaysians.

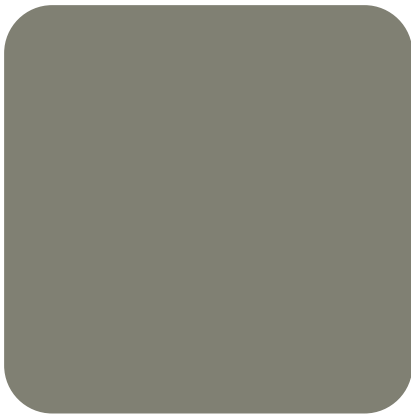
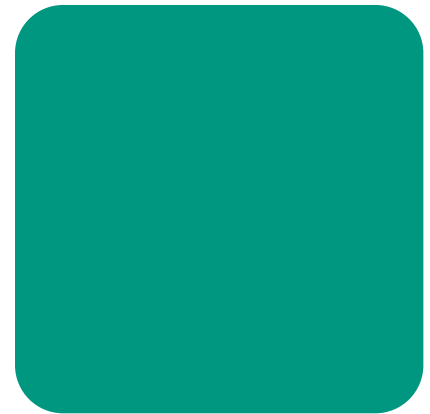


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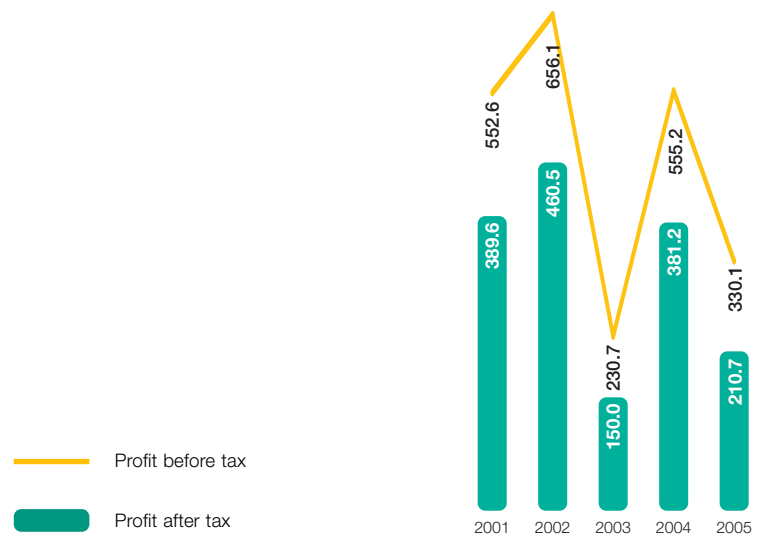
2005



# Five Year Financial

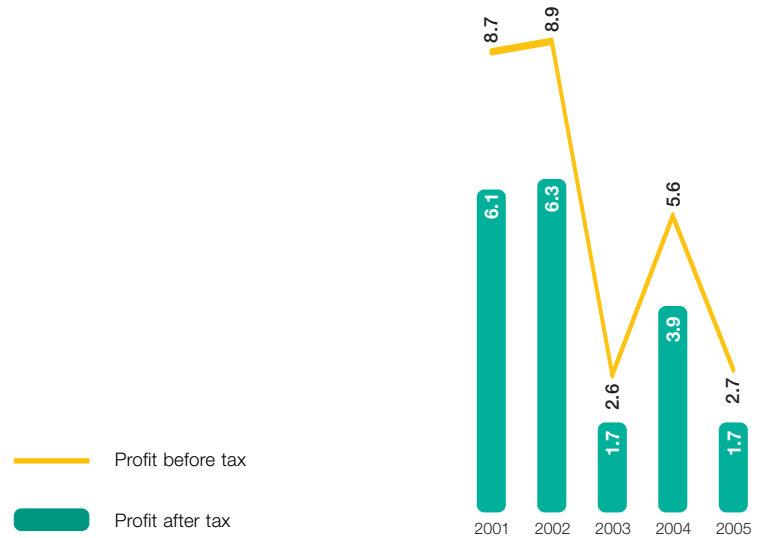
## Profit

RM million



## Profit as % of Revenue

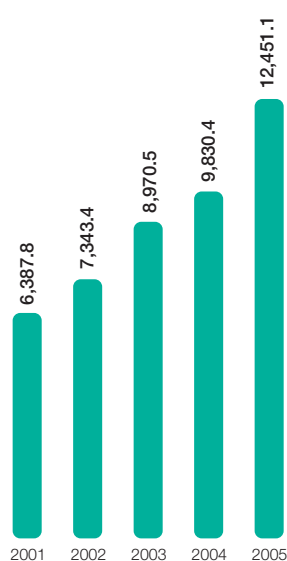
Percent



# Highlights

## Revenue

RM million



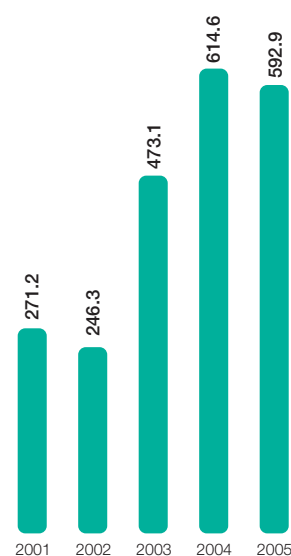
## Shareholders' Funds

RM million



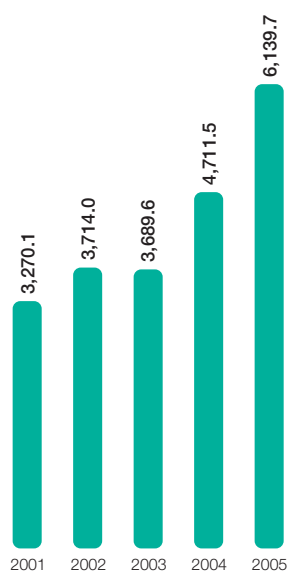
## Capital Expenditure

RM million



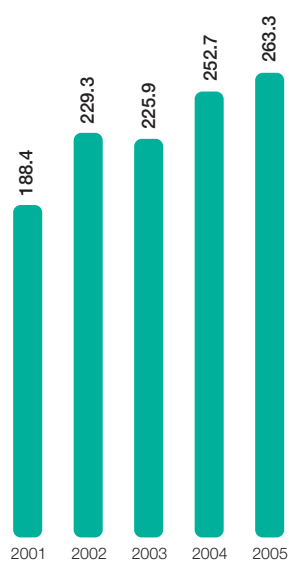
## Total Assets

RM million



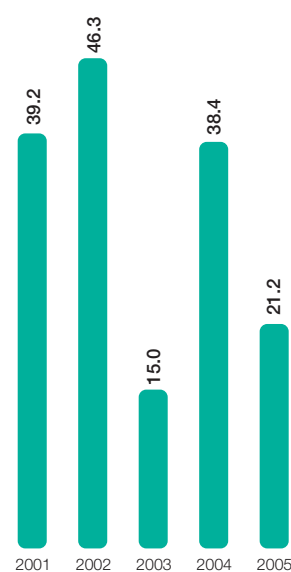
## Net Tangible Assets per share

Sen



## Earnings per share

Sen



Note: The Net Tangible Assets per share and Earnings per share for the comparative periods are based on the enlarged share capital restated for the effect of the bonus issue in the current financial year.

# Corporate Profile



The Company is the principal domestic marketing arm of Petroliaam Nasional Bhd (PETRONAS), the national oil company, which holds 69.86% of its equity. The Company markets a wide range of high quality petroleum products including motor gasoline, aviation fuel, kerosene, diesel, fuel oil, bunker fuel, lubricants, liquefied petroleum gas (LPG) and asphalt in Malaysia.





The market for petroleum products is highly competitive, with major multinational corporations competing for sales of fuels to consumers which include motorists, households, airlines, shipping lines, transporters, plantations, processing and manufacturing plants, power stations and commercial enterprises. The Company's products have enjoyed high market acceptance and customer confidence, as evidenced by its rapid sales growth over the years. The Company markets its products throughout the country, directly to customers as well as through its network of service stations, LPG dealers and industrial dealers. Its marketing activities are well supported by a comprehensive logistics and distribution system consisting of bulk depots, aviation depots, bunkering facilities and LPG bottling plants, all strategically located to ensure a reliable supply of products at all times.

The Company has a sophisticated Customer Service Centre to serve its customers better.

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# Financial Calendar

2003/2004 Final Dividend Paid	23 August 2004
First Quarter Results	26 August 2004
Second Quarter Results	8 November 2004
2004/2005 Interim Dividend Paid	20 December 2004
Extraordinary General Meeting	17 January 2005
Third Quarter Results	24 February 2005
Issuance of Bonus Shares	15 March 2005
Financial Year End	31 March 2005
Fourth Quarter and Financial Year Results	31 May 2005
Issue of 2005 Annual Report	1 July 2005
Twenty-Third Annual General Meeting	27 July 2005
Proposed Date for Payment of 2004/2005 Final Dividend	9 September 2005

# Corporate Information

## Directors

Tan Sri Dato Sri Mohd Hassan bin Marican  
(Chairman)

Ibrahim bin Marsidi

Dato' Chew Kong Seng

Datuk Ishak bin Imam Abas

Dr. R. Thillainathan

Datuk Anuar bin Ahmad

Dato' Kamaruddin bin Mohd Jamal

Ainon Marziah bt Wahi

## Board Audit Committee

Dato' Chew Kong Seng (Chairman)

Dr. R.Thillainathan

Datuk Ishak bin Imam Abas

## Company Secretaries

Noor Lily Zuriati bt Abdullah

Yeap Kok Leong

## Registrar

Symphony Share Registrars Sdn. Bhd.  
(formerly known as Malaysian Share Registration  
Services Sdn. Bhd.)

Level 26, Menara Multi Purpose  
Capital Square  
No. 8 Jalan Munshi Abdullah  
50100 Kuala Lumpur  
Tel : (03) 2721 2222  
Fax : (03) 2721 2530 / 2721 2531

## Registered Address

Tower 1  
PETRONAS Twin Towers  
Kuala Lumpur City Centre  
50088 Kuala Lumpur  
Tel : (03) 2051 5000  
Fax : (03) 2026 5505

## Business Address

Level 30-33, Tower 1  
PETRONAS Twin Towers  
Kuala Lumpur City Centre  
50088 Kuala Lumpur  
Tel : (03) 2051 5000  
Fax : (03) 2026 5505

## Bankers

Bumiputra-Commerce Bank Berhad  
Malayan Banking Berhad

## Stock Exchange Listing

Bursa Malaysia Securities Berhad  
Main Board

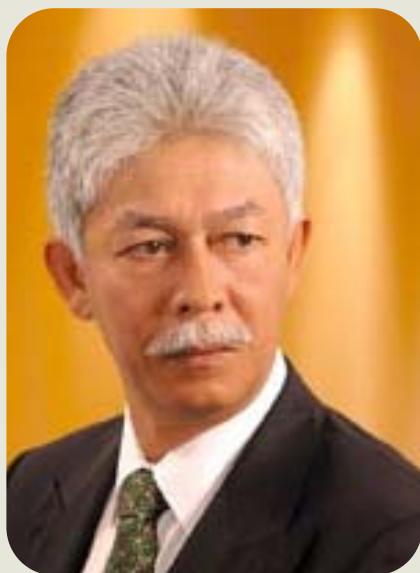
## Auditors

KPMG Desa Megat & Co.

## Principal Solicitors

Zul Rafique & Partners

# Board of



# Directors



From left to right

First row

Tan Sri Dato Sri Mohd Hassan  
bin Marican  
(Chairman)

Ibrahim bin Marsidi

Dato' Chew Kong Seng

Datuk Ishak bin Imam Abas

Second row

Dr. R. Thillainathan

Datuk Anuar bin Ahmad

Dato' Kamaruddin bin Mohd Jamal

Ainon Marziah bt Wahi

Yeap Kok Leong

(Company Secretary)

Noor Lily Zuriati bt Abdullah

(Company Secretary)





# Profile of Directors

**Tan Sri Dato Sri Mohd Hassan bin Marican**, a Malaysian aged 52, was appointed as Chairman of PETRONAS Dagangan Berhad on 29 March 1995. A Fellow of the Institute of Chartered Accountants in England and Wales, as well as a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants, he joined PETRONAS in 1989 as Senior Vice President of Finance and was appointed President and Chief Executive Officer of PETRONAS in February 1995.

Tan Sri Dato Sri Mohd Hassan is a member of the PETRONAS Board of Directors and apart from PETRONAS Dagangan Berhad, he is the Chairman of two other public listed companies under the PETRONAS Group, namely PETRONAS Gas Berhad and Malaysia International Shipping Corporation Berhad. He is also the Chairman of Engen Limited, South Africa's leading oil refining and marketing company, a subsidiary of PETRONAS.

Beyond PETRONAS, Tan Sri Dato Sri Mohd Hassan is a board member of Bank Negara Malaysia and a member of the board of Malaysia-Thailand Joint Authority, which oversees petroleum development in the overlapping area between Malaysia and Thailand. He is also a member of the International Investment Council for the Republic of South Africa.

Tan Sri Dato Sri Mohd Hassan is an Energy Governor for the World Economic Forum (WEF) as well as a member of the WEF's International Business Council and Council of 100 Leaders. He is also a member of the Commonwealth Business Council.

Tan Sri Dato Sri Mohd Hassan has attended four (4) Board meetings in this financial year.

**Dato' Chew Kong Seng**, a Malaysian aged 67, is an Independent Non-Executive Director and the Chairman of the Board Audit Committee. He is a Fellow of the Institute of Chartered Accountants in England and Wales as well as a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants. His career started off as a tax officer in the United Kingdom with the Inland Revenue Department and Stoy Hayward & Co. from 1964 to 1970. He returned to Malaysia to join Turquand, Young & Co. (now known as Ernst & Young) and subsequently transferred to Sarawak office in 1973, first as Manager-in-Charge and later as Partner-in-Charge. He was appointed as the Managing Partner of Ernst & Young in 1990 until he retired from professional practice in 1996.

His experience covers a wide variety of industries including banking and financial institutions, utilities timber based manufacturing, trading and foreign investment. He is an Executive Director of Sarawak Enterprise Corporation Berhad. He is also an Independent Non-Executive Director and member of the Board Audit Committee of four (4) other public listed companies namely PETRONAS Gas Berhad, Industrial Concrete Products Berhad, Aeon Co. (M) Bhd (formerly known as Jaya Jusco Stores Berhad) and PBA Holding Berhad. He also acts as an Independent Director and holds Audit Committee positions in several other public limited companies.

He was appointed to the Board on 25 March 1994 and attended four (4) Board meetings in this financial year.

**Datuk Ishak bin Imam Abas**, a Malaysian aged 59, is a Non-Independent Non-Executive Director. He is a Fellow Member of the Chartered Institute of Management Accountants, United Kingdom and a Member of the Malaysian Institute of Accountants. Prior to joining PETRONAS he had worked, among others, as Finance Director of Pfizer (M) Sdn. Bhd., Bursar of the National University of Malaysia, Finance Director of Western Digital (M) Sdn. Bhd. and an Accountant in Pernas.

He joined PETRONAS in 1981 and has held various senior positions including Deputy General Manager Commercial of PETRONAS Dagangan Sdn. Bhd. (now known as PETRONAS Dagangan Berhad), Senior General Manager Finance, PETRONAS and currently is the Senior Vice-President, PETRONAS as well as Group Chief Executive Officer of KLCC Berhad. He is a member of the PETRONAS' Board and also a Board member of several other companies within the PETRONAS Group.

He was appointed to the Board on 20 May 1995 and attended three (3) Board meetings in this financial year.

**Datuk Anuar bin Ahmad**, a Malaysian aged 51 is a Non-Independent Non-Executive Director. He holds a Bachelor of Science Degree (Econs) from the London School of Economics & Political Science, University of London and had attended Harvard Business School's Advanced Management Programme (AMP), USA.

He joined PETRONAS in 1977 and is currently the Vice President, Oil Business, PETRONAS. Before his appointment to this position, he held various senior managerial positions in International Marketing Division, Corporate Planning Unit, PETRONAS Trading Corporation Sdn Bhd and PETRONAS Dagangan Berhad. He has been a member of PETRONAS' Management Committee since July 1998 and was appointed as a PETRONAS Board member in October 2002. He also sits on the Board of several other companies within the PETRONAS Group.

He was appointed to the Board on 20 May 1995 and attended four (4) Board meetings in this financial year.

**Dato' Kamaruddin bin Mohd Jamal**, a Malaysian aged 62, is an Independent Non-Executive Director. He had attended the British Royal Military College of Science and British Command and Staff College. He holds an MBA from the School of Business Management of the Cranfield Institute of Technology, United Kingdom. He had also attended the Advance Management Program at the IMD, Lousanne, Switzerland.

He was commissioned into the Malaysian Army in 1962 and left the service in 1974 after he had served in various command and staff positions for 12 years. He then joined Esso Production Malaysia Inc. in 1975 and held various management positions in both upstream and downstream sectors. He was an Assistant to the Chairman for two years before he was appointed HR Director for the Esso Companies in Malaysia on 1 January 1987. He remained in this position until he elected to retire in December 2001.

He was appointed to the Board on 1 March 2002 and attended four (4) Board meetings in this financial year.

*None of the Directors has:*

*Any family relationship with any Director and/or major shareholder.*

*Any conflict of interest with the Company.*

*Any conviction for offences within the past 10 years other than traffic offences.  
(All of the Directors are members of Nomination and Remuneration Committee).*

**Dr. R. Thillainathan**, a Malaysian aged 60, is an Independent Non-Executive Director. He holds a Class 1 Honours in Bachelor of Arts (Economics), University of Malaya (1968) and obtained his Masters and PhD in Economics from the London School of Economics. He is also a Fellow of the Institute of Bankers, Malaysia.

He is currently the Executive Director and Chief Operating Officer for Genting Berhad, a public listed company. He is also on the Board of Bursa Malaysia Berhad. Dr. R. Thillainathan has extensive years of experience in finance and banking and is or has been actively involved in numerous professional and national bodies. He is also the Immediate Past President of the Malaysian Economic Association.

He was appointed to the Board on 24 March 1994 and attended four (4) Board meetings in this financial year.

**Ainon Marziah bt Wahi**, a Malaysian aged 54, is a Non-Independent Non-Executive Director. She holds a Bachelor of Arts (Hons) Anthropology & Sociology, University of Malaya and obtained her Master of Science (Industrial Relations) from University of Strathclyde, United Kingdom.

She joined PETRONAS in 1979 and is currently the Vice President, Human Resources Management Division, PETRONAS. Prior to assuming this position, she has held various senior positions in Human Resources Management Division, PETRONAS. She is also a Board member of several other companies within the PETRONAS Group.

She was appointed to the Board on 1 October 2002 and attended four (4) Board meetings in this financial year.

**Ibrahim bin Marsidi**, a Malaysian aged 53, is the Managing Director and Chief Executive Officer of PETRONAS Dagangan Berhad. He holds a Bachelor of Econs. (Analytical) (Hons), University of Malaya. He joined PETRONAS in 1979 and since then has held various senior managerial positions in PETRONAS.

Prior to his appointment as Managing Director and Chief Executive Officer of the Company on 1 October 2002, he was the Senior Manager of Eastern Region and Northern Region, General Manager of LPG Business and Retail Business in PETRONAS Dagangan Berhad, and General Manager of Crude Oil Group, PETRONAS. He is also a Board member of other affiliated companies.

He has attended four (4) Board meetings in this financial year.



# Management

**Ibrahim bin Marsidi**

Managing Director /  
Chief Executive Officer

**Amyl Mohamed bin Hussain**

General Manager  
Retail Business Division

**Rahiman bin Hashim**

General Manager  
Commercial Business Division

**Ikhlas bin Abdul Rahman**

General Manager  
LPG Business Division

**Che Noran bt Mohd Jelas**

General Manager  
Finance Services Division

**Mohd Nasir bin Ismail**

General Manager  
Supply & Distribution Division

**Baharin bin Raoh**

General Manager  
Lube Business Division

**Raja Abd Halim bin Raja Abd Razak**

Senior Manager  
Planning Department

**Fadzilan bin Mohd Daud**

Senior Manager  
Human Resource Management &  
Administration Services Department

**Ir. Yee Gim Kong**

Senior Manager  
HSE & Risk Management Department

**Mohammad Izani bin Ashari**

Senior Manager  
Brand Department

**Noor Lily Zuriati bt Abdullah**

Company Secretary /  
Senior Legal Counsel

# Committee



seated, from left to right

**Che Noran bt Mohd Jelas, Ibrahim bin Marsidi and Aryn Mohamed bin Hussain**

standing, from left to right

**Fadzilan bin Mohd Daud, Mohd Nasir bin Ismail and Rahiman bin Hashim**



seated, from left to right

**Noor Lily Zuriati bt Abdullah, Raja Abd Halim bin Raja Abd Razak,  
Baharin bin Raoh and Ikhlas bin Abdul Rahman**

standing, from left to right

**Ir. Yee Gim Kong and Mohammad Izani bin Ashari**

# Performance Review

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The Company has maintained its leadership position as the largest petroleum products marketer in the country, improving its market share from 38.9% last year to 40%.

# Chairman's Statement



On behalf of the Board of Directors, it is my pleasure to present the Annual Report of PETRONAS Dagangan Berhad (the Company) for the Financial Year ended 31 March 2005.

The year under review has been a challenging one for the Company as it faced intensified competition and higher acquisition cost of petroleum products. Despite these tough challenges, the Company managed to achieve a satisfactory performance, recording a 27% increase in revenue from RM9,830 million to RM12,451 million on the back of higher sales volume and selling price. Persistently strong crude prices, however, have resulted in a proportionately higher acquisition cost of petroleum products and this in turn has affected the Company's profitability. As a result, the Company's profit before tax decreased by 41% from RM555 million to RM330 million. Earnings per share fell from 76.7 sen last year to 21.2 sen per share.

During the year, the Company declared a one for one bonus issue to reward its loyal shareholders. The exercise was completed on 15 March 2005, increasing the share capital of the Company to 993,454,000 ordinary shares of RM1.00 each.

The Board of Directors is recommending a final dividend of 10 sen less 28% tax per share. Together with the interim dividend of 5 sen less 28% tax per share paid on 20 December 2004, the total dividend for the Financial Year amounts to 15 sen less 28% tax per share.

The Company continued with its expansion programme to strengthen its position and sustain growth. Despite intense competition, the Company has maintained its leadership position as the largest petroleum products marketer in the country, improving its market share from 38.9% last year to 40%.

In the retail business, the Company has successfully increased its market share from 26.7% last year to 30.0%. A total of 48 new stations were brought into operation during the year, increasing the total number of stations in operation to 729 as at 31 March 2005. Another 29 stations have been completed and will be operational soon, further augmenting our domestic retail network. During the period, we have upgraded all our service stations with the facility to accept chip-based credit cards with enhanced security features at the pumps, providing greater peace of mind and added convenience to our customers, making us the first oil company in Malaysia to offer such facilities.

In the commercial business sector, the Company increased its market share from 53.3% to 58.7% this year, successfully maintaining its dominant position as market leader across nearly all product categories in this sector.

## Chairman's Statement



Our Liquefied Petroleum Gas (LPG) business recorded sales growth of 2% with sales volume exceeding one billion litres for the first time ever during the year in review. 'GAS PETRONAS' increased its market share from 42.5% to 43.7%.

In the lubricant business, the Company continued to benefit from its visible and aggressive marketing campaigns to increase its market share from 12.3% to 14.0% during the year. To sustain this growth, the Company is stepping up its brand promotion activities, with new campaigns and emphasis on quality after-sales service.

We have also expanded our supply and logistics facilities to keep up with the pace of our business growth, with two additional storage facilities at Prai. We have also re-commissioned our mogas facilities at Pasir Gudang and rationalised the Sepang Bay storage

tanks. Today, the Company is the owner of one of the most extensive and modern supply and logistics networks in the country.

As a responsible corporate citizen, the Company is committed and continues to implement high standards of Health, Safety and Environment (HSE) management practices. Various HSE exercises, drills, seminars and educational programmes were conducted throughout the year as part of our ongoing HSE improvement process. We have also conducted rigorous testing on our emergency response procedures to ensure readiness to cope with any eventuality.

We continue to emphasise on quality as we strive to achieve organisational excellence. The Company has successfully cultivated a quality culture at the workplace and this is clearly evident in our day-to-day operations

and in the way we deal with our customers. A Quality Improvement Team from our subsidiary, Kuala Lumpur Aviation Fuelling System, was named the overall winner of Quality Circle for Year 2004 organised by the National Productivity Corporation.

The Company firmly believes that the development of human capital is key to attaining superior business performance. For us to position ourselves as the leading and trusted retailer in the country, we are ensuring that we have in place the right people with the right capabilities to steer the Company to greater heights through a comprehensive merit-based performance management system that promotes work excellence among our employees. We will continue to invest in development and training programmes to further enhance our employees' skills and competencies.



We will intensify our branding efforts as we look to attract new customers while retaining our existing ones.

Branding plays an important role in our line of business, especially in a challenging market scenario with increasingly discerning consumers. While we have been fairly successful in establishing a recognised brand name, more can and will be done in this area. We will intensify our branding efforts as we look to attract new customers while retaining our existing ones. We will strive to meet our customers' expectations, and ensure that our brand is automatically associated with quality products and services.


The Company believes in fostering a close relationship with the local communities in areas where we operate. Our participation in various community programmes, organised by our dealers at their respective locations throughout the year, has helped promote good rapport with local residents

and customers. Such activities are very much in line with our philosophy of sharing our success with the community.

Looking ahead, the projected sustained growth of the Malaysian economy presents good opportunities for the Company to further expand its business and reinforce its market leadership position. We believe that the Company, through carefully planned expansion strategy and branding efforts, is well poised to realise these opportunities and successfully tackle the challenges in the increasingly competitive environment.

On behalf of the Board of Directors, I would like to thank all our customers and dealers for their continued patronage and loyalty to the Company. I would also like to extend our deepest appreciation to the Government of Malaysia and its relevant agencies for their continued support and guidance.

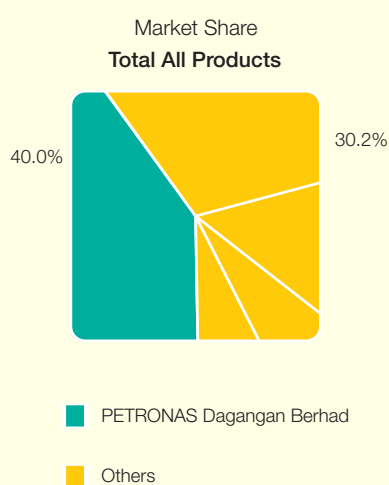
The Company's performance would not have been possible without the contribution of the staff and Management. I would like to thank each and every one of them for their dedication and commitment. Finally, I would like to thank the Members of the Board of Directors for their guidance, support and cooperation.



**Tan Sri Dato Sri Mohd Hassan bin Marican**

Chairman

# CEO's Report



PETRONAS Dagangan Berhad (the Company) recorded a commendable performance for the financial year ended 31 March 2005 despite a challenging business environment.

## Financial Performance

During the year under review, the Company achieved a revenue of RM12,451 million, an increase of 27% from RM9,830 million in the previous year. The growth is attributed to the higher sales volume and higher product prices.

Unfortunately, higher product costs resulting from a surge in international crude oil prices caused a reduction in gross margins and Group profit before tax decreased by 41% to RM330 million from RM555 million in the previous year. After providing for corporate tax, Group net profit amounted to RM211 million, a decrease of 45% from the previous year.

The Company's financial position nevertheless remained healthy with a strong balance sheet. As at 31 March 2005, the Company's total assets stood at RM6,140 million, mainly funded by shareholders funds except for a RM15 million long-term debt borrowed by our subsidiary Kuala Lumpur Aviation Fuelling System (KAFs). To support business growth, the Company spent a total of RM629 million during the year as capital expenditure, financed by internally generated funds.

## Business Performance

During the year under review, the Company strengthened its market leadership position and widened the gap against our closest competitor. Total sales volume during the year grew by six (6) percent to 11.7 billion litres, outpacing the market growth. Overall market share improved to 40% from 38.9% in the previous year.



The Company strengthened its market leadership and widened the gap against our closest competitor.

## CEO's Report

The **Commercial Business** remained as the biggest contributor to the Company's sales, accounting for 47% of total sales volume. In terms of profitability, it accounted for about a quarter of the Company's gross profit. The Commercial Business continued to dominate the market and had firmly entrenched the Company as the market leader especially in diesel and jet fuel sales. In the aviation sector, the Company successfully concluded supply arrangements with several new airlines calling at KLIA, in addition to increased sales to existing customers.

To compensate fuel oil sales decline resulting from customers switching to natural gas, the Company was aggressive in its sales of asphalt and bunker fuels.

The **Retail Business** continued to be the focus of the Company's business expansion. Some 80% of the Company's capital expenditure was channeled into this sector, which saw a total of 77 new stations built during the year. Out of these, 48 stations have already begun

operations while another 29 are still waiting for regulatory approvals prior to commencement of business. The total number of PETRONAS service stations operating nationwide as at March 2005 is 729.

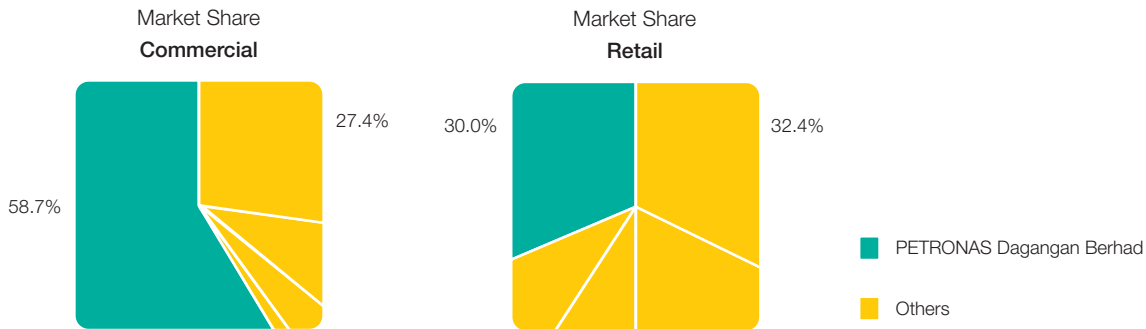
The retail business accounted for about 44% of the Company's total sales volume and about 57% of the Company's gross margin. Its contribution to the Company's sales volume and profitability in the coming years is expected to grow further in tandem with the planned network expansion.

The Company has been successful in attracting new customers and at the same time maintaining the loyalty of existing customers through various initiatives undertaken during the year. Such initiatives include an aggressive media campaign for the high quality PRIMAX petrol and the hugely successful Kad Mesra "I Wish" Contest. In August 2004, we became the first company in the country to introduce a "3-in-1" service station concept. This station in Kota Damansara, Selangor offers a

convenience store, an A&W family restaurant and a Maybank branch in addition to the forecourt services. In the area of Health, Safety and Environment (HSE), the Company hosted the State-level "Safety at Petrol Stations" campaign in Sabah. This campaign was launched in June 2004 by the Minister of Domestic Trade and Consumer Affairs and participated by other oil companies.

In line with the banking industry's move towards chip-based credit card usage, we undertook the necessary steps to ensure that our stations were ready to accept chip-based credit cards by 1 January 2005. This capability is part of our goal in providing convenience and peace of mind to our customers when using their credit cards to make purchases at Petronas stations. The Company always believes that excellent customer service is vital in ensuring customer loyalty. Recognising this, the Company continuously and relentlessly train and coach the dealers and employees to upgrade their customer





service capabilities. Where and when necessary, motivational support are also provided.

The **LPG Business** had also performed well despite a decline in demand from the industrial sector following the increased switching to natural gas usage. With sales volume registering an increase of two (2) percent against the previous period, this business segment managed to sustain its position as the market leader at 43.7% market share. For the first time ever sales volume breached the one billion-litre mark. As always, the stockists and dealers play an important role in ensuring the success of LPG business. To further enhance their capabilities, the Company continuously provides them with various development trainings as well as HSE awareness programmes.

In the **Lubricant Business**, the Company registered a commendable performance. With a 10% sales growth compared to the previous year, which is higher than the market growth, our market share increased to a respectable 14.0%. The

growth was buoyed by the introduction of superior quality products and aggressive sales promotion, besides continuous brand-enhancement efforts and reliable after-sales service. Our lubricants, particularly the SYNTIUM range, are now widely accepted by vehicle owners nationwide including the discerning luxury car owners.

The Lubricant Business Division successfully secured business partnerships with major customers such as Perodua and Naza Kia. It has also undertaken similar collaboration with Proton Edar Sdn Bhd.

The Company also continued to sponsor major motor sports events such as the PETRONAS Malaysian Formula 1 Grand Prix and PETRONAS Sprinta AAM Malaysian Cup Prix Championship. These sponsorships, which are jointly undertaken with our parent company, PETRONAS had helped us tremendously in establishing an even stronger brand image and at the same time provided us with an avenue to test Petronas lubricants.

### Supply and Logistics

The Company is well aware that an effective and efficient supply and logistics infrastructure is vital to support the growing business. In order to support future requirements, the Company has embarked on an extensive logistics capacity enhancement programme, which includes the construction of additional storage tanks at Langkawi and Prai depots, recommissioning of mogas facilities at Pasir Gudang depot and rationalisation of storage tanks at Sapangar Bay depot. Other initiative includes installation of new palletising plants at our bottling plants, purchase of new bowlers for our aviation depots, and implementation of Terminal Automation System at Kertih and Malacca tank truck loading rack. The Automated Road Tanker Scheduling System is also being implemented, not only to improve land transportation efficiency, but also to reduce costs and improve customer service.



## CEO's Report

During the year, the Company commissioned its Labuan Distribution Terminal (LDT), which now acts as the centre for diesel redistribution, not only to Labuan but also to other locations in Sabah and Sarawak. The establishment of LDT marks a significant milestone in the Company's effort to further strengthen its position in the East Malaysian market.

### Organisational Improvement

To realise our vision of becoming the Company of 1st Choice, the Company believes that organisational improvements must continue relentlessly.

Amongst others, the Company is committed to pursue continuous quality improvement. In line with this, our employees were encouraged to form Quality Improvement Teams and Corrective Action Teams to improve business processes and operations. We are proud to acknowledge that one of such teams, the KLIA Aviation Depot

Quality Improvement Team, emerged as the best overall winner in Malaysia's Quality Circle for Year 2004 held by the National Productivity Corporation in Kuala Lumpur recently.

In order to achieve operational excellence and sustain competitiveness, the Company will continue to enhance the competencies and capabilities of its human capital. We are currently conducting a manpower optimisation exercise to assess human capital requirements, as well as to ensure the placement of the right people in the key positions in the organisation.

To further accelerate our branding initiatives, the Company has also intensified the pace and frequency of our internal communications. Steps are currently being undertaken to improve our internal branding even further. We have begun an effort in developing a consistent corporate image that will be reflected in our new corporate identity, to be adopted throughout our entire operation and distribution channels.

### Staff Communication

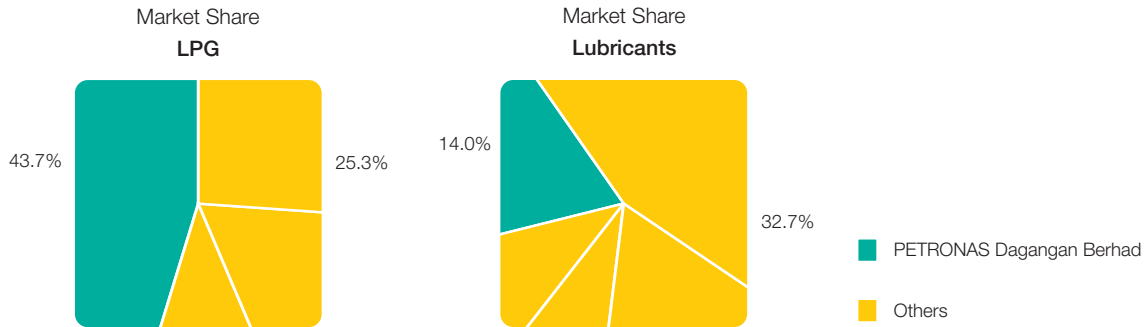
The Management realised the importance of open communication at all levels in the organisation. Quarterly Tea Talk sessions initiated by the Managing Director/CEO have been met with enthusiastic response from the staff. During such sessions, employees were updated on the Company's business and financial performance. They were also given insights on the Company's future plans and direction. Management Committee members contributed to this initiative by visiting regional offices and depots to encourage direct communication and to clarify issues with staff.

### Reaching Out to the Community

The Company continued to undertake various social programmes for the benefit of the local community, with the aim of creating lasting relationship and loyalty among customers. "Hari Mesra Pelanggan PETRONAS", which was carried out at selected PETRONAS







Service Stations all over the country, is a good example of such activities. The response by the public was overwhelming. In October 2004, the Company collaborated with Berita Harian in organising the hugely popular “Kad Mesra-Joran” fishing competition at Pantai Balok, Kuantan, which saw the participation of over 2,000 fishing enthusiasts. The Company is also proud to be associated with the PETRONAS-MABA (Malaysia Basketball Association) 3-on-3 Basketball Competition, which provide an excellent opportunity for the Company to reach out to a broader spectrum of Malaysia’s multi-racial community.

An Appreciation Night for key customers was also held as a gesture of appreciation for their firm and continuous support. The Company also organised visits to the PETRONAS Twin Towers and PETROSAINS for clients and customers, including their family members.

The Company’s Tabung Mesra Fund continues to sponsor “Streetsmart” reading corners in another 30 schools nationwide in support of the government’s effort to encourage the usage of English language. The Company also extended a helping hand to the tsunami victims in Penang and Kedah by giving donations in kind.

#### Appreciation

I would like to take this opportunity to thank all the staff for their resilience, dedication and loyalty to the Company. Our deepest gratitude also goes to all our valued customers, dealers and business partners for their confidence and continued support. I would also like to extend our heartfelt appreciation to the Government, its agencies and the local authorities for their kind assistance and cooperation as well as to our Board of Directors for their wise counsel and guidance.

**Ibrahim bin Marsidi**  
Chief Executive Officer





# Corporate Calendar



## **a 1 April 2004**

### **PETRONAS SPRINTA AAM Cub Prix 2004 Unveiled more Perks for Riders**

The new season of PETRONAS Sprinta AAM Malaysian Cub Prix Championship, which began on April 11 in Taiping, Perak saw new changes being introduced to ensure the continuity and growth of the sport. Among others, the motorbike's cubic capacity has been raised to 125cc from 110cc previously for the Expert Category, while two new race venues have been included, namely, Alor Setar and Kluang. This year's championship offered more than RM100,000 worth of prizes and had managed to attract about 240,000 spectators during the entire eight-round duration.

## **b 6 May 2004**

### **Presentation of Tabung Mesra Fund for Sekolah Kebangsaan Bandar Baru Bangi Selangor**

The Company handed over the first contribution from Dana Tabung Mesra PETRONAS to Sekolah Rendah Kebangsaan Bandar Baru Bangi in Selangor to set up a StreetSmart reading corner at the school library. The contribution was presented by the Company's Managing Director/CEO, Ibrahim bin Marsidi in the presence of senior officials from the Education Ministry. Tabung Mesra is part of a collaboration between PETRONAS and the Ministry of Education that is aimed at instilling a more stimulating learning environment for the students, especially at primary school level.

## **c 23 May 2004**

### **PETRONAS-MABA 3-on-3 Basketball Competition 2004 Kicked Off**

Following the previous year's success, PETRONAS together with the Malaysia Basketball Association (MABA) once again organised the PETRONAS-MABA 3-on-3 Basketball Competition which kicked off on 23 May 2004. The competition was held at five PETRONAS Service Stations in selected States with the aim of nurturing public interest in basketball, especially among the youths.

## **d 25 June 2004**

### **PETRONAS Dagangan Berhad Hosted State-Level "Safety Campaign at Petrol Stations" in Sabah**

The Company hosted the "Safety Campaign at Petrol Stations" for the state of Sabah. This campaign was the continuity of the safety campaign launched by the Ministry of Domestic and Consumer Trade Affairs with the collaboration of all petrol companies operating in Malaysia on October 2002.

## **e 21 July 2004**

### **PETRONAS Dagangan Berhad held Annual General Meeting**

The Company's 22nd Annual General Meeting was held at Equatorial Hotel, Kuala Lumpur.



#### **f 4 August 2004**

##### **Signing Ceremony between PETRONAS Dagangan Berhad and Proton Edar Sdn Bhd**

Signing Ceremony for Lubricant Supply Contract between the Company and Proton Edar Sdn Bhd was held at the Malaysian Petroleum Club (MPC).

#### **g 11 August 2004**

##### **Management Visit to Utusan Melayu (M) Bhd**

The Management of the Company paid a courtesy visit to Utusan Melayu (M) Bhd the publisher of Utusan Malaysia newspaper, at its head office in Jalan Chan Sow Lin, Kuala Lumpur.

#### **h 18 August 2004**

##### **Management Visit to TV3**

The Company's senior management paid a courtesy visit to TV3's head office in Sri Pentas, Bandar Utama.

#### **i 19 August 2004**

##### **PETRONAS Dagangan Berhad Introduced 3-in-1 PETRONAS Service Station in Kota Damansara Selangor**

For the first time in Malaysia, the Company introduced its "3-in-1" service station in Kota Damansara Selangor. The 3-in-1 station offers added facilities which include an A&W Restaurant and a Maybank branch.

#### **30 August 2004**

##### **PETRONAS Dagangan Berhad Handed Over "StreetSmart" Reading Corner to Seven Schools in Melaka**

The Company contributed StreetSmart reading corners worth more than RM200,000 to seven schools in Melaka. The seven schools are among the 100 schools nationwide identified to receive the StreetSmart reading corner courtesy of the PETRONAS Tabung Mesra Fund, under the StreetSmart reading corner project undertaken by the Company in cooperation with the Education Ministry.

#### **j 19 September 2004**

##### **Launch of New PRIMAX Campaign**

The Company unveiled the new PRIMAX campaign following the launch of the enhanced version of the motor gasoline into the market. With the tagline "Power Beyond Others", the campaign aims to portray a more robust and international image for the new fuel, as reflected in its TV commercial.

## Corporate Calendar



### **k 10 October 2004**

#### **Kad Mesra – Joran Fishing Competition**

The Company, in collaboration with Berita Harian, once again organized its hugely popular annual fishing competition, Kad Mesra – Joran. The fishing competition was held at Pantai Balok, Kuantan. The Kad Mesra – Joran Fishing Competition, open to Kad Mesra members as well as members of the public, again received tremendous response from participants vying for cash prizes of more than RM51,000.

### **l 14 October 2004**

#### **PETRONAS Dagangan Berhad and TV3 Unveiled the Sixth Season of “Jalan-Jalan Cari Makan”**

The Company and TV3 launched the sixth season of “Jalan-Jalan Cari Makan”, a popular show featuring local eateries with unique ambience and great food. The Company – via Gas PETRONAS, Malaysia’s leading brand of LPG cooking gas – is the series’ main sponsor.

### **m 4 November 2004**

#### **PETRONAS Dagangan Berhad’s “Coffee Break” Safety Campaign in Conjunction with Deepavali and Hari Raya Aidilfitri Entered its Fifth Year**

The Company launched its annual “Coffee Break” safety campaign in conjunction with Deepavali and Hari Raya Aidilfitri which has now entered its fifth year. Free drinks were served at selected PETRONAS service stations along the highways and busy trunk roads.

### **n 6 December 2004**

#### **PETRONAS Dagangan Berhad Hosted Hari Raya Open House at Renaissance Hotel Kuala Lumpur**

The Company organised a Hari Raya Open House at the Renaissance Hotel. This gathering is part of the Company’s effort in thanking the staff, dealers and media for their support.





#### o 14 December 2004

##### **PETRONAS Dagangan Berhad's Commercial Business Division Organised Daily Visits to the PETRONAS Twin Towers Skybridge and PETROSAINS for Key Customers**

The Company's Commercial Business Division hosted daily visits up to the PETRONAS Twin Towers Skybridge and PETROSAINS as a way to say "thank you" to key customers and family members for their support. The visits were also aimed at fostering closer relations between the Company and its commercial clients. This event was held from 14 December 2004 up to 16 December 2004. Among the customers who attended this event were representatives from MAS, Nadicorp and FELDA.

#### p 21 December 2004

##### **Prize Giving Ceremony for PETRONAS Dagangan Berhad's "Dealers Incentive Programme"**

The Company held a 'Rakan Niaga/Rakan Niaga Kecil' (RN/RNK) Incentive Programme to recognize their service station dealers (RN) and station staff/attendants (RNK) for their loyalty to the organization. The event was held at the PETRONAS Twin Towers. The programme aim was to boost the RN/RNK performance level, as well as to award the winner of the Company's internal contest held among the RNs and RNKs.

#### q 17 January 2005

##### **Extraordinary General Meeting at Mutiara Hotel Kuala Lumpur**

The Company announced a Bonus Issue of 496,727,000 new ordinary shares during an Extraordinary General Meeting (EGM) held at Mutiara Hotel, Kuala Lumpur. Present at the EGM was the Company's Chairman, who is also PETRONAS President and Chief Executive, Tan Sri Dato Sri Mohd Hassan bin Marican.

#### 3 February 2005

##### **PETRONAS Dagangan Berhad Visits Sabah Media**

The Company officials paid a visit to Sabah to meet up with the editorial staff of major local newspapers there, in a bid to forge closer relationship between the company and the media in the State.

#### r 5 February 2005

##### **"Coffee Break" Campaign**

The Company once again provided free drinks to motorists at selected PETRONAS service stations located along the highways and busy trunk roads during its Coffee Break campaign for the Chinese New Year.

## Corporate Calendar



### **s 17 February 2005**

#### **PETRONAS Dagangan Berhad Announced Winners of "I WISH" Contest**

The Company held a prize giving ceremony to announce the winner of its Kad Mesra & RealRewards "I WISH" Contest. This contest had attracted a whopping 3.5 million entries vying for RM1.5 million worth of prizes. The contest's six main lucky winners received their prizes from PETRONAS Vice President, Oil Business Datuk Anuar bin Ahmad. Also present was the Company's Managing Director/CEO Ibrahim bin Marsidi.

### **t 3 March 2005**

#### **PETRONAS Dagangan Berhad Launched Labuan Distribution Terminal**

The Company held the soft launch of its Labuan Distribution Terminal (LDT) which now acts as the centre for diesel redistribution, not only to Labuan region but also to other locations in Sabah and Sarawak. The establishment of LDT marks a significant milestone in the Company's effort to further strengthen its position in the East Malaysian Market.

### **u 28 March 2005**

#### **Presentation of Tabung Mesra Fund to Eastern Region Schools at Sekolah Jenis Kebangsaan (C) Semambu Kuantan**

The Company handed over RM630,000 worth of contributions for the StreetSmart reading corners to 21 schools in East Coast states comprising Pahang, Terengganu and Kelantan. The contribution was part of the Dana Tabung Mesra PETRONAS project involving 100 selected schools nationwide. The schools were chosen by the Education Ministry, together with the co-operation of the Company. The Company's General Manager, Retail Business Division Amyn Mohamed bin Hussain presented the contributions to the representatives of the respective State Education Departments at a special ceremony held at Sekolah Jenis Kebangsaan (Cina) Semambu, Kuantan.



#### **v 29 March 2005**

##### **New Team Award for PETRONAS SPRINTA AAM Cub Prix 2005 Season**

The 2005 PETRONAS SPRINTA AAM Malaysian Cub Prix Championship will once again feature an eight-round Championship that will kick off in Melaka on April 10 before moving to Kuantan, Batu Kawan, Sepang South Track, Kluang, Taiping, Kangar and finally ending the season in the North Track at the Sepang International Circuit on December 4.

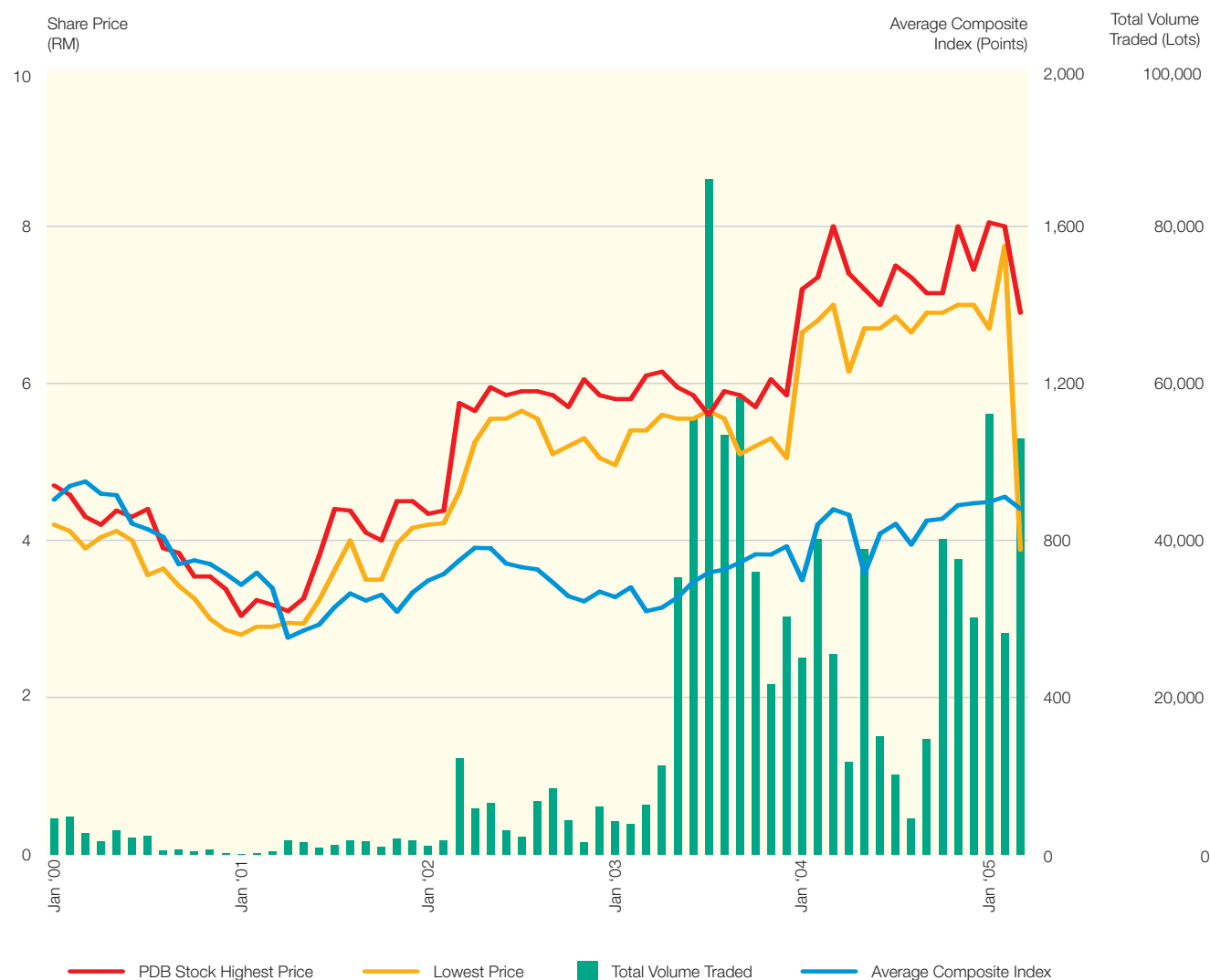


#### **w 30 March 2005**

##### **PETRONAS Dagangan Berhad Launched Pallet Cylinder Operations at Melaka Depot**

Operators and drivers at the Liquid Gas Petroleum (LPG) depot in Melaka will no longer have to physically load and unload the LPG cylinders from their lorries with the recent launch of the pallet cylinder operations on 30th March 2005. The Company's General Manager Supplies and Distribution Division, Mohd Nasir bin Ismail officially launched the new operations. This is the second LPG depot to implement this system which was first introduced in 2002 at LPG Depot in Klang.

# Share Performance

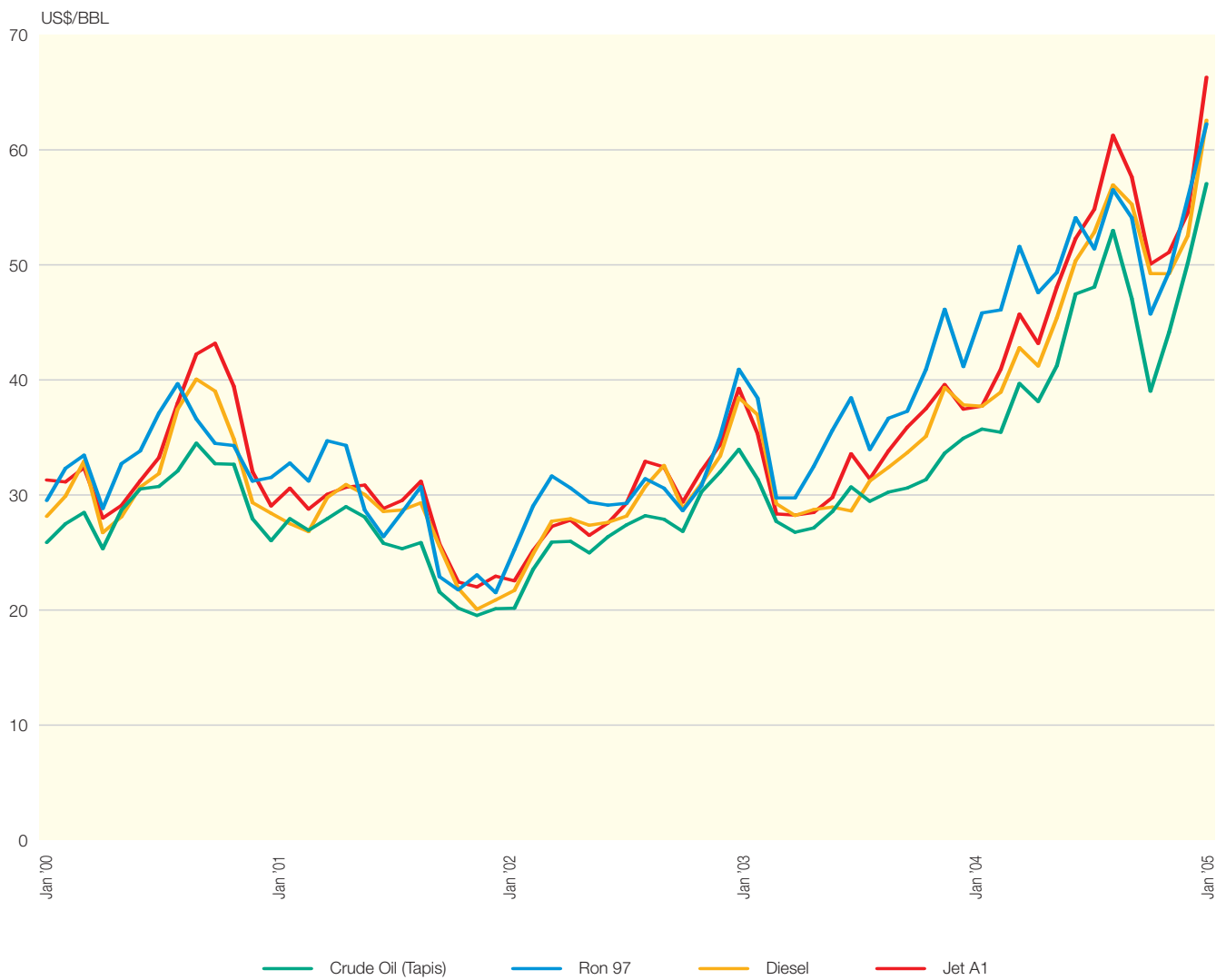


Ordinary Share of RM1.00 each	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005*
Highest Price	7.95	6.25	7.85	6.80	4.70	4.42	4.70	4.50	6.05	6.10	8.00	8.00
Lowest Price	4.40	4.42	5.60	2.99	1.78	3.40	2.86	2.80	4.20	4.96	7.00	7.75

\* Based on transacted prices for the period ended 31 March 2005.



# Crude Oil & Petroleum Product Price Trend



Note: Average monthly prices based on Mean of Platts at Singapore (MOPS)

# Corporate Governance

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# Corporate Governance Statement

## Compliance with the Best Practices in Corporate Governance

The Company's Board of Directors (the Board) acknowledges that Corporate Governance is a form of self-regulation which is aimed at maximizing shareholders' value.

The Board strives to ensure that the best practices in Corporate Governance pursuant to the Malaysian Code on Corporate Governance are adhered to in carrying out its duties and responsibilities.

## Effective Board of Directors

The Company has adopted a number of measures to ensure effectiveness of the Board in discharging its duties and responsibilities.

## Composition of Board

The Board comprises members with relevant expertise and experiences drawn from business, financial, technical and public service. The wide spectrum of skills and experiences has given them an edge and an added strength in terms of leadership and management, thus ensuring that PETRONAS Dagangan Berhad and its subsidiary (the Group) is steered and guided by an accountable and competent Board.

The Board comprises eight (8) members. One (1) of whom holds an Executive Office, having a dual role as Managing Director as well as Chief Executive Officer. There are three (3) members who are independent and non-executive and four (4) other non-independent and non-executive members (including the Chairman).

As at the date of this statement, the above statement is reflected as follows:

Executive Director (also the Managing Director)	1/8 (12.5%)
Independent non-executive directors	3/8 (37.5%)
Non-independent non-executive directors (including Chairman)	4/8 (50.0%)

The profile of each director is presented in this Annual Report from pages 12 to 13.

The Board is of the opinion that its current composition and size constitutes an effective Board to the Company.

## Role and Responsibilities of Board

The Board practises a clear demarcation of responsibilities whilst maintaining the balance of power and authority. The positions of the Chairman and the Managing Director/Chief Executive Officer are individually held by two persons.

The Chairman is primarily responsible for the orderly conduct and workings of the Board. The Managing Director is responsible for the day-to-day running of the business, implementation of Board policies and decision-making on operational matters. In managing the business affairs, he is assisted by a Management Committee, which meets once a month.

The non-executive directors have the necessary calibre to ensure that the strategies proposed by the Management are fully deliberated and examined, taking into account the long term interest of the shareholders and other stakeholders. They contribute to the formulation of policy and decision-making through their expertise and experience and are independent of the Management, thereby helping to ensure that no one individual or group dominates the Board's decision-making process.

The presence of the independent non-executive directors is essential as it provides unbiased and independent views, advice and judgement as well as to safeguard the interests of other parties such as minority shareholders and the community. The concept of independence adopted by the Board is in accordance with the definition in Section 1.01 of Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Malaysia).

The role and responsibilities of the Board are, inter alia, as follows:

- to discuss and critically examine strategies proposed by the Management taking into account the long term interest of the shareholders as well as other stakeholders;
- to contribute to the formulation of policy and decision-making through the Board's accumulated expertise and experience;
- to identify principal risks and ensure that these risks are managed in a proper and effective manner;
- to review the integrity and capability of the Company's internal control systems as well as its management information system;
- to oversee and critically review the proper management of the Company's business; and
- to review the Company's plans and budget including cash flow forecast for the forthcoming year and financial projections.

## Corporate Governance Statement

### Re-election

The Company's Articles of Association further provides that at least one third of all directors are subject to retirement by rotation at each Annual General Meeting (AGM) but shall be eligible for re-election in line with the Listing Requirements of Bursa Malaysia.

### Supply of Information to the Board

The Board members are supplied with required and timely information which allows them to discharge their responsibilities effectively and efficiently. Prior to each Board meeting, every director is given an agenda and a set of Board papers for each agenda item to be deliberated.

Information provided to the Board goes beyond the quantitative performance data as it includes qualitative performances for the directors to obtain a holistic view on the issues deliberated. All directors are entitled to call for additional clarification and information to be furnished to them for the purpose of assisting them in their decision making. In addition, in arriving at any decision recommended by the Management a thorough deliberation and discussion by the Board is a prerequisite.

The Board is also updated by the Company Secretaries on new statutory and regulatory requirements concerning their duties and responsibilities as and when necessary. All directors have access to the advice and services of the Company Secretaries and where independent professional advice is required, external independent experts are engaged at the Group's expense to facilitate their decision making.

YBhg Dato' Chew Kong Seng has been identified and appointed as the Senior Independent Non-Executive Director, to whom any concerns pertaining to the Company may be conveyed.

### Attendance at Board Meetings

During the financial year under review, the Board met four (4) times, the details being as follows:

(a) Number of Board meetings:

No.	Date	Total Board Members	Attendance by Board Members		
			Executive Director	Independent	Non-independent
1.	24.05.2004	8	1	3	4
2.	26.08.2004	8	1	3	3
3.	08.11.2004	8	1	3	4
4.	24.02.2005	8	1	3	4

(b) Attendance by principal Board members:

No.	Name of Board Member	Total Meetings Attended by Board Members
1.	Tan Sri Dato Sri Mohd Hassan bin Marican	4/4
2.	Ibrahim bin Marsidi	4/4
3.	Datuk Anuar bin Ahmad	4/4
4.	Datuk Ishak bin Imam Abas	3/4
5.	Dato' Kamaruddin bin Mohd Jamal	4/4
6.	Dato' Chew Kong Seng	4/4
7.	Dr. R. Thillainathan	4/4
8.	Ainon Marziah bt Wahi	4/4

The above meetings were held in the Meeting Room located at Tower 1, PETRONAS Twin Towers, Kuala Lumpur City Centre, 50088 Kuala Lumpur.

### Training

In compliance with the Listing Requirements of Bursa Malaysia, all members of the Board have attended the required mandatory accreditation training programme.

Further, as an integral part of orientation and education programme for new Directors, the Management provides them with a comprehensive understanding of the operations of the Group through briefings on its history, financial control systems, including site visits.

All Directors shall receive further training that may be required from time to time to keep them abreast with the current developments of the industry as well as the current changes in laws and regulations where appropriate.

### Directors' Fees

With the exception of the Managing Director, all non-executive directors are paid directors fees which are subsequently approved by the shareholders at the AGM based on the recommendations of the Board. For the year of review, breakdown of fees received by each director is as listed:



## Corporate Governance Statement

### Details of Directors Fees

Name of Directors	Directors Fees (RM)	BAC Fees (RM)	Total (RM)
Tan Sri Dato Sri Mohd Hassan bin Marican	60,000	0	60,000
Ibrahim bin Marsidi	0	0	0
Datuk Anuar bin Ahmad	36,000	0	36,000
Datuk Ishak bin Imam Abas	36,000	8,400	44,400
Dato' Kamaruddin bin Mohd Jamal	36,000	0	36,000
Dato' Chew Kong Seng	36,000	12,000	48,000
Dr. R. Thillainathan	36,000	8,400	44,400
Ainon Marziah bt Wahi	36,000	0	36,000
<b>Total</b>	<b>276,000</b>	<b>28,800</b>	<b>304,800</b>

The Managing Director/Chief Executive Officer, an employee of PETRONAS, is seconded to the Company to undertake all responsibilities of an Executive Director who is also the Managing Director. In consideration for the above service, the Company is required to pay a management fee to cover all payroll related costs and benefits ordinarily incurred by him in the course of his employment. During the year, the Company paid RM735,600 as management fee.

Pursuant to Article 84 of the Company's Articles of Association, the Company also reimburses reasonable expenses incurred by directors where relevant, in the course of carrying out their duties as directors.

In addition to the Managing Director/Chief Executive Officer, other Management staff have also been seconded from PETRONAS. Their training and succession planning are aligned to the PETRONAS' Human Resources Division. The Board ensures that only appropriate personnel with the relevant skills and experience are appointed to Management positions of the Company.

### Shareholders and Investors

The Board values its dialogue with both institutional shareholders and private investors and recognises that timely and equal dissemination of relevant information be provided to them.

The AGM is the principal forum of dialogue with the shareholders and also an avenue for the Chairman and Board members to respond personally to all queries and undertake to provide sufficient clarification on issues and concerns raised by the shareholders.

Other than the forum of the AGM the other medium of communication between the Company and shareholders and/or investors are as follows:

- quarterly financial statements and Annual Reports;
- announcements on major developments to the Bursa Malaysia;
- the Company's general meetings;
- the Company's website at [www.mymesra.com.my](http://www.mymesra.com.my); and
- discussions between the Managing Director and the Group's Chief Financial Officer with analysts/investors throughout the year.

### Disclosures

The Board is fully committed in providing and presenting a true and fair view of the financial performances and future prospects in the industry. This is provided through the quarterly, half yearly and annual financial statements as well as Annual Report.

The Board also recognises the need to fully disclose to shareholders all major developments in relation to the Company on a timely basis. In addition to the mandatory disclosures requirement by Bursa Malaysia as well as other corporate disclosures, the Company also maintains a website – [www.mymesra.com.my](http://www.mymesra.com.my) – for access by the public and shareholders.

The Company is committed to provide its shareholders and stakeholders the best services that it could offer. In realising its commitment, a Customer Service Center has been established as a communication link between its shareholders and stakeholders with the Company either by phone, facsimile or e-mail via [www.mesralink.com.my](http://www.mesralink.com.my).

While the Company endeavours to provide as much information as possible to its shareholders and stakeholders, it must also be wary of the legal and regulatory framework governing the release of material and price-sensitive information. All corporate disclosures takes into account the prevailing legislative restrictions and requirements as well as the investors need for timely release of price-sensitive information such as financial performance results and statements, material acquisitions, significant corporate proposals as well as other significant corporate events. In all circumstances, the Group is cautious not to provide undisclosed material information about the Group and continually stresses on the importance of timely and equal dissemination of information to shareholders and stakeholders.

# Corporate Governance Statement

## Committees

In ensuring its effectiveness and realising its responsibilities to its stakeholders generally and specifically to its shareholders, the Board has formed committees to efficiently discharge its duties and responsibilities. These committees, members of which are amongst the members of the Board itself, are delegated with specific powers and responsibilities.

### Board Audit Committee

The Board Audit Committee (BAC) is formed to operate within the clearly defined terms of reference as stated in pages 46 to 47 of the Annual Report. The BAC comprises of three (3) members, two (2) of which are independent and non-executive members whilst one (1) is a non-independent and non-executive member. Thus, ensuring the balance of roles and responsibilities within the BAC in overseeing the financial efficiency and effectiveness of the Company within the current financial year. The Chairman of the BAC reports the outcome of its meetings to the Board and such reports are incorporated as part of the minutes of the Board meetings.

Further in accordance with prescribed best practices of Corporate Governance, the BAC hereby presents its report in pages 44 to 45 of the Annual Report to the shareholders.

### Directors Nomination and Remuneration Committee

In cognisance of the recommendations of the Malaysian Code on Corporate Governance, the Board has decided that the Board as a whole will serve as the Nomination and Remuneration Committee. No smaller committee is recommended as the Company believes that all members must be equally responsible for the duties of such committee as follows:

- to assess and recommend new directors to the Board;
- to review annually the mix of skills and experiences, and other qualities to enable the Board to function completely and efficiently;
- to implement formal appraisal process for the evaluation of the effectiveness of the Board as a whole, the committees and the individual contribution of each Board member; and
- to recommend to the Board the remuneration of all non-executive directors. Individual directors do not participate in the discussion on their own remuneration.

The Board will deliberate on the above during the normal proceedings of the meeting of directors.

## Accountability and Audit

### 1. Financial Reporting

The Board aims to present a balanced and meaningful assessment of the Group's financial performance, position and prospects, primarily through the annual financial statements, quarterly and half yearly announcement of results to the shareholders as well as the Chairman's statement and review of operations in the Annual Report. The Board is assisted by the BAC to oversee the Group's financial reporting processes and the quality of its financial reporting.

The Directors' Responsibility Statement is enclosed in page 47 of the Annual Report.

### 2. Internal Control

The Board acknowledges its overall responsibility for continuous maintenance of a sound system of internal control to safeguard shareholders' investment and the Group's assets. This principle is further elaborated under Statement on Internal Control by the Directors in pages 42 to 43 of the Annual Report.

### 3. Relationship with the Auditors

The external auditors, Messrs. KPMG Desa Megat & Co., have continued to report to shareholders of the Company on their opinion which are included as part of the Group's financial reports with respect to their audit on each year's statutory financial statements. In so doing, the Company has established a transparent arrangement with the auditors to meet the auditors' professional requirements. The auditors also highlight to the BAC and Board of Directors on matters that require the Board's attention.

A summary of the activities of the BAC during the year, including the evaluation of independent audit process, are set out in the BAC Report on pages 44 to 45 of the Annual Report.

# Statement on Internal Control

## Introduction

The Malaysian Code on Corporate Governance requires Public Listed Companies to maintain a sound system of internal controls to safeguard shareholders' investments and Company assets. Under the provisions of the Bursa Malaysia Listing Requirements, para 15.27(b), Directors of Public Listed Companies are required to produce a statement on the state of the Company's internal control in their Annual Report.

The Board continues with its commitment to maintain a sound system of internal control throughout PETRONAS Dagangan Berhad and its subsidiary ("Group") and in compliance with Bursa Malaysia Listing Requirements and the Statement on Internal Control : Guidance for Directors of Public Listed Companies ("Internal Control Guidance"), the Board is pleased to provide the following statement which outlines the nature and scope of internal control of the Group during the year in review.

## Board Responsibility

The Board acknowledges the importance of sound internal controls for good corporate governance. The system of internal control covers, inter alia, risk management and financial, organisational, operational, project and compliance controls. The Board reaffirms its overall responsibility for the Group's systems of internal control, and for reviewing the adequacy and integrity of those systems. It should be noted, however, that such systems are designed to manage, rather than eliminate, risk of failure to achieve corporate objectives. Inherently, it can only provide reasonable and not absolute assurance against material misstatement or loss.

The Group has in place an on-going process for identifying, evaluating, monitoring and managing significant risks that may materially affect the achievement of corporate objectives. This process has been in place throughout the year under review up to the date of this report, and this process is reviewed by the Board and it accords with the Internal Control Guidance.

## Control Structure and Environment

In furtherance to the Board's commitment to maintain a sound system of internal control, the Board continues to maintain and implement a strong control structure and environment for the proper conduct of the Group's business operations as follows :

- The Board meets at least quarterly and has set a schedule of matters, which is required to be brought to its attention for discussion, thus ensuring that it maintains full and effective supervision over appropriate controls. The Managing Director leads the presentation of board papers and provides comprehensive explanation of pertinent issues. In arriving at any decision, on recommendation by the Management, a thorough deliberation and discussion by the Board is a prerequisite. In addition, the Board is kept updated on the Group's activities and its operations on a regular basis.
- The Managing Director reports to the Board on significant changes in the business and external environments which affect risks. The General Manager of Finance Services Division provides the Board with quarterly financial information.
- An organisational structure with formally defined lines of responsibility and delegation of authority is in place. A process of hierarchical reporting has been established which provides for a documented and auditable trail of accountability. It highlights policies on occupational health and safety, conservation and preservation of the environment, training and development, equality of opportunity, staff performance and serious misconduct.
- A documented delegation of authority with clear lines of accountability and responsibility serves as a tool of reference in identifying the approving authority for various transactions including matters that require Board approval.
- The Group performs an annual budgeting and forecasting exercise including development of business strategies for the next five years, and the establishment of key performance indicators against which units within the Group can be evaluated. Variances against budget are analysed and reported internally on a monthly basis in Management Committee meetings. On a quarterly basis, the variances are reported to the Board. The Group's strategic direction is also reviewed annually through a rigorous assessment process taking into account changes in market conditions and significant business risks.
- The Accounting Procedure Manuals define the policies and procedures for day-to-day operations and act as guidelines as to the proper measures to be undertaken in a given set of circumstances.

## Statement on Internal Control

### Risk Management

The Risk Management Framework in the Company serves to manage and control significant risk exposures inherent in its business operations. The scope of the framework covers the following areas:

- Identifying principal risks and ensure the implementation of appropriate risk management framework and guidelines to manage these risks
- Reviewing the adequacy and integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directive and guidelines.

To ensure the effective systematic implementation and operationalisation of the Company's Risk Management Framework, a Risk Management Working Committee comprising representatives from Business Divisions and Corporate Support Function Departments has been established. The committee has reviewed the Credit Risk Management Framework and Guidelines as well as the Health, Safety and Environment (HSE) Risk Management Framework and Guidelines in order to ensure that the key elements of effective Credit and HSE risk management are adequately addressed. The committee has also been tasked with the development of risk management capabilities and continuous improvements in risk management practices.

During the year, the Company has reviewed and updated the Risk Profile previously established in 2002 and workshops were held at management as well as working level with the relevant Business Divisions and Corporate Support Function Departments to examine and reassess risk events, controls and mitigation plans under prevailing current market scenarios. The Company's revised Risk Profile for Financial Year 2004/05 has been presented to the BAC and subsequently to the Board of Directors in February 2005.

In view of the nature of the business, HSE Risk has been identified as a key risk that can impact the business. Operational Risk has been more significant due to aggressive business expansion over the last few years.

### Moving Forward

To further embed and refine the risk management process within the Company, the management of risks at all levels will continue to be carried out by all managers. The continual monitoring of risk exposures and risk events shall be reported periodically to the Management.

### Internal Audit Function

Internal audits are undertaken to provide independent assessments on the adequacy, efficiency and effectiveness of the Group's internal control systems in the assessment of potential risks exposures in key business processes and in controlling the proper conduct of business within the Group. The BAC has full and direct access to internal auditors and the BAC receives reports on all internal audits performed.

The internal audit function of the Group is carried out by PETRONAS Group Internal Audit (GIA), a division in PETRONAS. One of the key objectives of GIA is to assist the Group in accomplishing its goals by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes within the Group. GIA maintained their impartiality, proficiency and due professional care by having its plans and reports directly under the purview of the PDB Board Audit Committee.

The internal audit function reviews the internal controls in selected key activities of the Group's businesses on the basis of an annual internal audit plan which is presented to the BAC for approval.

The BAC reviews audit reports and directs the Management for necessary corrective actions. The Management is responsible for ensuring that corrective actions are implemented accordingly.

### Weaknesses in Internal Controls that Result in Material Losses

There were no material losses incurred during the current financial year as a result of weaknesses of internal control. The Management continues to take measures to strengthen the control environment.

This statement is made in accordance with the resolution of the Board of Directors dated 31 May 2005.

# Board Audit Committee's Report



from left to right:

Dr. R. Thillainathan  
(Independent non-executive director)

Dato' Chew Kong Seng (Chairman)  
(Independent non-executive director)

Datuk Ishak bin Imam Abas  
(Non-Independent non-executive director)

The Board Audit Committee (BAC) is pleased to present the BAC Report for the year ended 31 March 2005 as follows:-

## Membership

Pursuant to a Board resolution passed on 3 March 1994, the BAC was formed. Currently, the BAC comprises of three (3) directors, namely:-

1. Dato' Chew Kong Seng (Chairman)  
(Independent non-executive director)
2. Dr. R. Thillainathan  
(Independent non-executive director)
3. Datuk Ishak bin Imam Abas  
(Non-Independent non-executive director)

The BAC is governed by the Terms of Reference as stipulated in pages 46 to 47 of the Annual Report. All the requirements under the Terms of Reference were fully complied and the BAC did not see any matter in breach of the Listing Requirements of Bursa Malaysia that warrants reporting to Bursa Malaysia.

## Summary of Activities of the BAC

During the financial year, the BAC in discharging its duties and functions as an independent entity within the Company, had held four (4) quarterly meetings. By invitation, the Managing Director, Company Secretaries, General Manager of Finance Services Division, external and internal auditors were also present during deliberations which required their inputs and advice.

## Attendance Record of BAC members

The following are the details of the BAC meetings held during the financial year:-

### (a) Number of meetings

No.	Date	Total BAC members	Attendance by BAC members	
			Independent	Non-independent
1.	13.05.2004	3	2	1
2.	18.08.2004	3	2	0
3.	02.11.2004	3	2	1
4.	16.02.2005	3	2	1

### (b) Detail of attendance by individual BAC member:

No.	Name of BAC Member	Total Meetings
		Attended by BAC Member
1.	Dato' Chew Kong Seng	4
2.	Dr. R. Thillainathan	4
3.	Datuk Ishak bin Imam Abas	3

The following activities were carried out by the BAC during the financial year ended 31 March 2005:-

1. reviewed the external auditors' scope of work and audit plans for the year. Prior to the audit, representatives from the external auditors, presented their audit strategy and plan;
2. reviewed with the external auditors the results of the audit, the audit report and the Management Letter, including the Management's response;



## Board Audit Committee's Report

3. consideration and recommendation to the Board for approval of the audit fees payable to the external auditors as disclosed in Note 21 to the financial statements;
4. reviewed the independence and objectivity of the external auditors and the services provided;
5. reviewed the internal audit reports, which highlighted the audit issues, recommendations and the Management's response. Discussed with the Management, actions taken to improve the system of internal control based on improvement opportunities identified in the internal audit reports;
6. reviewed the Annual Report and the audited financial statements of the Group prior to submission to the Board for their consideration and approval. The review was to ensure that the audited financial statements were drawn up in accordance with the provisions of the Companies Act 1965 and the applicable approved accounting standards;
7. reviewed the Company's compliance in particular the quarterly and year end financial statements with Listing Requirements of Bursa Malaysia, Malaysian Accounting Standards Board and other relevant legal and regulatory requirements;
8. reviewed the quarterly unaudited financial results announcements before recommending them for the Board's approval. The review and discussion were conducted with the General Manager of Finance Services Division;
9. reviewed the related party transactions entered into by the Company; and
10. reviewed the extent of the Company's compliance with the provisions set out under the Malaysian Code on Corporate Governance for the purpose of preparing the Corporate Governance Statement and Statement on Internal Control pursuant to Listing Requirements of Bursa Malaysia. Recommended to the Board action plans to address the identified gaps between the Group's existing corporate governance practices and the prescribed corporate governance principles and best practices under the Malaysian Code on Corporate Governance.

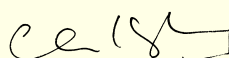
### Internal Audit

The Internal Audit function of the Group was carried out by the Group Internal Audit Division of PETRONAS, the holding company. They maintained their impartiality, proficiency and due professional care by having their plans and reports directly under the purview of the BAC.

The internal audits were undertaken to provide independent assessments on the adequacy, efficiency and effectiveness of the Group's internal control systems in anticipating potential risks exposures over key business processes within the Company. The BAC also has full access to internal auditors and received reports on all audits performed.

During the financial year, the internal auditors had carried out audits according to the internal audit plan which had been approved by the BAC.

The resulting reports from the audits undertaken were forwarded to the Management for attention and necessary corrective actions as recommended. The Management is responsible for ensuring that corrective actions on reported weaknesses are taken within the required time frame.



**Dato' Chew Kong Seng**

Chairman

Board Audit Committee

# Board Audit Committee's Terms of Reference

In line with the best practices of Corporate Governance, both the Board and the Management recognises the importance of maintaining and ensuring that the BAC remains an independent entity within the Company. An independent BAC ensures that in performing its duties and functions, the checks and balances within the Board, the Management and the major shareholders are in place, thus safeguarding the interest of public shareholders.

## Composition

The members of the BAC shall be appointed by the Board from amongst their number and shall consist of not less than three (3) members of whom the majority shall be Independent Directors. An Independent Director shall be one who fulfills the requirement as provided in the Listing Requirements of Bursa Malaysia.

At least one (1) member of the BAC:-

1. must be a member of the Malaysian Institute of Accountants (MIA); or
2. if he is not a member of the MIA, he must have at least three (3) years working experience and:-
  - (a) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
  - (b) he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
3. fulfills such other requirements as prescribed by Bursa Malaysia.

The members of the BAC shall elect a Chairman from amongst their number who shall be an Independent Director.

If a member of the BAC resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced below three (3), the Board shall within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members. No alternate director can be appointed as a member of the BAC.

## Meetings

- Meetings shall be held not less than three (3) times a year;
- A quorum shall be two (2) members, both being Independent Directors and one (1) of whom shall be the Chairman of the BAC;
- The external auditors have the right to appear and be heard at any meeting of the BAC and shall appear before the BAC when required to do so. As such, the external auditors may request a meeting if they consider it necessary;
- At least once a year, the BAC shall meet with external auditors without any executive director present. The Chairman of the BAC shall convene a meeting of the Committee to consider any matter which the external auditors believe should be brought to the attention of the Directors or shareholders;
- The Company Secretaries shall be the Secretary of the BAC; and
- The Secretaries shall draw up an agenda, which shall be circulated together with the relevant supporting papers, at least one (1) week prior to each meeting to the members of the BAC.

## Reporting Procedures

- The Secretaries shall circulate the minutes of meetings to all members of the BAC; and
- The Secretaries shall ensure that the minutes of the meetings be duly entered in the books provided thereof.

## Authority

The BAC is authorised by the Board to investigate any activity within its Terms of Reference. It is authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the BAC.

The BAC shall have the resources that are required to perform its duties. The BAC can obtain, at the expense of the Group, external legal or other independent professional advice it considers necessary.

## Duties and Functions

The duties and functions of the BAC are:-

1. to consider the appointment of the external auditors, the audit fee and any question of resignation or dismissal of the external auditors before making recommendation to the Board;

## Board Audit Committee's Terms of Reference

2. to discuss with the external auditors before the audit commences on the nature and scope of the audit, and ensure coordination where more than one audit firm is involved;
3. to review with the Management and the external auditors the quarterly results and year-end financial statements prior to the approval by the Board, focusing particularly on:-
  - any change in accounting policies and practices;
  - significant and unusual events;
  - major judgemental areas;
  - significant adjustments resulting from the audit;
  - the going concern assumption;
  - compliance with accounting standards; and
  - compliance with Bursa Malaysia and legal requirements.
4. to arrange for periodic reports from Management, the external auditors and the internal auditors to assess the impact of significant regulatory changes, and accounting or reporting developments proposed by accounting and other bodies, or any significant matters that may have a bearing on the annual examination;
5. to discuss problems and reservations arising from the interim and final audits, and matters the auditors may wish to discuss (in the absence of Management where necessary);
6. to review the internal audit programme, consider the major findings of internal audits and Management's response, and ensure coordination between the internal and external auditors;
7. to review any related party transactions and conflict of interest situation that may arise in the Company including any transaction, procedure or course of conduct that raises questions of Management integrity;
8. to keep under review the effectiveness of internal control systems and the internal and/or external auditors' evaluation of these systems and in particular review the external auditors' Management Letter and Management's response;
9. to review the audit reports;
10. to direct and where appropriate supervise any special project or investigation considered necessary;
11. to prepare periodic reports to the Board summarising the work performed in fulfilling the BAC's primary responsibilities; and
12. to consider other topics, as defined.

## Statement of Directors' Responsibility

### IN RELATION TO THE FINANCIAL STATEMENTS

The financial statements as set out on pages 50 to 82 of the Group, are properly drawn up so as to give a true and fair view of the state of affairs of the Group as at 31 March 2005 and of the results of its operations and cash flows for the year ended on that date.

The Directors consider that in preparing the financial statements:-

- the Group has used appropriate accounting policies and are consistently applied;
- reasonable and prudent judgements and estimates were made; and
- all applicable approved accounting standards in Malaysia have been followed.

The Directors are also responsible for ensuring that the accounting and other records and registers required by the Companies Act, 1965 to be kept by the Group have been properly kept in accordance with the provisions of the said Act.

The Directors also have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities.



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# Directors' Report

FOR THE YEAR ENDED 31 MARCH 2005

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2005.

## Principal Activities

The principal activities of the Company in the course of the financial year consist of the domestic marketing of petroleum products and the operation of service stations. The principal activities of its subsidiary and associates are described in Notes 31 and 32 to the financial statements respectively. There have been no changes in the principal activities during the financial year.

## Results

	Group RM'000	Company RM'000
Profit after taxation but before minority interests	216,153	200,745
Minority interests' share of subsidiary's profit	(5,422)	—
Net profit for the year	210,731	200,745
Unappropriated profits brought forward	1,829,653	1,816,052
Profits available for appropriation	2,040,384	2,016,797
Capitalised as bonus issue	(283,019)	(283,019)
Dividends	(107,293)	(107,293)
Unappropriated profits carried forward	1,650,072	1,626,485

## Dividends

Since the end of the previous financial year, the Company paid:

- as proposed in last year's report, a final dividend of 10% less 28% tax amounting to RM71,528,688 in respect of the financial year ended 31 March 2004 on 23 August 2004.
- an interim dividend of 5% less 28% tax amounting to RM35,764,344 in respect of the financial year ended 31 March 2005 on 20 December 2004.

The Directors propose a final dividend of 10% less 28% tax amounting to RM71,528,688 in respect of the financial year ended 31 March 2005.

The interim and final dividend paid during the year ended 31 March 2005 are based on the enlarged share capital as a result of the completion of the bonus issue exercise of 1:1 on 15 March 2005.

## Reserves and Provisions

There were no material movements to and from reserves and provisions during the financial year except as disclosed in the financial statements.

# Directors' Report

FOR THE YEAR ENDED 31 MARCH 2005

## Directors of the Company

Directors who served since the date of the last report are:

Tan Sri Dato Sri Mohd Hassan bin Marican – *Chairman*

Ibrahim bin Marsidi – *Managing Director/CEO*

Datuk Ishak bin Imam Abas

Datuk Anuar bin Ahmad

Dato' Chew Kong Seng

Dr. R. Thillainathan

Dato' Kamaruddin bin Mohd Jamal

Ainon Marziah bt Wahi

In accordance with Article 93 of the Company's Articles of Association, Ibrahim bin Marsidi, Ainon Marziah bt Wahi and Dato' Kamaruddin bin Mohd Jamal retire by rotation from the Board at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

## Directors' Interests

The Directors in office at the end of the financial year who have interests in the shares of the Company and of its related corporations as recorded in the Register of Directors' Shareholdings are as follows:

Name	Balance at 1.4.2004	Number of Shares in the Company			Balance at 31.3.2005
		Bought	Sold	Bonus Issued	
Tan Sri Dato Sri Mohd Hassan bin Marican	1,000	–	–	1,000	<b>2,000</b>
Datuk Anuar bin Ahmad	1,000	–	–	1,000	<b>2,000</b>
Ainon Marziah bt Wahi	1,000	–	–	1,000	<b>2,000</b>

	Number of Shares in PETRONAS Gas Berhad			Balance at 31.3.2005
	Balance at 1.4.2004	Bought	Sold	
Tan Sri Dato Sri Mohd Hassan bin Marican	5,000	–	–	<b>5,000</b>
Ainon Marziah bt Wahi	5,000	–	–	<b>5,000</b>

	Number of Shares in KLCC Property Holdings Berhad			Balance at 31.3.2005
	Balance at 1.4.2004	Bought	Sold	
Tan Sri Dato Sri Mohd Hassan bin Marican	–	50,000	–	<b>50,000</b>
Datuk Ishak bin Imam Abas	–	50,000	–	<b>50,000</b>

None of the other Directors holding office at 31 March 2005 had any interest in the ordinary shares of the Company and of its related corporations during the financial year.

# Directors' Report

FOR THE YEAR ENDED 31 MARCH 2005

## Directors' Benefits

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than the benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements or the fixed salary of a full time employee of a related corporation) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

## Issue of Shares

During the financial year, the Company issued 496,727,000 bonus shares of RM1 each to be credited as fully paid up on the basis of one bonus share for every one existing share held.

## Options Granted Over Unissued Shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

## Other Statutory Information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) all current assets have been stated at the lower of cost and net realisable value.

At the date of this report, the Directors of the Company are not aware of any circumstances:

- i) that would render the amount written off for bad debts, or the amount of the provision for doubtful debts, in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the Group and in the Company's financial statements misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

## Directors' Report

FOR THE YEAR ENDED 31 MARCH 2005

### Other Statutory Information (Cont'd)

No contingent liability or other liability of the Group or of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the results of the operations of the Group and of the Company for the financial year ended 31 March 2005 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

### Auditors

The auditors, Messrs KPMG Desa Megat & Co. have indicated their willingness to accept re-appointment.

Signed in accordance with a resolution of the Directors:



**TAN SRI DATO SRI MOHD HASSAN BIN MARICAN**



**IBRAHIM BIN MARSIDI**

Kuala Lumpur,  
31 May 2005

## Statement by Directors

In the opinion of the Directors, the financial statements set out on pages 56 to 82, are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 March 2005 and of the results of their operations and cash flows for the year ended on that date.

Signed in accordance with a resolution of the Directors:



**TAN SRI DATO SRI MOHD HASSAN BIN MARICAN**



**IBRAHIM BIN MARSIDI**

Kuala Lumpur,  
31 May 2005

## Statutory Declaration

I, AZMI BIN YAHAYA, the officer primarily responsible for the financial management of PETRONAS DAGANGAN BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 56 to 82, are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed  
AZMI BIN YAHAYA at KUALA LUMPUR  
in WILAYAH PERSEKUTUAN on 31 May 2005



BEFORE ME:



4 Tkt. Mezzanine, Medan Pasar  
50050 Kuala Lumpur  
Tel: 03-20783299, 016-2099638

Commissioner for Oaths



# Report of the Auditors to the Members

We have audited the financial statements set out on pages 56 to 82. The preparation of the financial statements is the responsibility of the Company's Directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.

We conducted our audit in accordance with approved Standards on Auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations which we consider necessary to provide us with evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and significant estimates made by the Directors as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:
  - i) the state of affairs of the Group and of the Company at 31 March 2005 and of the results of their operations and cash flows for the year ended on that date; and
  - ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Group and of the Company; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company and its subsidiary have been properly kept in accordance with the provisions of the said Act.

We are satisfied that the financial statements of the subsidiary that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

The audit report on the financial statements of the subsidiary was not subject to any qualification and did not include any comment made under sub section (3) of Section 174 of the Act.



**KPMG DESA MEGAT & CO.**

Firm Number: AF 0759

Chartered Accountants



**MOHAMED RASLAN ABDUL RAHMAN**

Partner

Approval Number: 1825/05/07(J)

Kuala Lumpur,  
31 May 2005

# Consolidated Balance Sheet

AT 31 MARCH 2005

	Note	2005 RM'000	2004 RM'000
<b>PROPERTY, PLANT AND EQUIPMENT</b>	2	<b>2,649,366</b>	2,275,606
<b>INVESTMENT IN ASSOCIATES</b>	4	<b>3,666</b>	3,047
<b>LONG TERM RECEIVABLES</b>	5	<b>195,276</b>	150,716
<b>GOODWILL</b>	6	<b>27,823</b>	29,297
<b>CURRENT ASSETS</b>			
INVENTORIES	7	<b>491,373</b>	256,764
TRADE AND OTHER RECEIVABLES	8	<b>2,310,338</b>	1,317,405
CASH AND CASH EQUIVALENTS	13	<b>461,879</b>	678,621
		<b>3,263,590</b>	2,252,790
<b>CURRENT LIABILITIES</b>			
OTHER PAYABLES	14	<b>3,323,038</b>	1,954,770
BORROWINGS	18	<b>9,592</b>	9,172
TAXATION		<b>31,073</b>	77,645
		<b>3,363,703</b>	2,041,587
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<b>(100,113)</b>	211,203
		<b>2,776,018</b>	2,669,869
<b>Financed by:</b>			
<b>CAPITAL AND RESERVES</b>			
SHARE CAPITAL	15	<b>993,454</b>	496,727
RESERVES	16	<b>1,650,072</b>	2,043,361
<b>SHAREHOLDERS' FUNDS</b>		<b>2,643,526</b>	2,540,088
<b>MINORITY SHAREHOLDERS' INTERESTS</b>	17	<b>43,577</b>	38,533
<b>LONG TERM AND DEFERRED LIABILITIES</b>			
BORROWINGS	18	<b>15,312</b>	24,904
DEFERRED TAX	19	<b>73,603</b>	66,344
		<b>88,915</b>	91,248
		<b>2,776,018</b>	2,669,869

The financial statements were approved and authorised for issue by the Board of Directors on 31 May 2005.

The notes set out on pages 64 to 82 form an integral part of, and, should be read in conjunction with, these financial statements.

# Consolidated Income Statement

FOR THE YEAR ENDED 31 MARCH 2005

	Note	2005 RM'000	2004 RM'000
Revenue	21	<b>12,451,079</b>	9,830,365
<b>Operating Profit</b>	21	<b>330,376</b>	556,393
Financing Cost	23	<b>(1,345)</b>	(2,103)
Share of profit of associates		<b>1,089</b>	899
<b>Profit before taxation</b>		<b>330,120</b>	555,189
Tax expense	24		
– Company and subsidiary		<b>(113,700)</b>	(168,347)
– Associates		<b>(267)</b>	(270)
		<b>(113,967)</b>	(168,617)
<b>Profit after taxation but before minority interests</b>		<b>216,153</b>	386,572
Minority interests' share of subsidiary's profit		<b>(5,422)</b>	(5,374)
<b>NET PROFIT FOR THE YEAR</b>		<b>210,731</b>	381,198
Dividends per ordinary share – gross	25	<b>15.0 sen</b>	30.0 sen
Earnings per ordinary share – basic	26	<b>21.2 sen</b>	38.4 sen

The notes set out on pages 64 to 82 form an integral part of, and, should be read in conjunction with, these financial statements.

# Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31 MARCH 2005

	Note	2005 RM'000	2004 RM'000
<b>Non-distributable:</b>			
<b>Share Capital</b>	15		
Balance at 1 April		<b>496,727</b>	496,727
Bonus issue		<b>496,727</b>	–
Balance at 31 March		<b>993,454</b>	496,727
<b>Share premium</b>			
Balance at 1 April		<b>213,708</b>	213,708
Capitalised as bonus issue		<b>(213,708)</b>	–
Balance at 31 March		–	213,708
<b>Distributable:</b>			
<b>Unappropriated profits</b>			
Balance at 1 April		<b>1,829,653</b>	1,555,748
Net profit for the year		<b>210,731</b>	381,198
Capitalised as bonus issue		<b>(283,019)</b>	–
Dividends	25	<b>(107,293)</b>	(107,293)
Balance at 31 March		<b>1,650,072</b>	1,829,653
Total		<b>2,643,526</b>	2,540,088

The notes set out on pages 64 to 82 form an integral part of, and, should be read in conjunction with, these financial statements.

# Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31 MARCH 2005

	2005 RM'000	2004 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	12,170,015	9,541,539
Cash paid to suppliers and employees	(11,531,918)	(8,561,683)
	638,097	979,856
Taxation paid	(153,013)	(105,992)
Retirement benefits paid	(6,178)	(5,189)
<b>Net cash generated from operating activities</b>	<b>478,906</b>	<b>868,675</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income from deposits with financial institutions	17,404	17,597
Purchase of property, plant and equipment and goodwill	(536,154)	(594,866)
Prepaid rental of service station sites	(56,732)	(19,701)
Proceeds from sales of property, plant and equipment	115	324
<b>Net cash used in investing activities</b>	<b>(575,367)</b>	<b>(596,646)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of Al-Bai' Bithaman Ajil long term facility	(9,172)	(8,590)
Breakage cost paid	–	(1,939)
Profit share margin paid	(3,438)	(4,291)
Dividends paid to shareholders	(107,293)	(107,293)
Dividends paid to minority interests	(378)	(378)
<b>Net cash used in financing activities</b>	<b>(120,281)</b>	<b>(122,491)</b>
<b>NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(216,742)</b>	<b>149,538</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>678,621</b>	<b>529,083</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>461,879</b>	<b>678,621</b>
<b>CASH AND CASH EQUIVALENTS (Note 13)</b>		
Cash and bank balances	94,071	141,332
Deposits	367,808	537,289
	<b>461,879</b>	<b>678,621</b>

The notes set out on pages 64 to 82 form an integral part of, and, should be read in conjunction with, these financial statements.

# Balance Sheet

AT 31 MARCH 2005

	Note	2005 RM'000	2004 RM'000
<b>PROPERTY, PLANT AND EQUIPMENT</b>	2	<b>2,534,669</b>	2,149,596
<b>INVESTMENT IN SUBSIDIARY</b>	3	<b>59,475</b>	59,475
<b>INVESTMENT IN ASSOCIATES</b>	4	<b>1,425</b>	1,425
<b>LONG TERM RECEIVABLES</b>	5	<b>195,276</b>	150,716
<b>GOODWILL</b>	6	<b>27,823</b>	29,297
<b>CURRENT ASSETS</b>			
INVENTORIES	7	<b>490,856</b>	256,220
TRADE AND OTHER RECEIVABLES	8	<b>2,305,512</b>	1,313,949
CASH AND CASH EQUIVALENTS	13	<b>398,905</b>	636,213
		<b>3,195,273</b>	2,206,382
<b>CURRENT LIABILITIES</b>			
OTHER PAYABLES	14	<b>3,304,539</b>	1,935,638
TAXATION		<b>30,970</b>	77,722
		<b>3,335,509</b>	2,013,360
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<b>(140,236)</b>	193,022
		<b>2,678,432</b>	2,583,531
<b>Financed by:</b>			
<b>CAPITAL AND RESERVES</b>			
SHARE CAPITAL	15	<b>993,454</b>	496,727
RESERVES	16	<b>1,626,485</b>	2,029,760
<b>SHAREHOLDERS' FUNDS</b>		<b>2,619,939</b>	2,526,487
<b>LONG TERM AND DEFERRED LIABILITIES</b>			
DEFERRED TAX	19	<b>58,493</b>	57,044
		<b>2,678,432</b>	2,583,531

The notes set out on pages 64 to 82 form an integral part of, and, should be read in conjunction with, these financial statements.



# Income Statement

FOR THE YEAR ENDED 31 MARCH 2005

	Note	2005 RM'000	2004 RM'000
Revenue	21	<b>12,434,155</b>	9,815,504
<b>Operating profit/Profit before taxation</b>	21	<b>308,083</b>	533,018
Tax expense	24	<b>(107,338)</b>	(161,075)
<b>NET PROFIT FOR THE YEAR</b>		<b>200,745</b>	371,943
Dividends per ordinary share – gross	25	<b>15.0 sen</b>	30.0 sen

The notes set out on pages 64 to 82 form an integral part of, and, should be read in conjunction with, these financial statements.

# Statement of Changes in Equity

FOR THE YEAR ENDED 31 MARCH 2005

	Note	2005 RM'000	2004 RM'000
<b>Non-distributable:</b>			
<b>Share Capital</b>	15		
Balance at 1 April		<b>496,727</b>	496,727
Bonus issue		<b>496,727</b>	–
Balance at 31 March		<b>993,454</b>	496,727
<b>Share premium</b>			
Balance at 1 April		<b>213,708</b>	213,708
Capitalised as bonus issue		<b>(213,708)</b>	–
Balance at 31 March		–	213,708
<b>Distributable:</b>			
<b>Unappropriated profits</b>			
Balance at 1 April		<b>1,816,052</b>	1,551,402
Net profit for the year		<b>200,745</b>	371,943
Capitalised as bonus issue		<b>(283,019)</b>	–
Dividends	25	<b>(107,293)</b>	(107,293)
Balance at 31 March		<b>1,626,485</b>	1,816,052
Total		<b>2,619,939</b>	2,526,487

The notes set out on pages 64 to 82 form an integral part of, and, should be read in conjunction with, these financial statements.

# Cash Flow Statement

FOR THE YEAR ENDED 31 MARCH 2005

	2005 RM'000	2004 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	12,153,743	9,526,820
Cash paid to suppliers and employees	(11,551,058)	(8,576,743)
	602,685	950,077
Taxation paid	(152,641)	(105,407)
Retirement benefits paid	(6,178)	(5,189)
<b>Net cash generated from operating activities</b>	<b>443,866</b>	<b>839,481</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income from deposits with financial institutions	16,270	16,631
Purchase of property, plant and equipment and goodwill	(534,438)	(593,589)
Prepaid rental of service station sites	(56,732)	(19,701)
Proceeds from sale of property, plant and equipment	115	324
Dividends received	904	1,355
<b>Net cash used in investing activities</b>	<b>(573,881)</b>	<b>(594,980)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(107,293)	(107,293)
<b>Net cash used in financing activities</b>	<b>(107,293)</b>	<b>(107,293)</b>
<b>NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(237,308)</b>	<b>137,208</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>636,213</b>	<b>499,005</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>398,905</b>	<b>636,213</b>
<b>CASH AND CASH EQUIVALENTS (Note 13)</b>		
Cash and bank balances	94,060	141,224
Deposits	304,845	494,989
	<b>398,905</b>	<b>636,213</b>

The notes set out on pages 64 to 82 form an integral part of, and, should be read in conjunction with, these financial statements.

# Notes to the Financial Statements

31 MARCH 2005

## 1. Accounting Policies

The financial statements of the Group and of the Company are prepared in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia.

### 1.1 Basis of Consolidation

Subsidiaries are those enterprises controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from the activities.

The consolidated financial statements include the financial statements of the Company and its subsidiary, which is listed in Note 31 to the financial statements. The consolidation is based on the financial statements of the subsidiary made up to 31 March 2005 and consolidated using the acquisition method of accounting.

Under the acquisition method of accounting, the results of subsidiaries acquired or disposed during the year are included from the date of acquisition or up to the date of disposal.

All inter-company transactions are eliminated on consolidation and revenue and profits relate to external transactions only. Unrealised losses resulting from intercompany transactions are also eliminated unless cost cannot be recovered.

The proportion of the profit or loss applicable to minority shareholders is deducted in arriving at the profits attributable to the shareholders of the Company.

The total assets and liabilities of the subsidiary are included in the Consolidated Balance Sheet and the interest of minority shareholders in the net assets employed is stated separately.

### 1.2 Goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the identifiable assets acquired and is stated at cost less accumulated amortisation and accumulated impairment losses, if any.

It is amortised from the date of initial recognition over the unexpired land lease term.

### 1.3 Associates

Associates are those companies in which the Group owns a long term equity interest of between 20% and 50% and where the Group exercises significant influence, including representation on the Board of Directors, over the financial and operating policies of the investee company.

The Group's share of post-acquisition profits or losses of associates is equity accounted in the consolidated financial statements. The Group's share of post-acquisition reserves and retained profits less losses is added to the carrying value of the investment in the consolidated balance sheet. These amounts are taken from the latest management financial statements of the associates.

Unrealised profits arising on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses on such transactions are also eliminated partially unless cost cannot be recovered.

### 1.4 Prepaid Rental

Prepaid rental of service station sites is accounted for as Long Term Receivables. The prepayments are expensed off on a straight-line basis over the period of the agreements.

# Notes to the Financial Statements

31 MARCH 2005

## 1. Accounting Policies (Cont'd)

### 1.5 Property, Plant and Equipment and Depreciation

Freehold land and projects-in-progress are stated at cost less accumulated impairment losses, if any and are not depreciated. Other property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Property, plant and equipment other than freehold land and projects-in-progress are depreciated on a straight-line basis over the estimated useful lives of the related assets.

Buildings are depreciated over 20 years, 50 years or over the remaining land lease period, whichever is shorter.

Leasehold land is depreciated over the lease period of 20 to 999 years.

The annual rates of depreciation used are:

Plant, machinery, tankage and pipeline	5% to 20%
Office equipment, furniture and fittings	15% to 20%
Motor vehicles	25%
Leasehold improvements	Over the remaining lease period or 3 years, whichever is shorter
Computer hardware and software	20%

Property, plant and equipment individually costing less than RM5,000 are expensed off in the year of purchase.

### 1.6 Impairment

The carrying amount of assets, other than inventories (refer Note 1.8), deferred tax assets (refer Note 1.11) and financial assets (financial assets in this context exclude investments in subsidiary and associates), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or the cash-generating unit to which it belongs exceeds its recoverable amount. Impairment losses are recognised in the income statement. The recoverable amount is the greater of the asset's net selling price and its value in use.

### 1.7 Investments

Long term investments in subsidiary and associates are stated at cost in the Company, less impairment loss where applicable.

### 1.8 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories includes direct costs and transportation charges necessary to bring the inventories to their present locations and condition and is determined on the weighted average basis.

### 1.9 Trade and Other Receivables

Trade and other receivables are stated at cost less allowance for doubtful debts.

### 1.10 Employee Benefits

#### (i) Short term benefits

Wages and salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Company.

# Notes to the Financial Statements

31 MARCH 2005

## 1. Accounting Policies (Cont'd)

### 1.10 Employee Benefits (Cont'd)

#### (ii) *Defined contribution plans*

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund (EPF). Obligations for contributions to defined contribution plans are recognised as an expense in the income statement as incurred.

#### (iii) *Defined benefit plans*

The Company contributes monthly to the PETRONAS Retirement Benefit Fund (PETRONAS Fund). The retirement benefit plan is a funded defined benefit plan.

Contributions to the PETRONAS Fund are based on eligible employees' monthly emoluments less statutory contribution, to finance the retirement benefits payable to eligible employees. The monthly maximum tax allowable contribution is paid to the PETRONAS Fund by the Company. The excess is paid by the Company to a special account in Petrolia Nasional Berhad, the holding company, as a provision for retirement benefits.

As the eligible members of the PETRONAS Fund are contracted to the holding company, any shortfall of the Fund will be borne by the holding company. The Company has agreed with the Trustees of the Fund to undertake such liability in respect of future contributions to the Fund which may be adjusted by the Trustees to recover such shortfall.

Actuarial valuation of the Fund is conducted by an independent actuary at regular intervals. The last valuation performed for the Fund was on 31 March 2005.

### 1.11 Taxation

Tax on the profit and loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent it relates to items recognised directly in equity, in which case it is recognised in equity.

#### (i) *Current tax*

Current tax expense is the expected tax payable on the taxable income for the year, using the statutory tax rates at the balance sheet date, and any adjustment to tax payable in respect of previous years.

#### (ii) *Deferred tax*

Deferred tax is provided for, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unabsorbed capital allowances, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unabsorbed capital allowances, unused tax losses and unused tax credits can be utilised.

Deferred tax is not recognised if the temporary differences arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on statutory tax rates at the balance sheet date.

### 1.12 Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with financial institutions.



## Notes to the Financial Statements

31 MARCH 2005

### 1. Accounting Policies (Cont'd)

#### 1.13 Liabilities

Borrowings and other payables are stated at cost.

#### 1.14 Revenue

Revenue from sale of petroleum products is measured at the fair value of the consideration receivable and is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer.

Revenue from services rendered is recognised in the income statement based on the value of services performed and invoiced to customers during the period.

#### 1.15 Financing Cost

Finance cost is profit share margin on Islamic debt facility.

### 2. Property, Plant and Equipment

	At 1.4.2004 RM'000	Additions RM'000	Disposals/ Write-offs RM'000	Transfers RM'000	At 31.3.2005 RM'000
<b>Group</b>					
<b>At cost:</b>					
Freehold land	278,540	–	–	117,113	<b>395,653</b>
Leasehold land					
– long lease	127,728	–	–	70,824	<b>198,552</b>
– short lease	40,570	–	–	327	<b>40,897</b>
Buildings	929,912	231	(10)	153,109	<b>1,083,242</b>
Plant, machinery, tankage and pipeline	817,823	17,509	(9,206)	94,602	<b>920,728</b>
Office equipment, furniture and fittings	50,656	1,358	(402)	45,985	<b>97,597</b>
Motor vehicles	27,948	1,819	(521)	–	<b>29,246</b>
Computer hardware and software	198,389	992	(82,360)	36,097	<b>153,118</b>
Projects in progress	799,133	550,466	(11,145)	(518,057)	<b>820,397</b>
	<b>3,270,699</b>	<b>572,375</b>	<b>(103,644)</b>	<b>–</b>	<b>3,739,430</b>

# Notes to the Financial Statements

31 MARCH 2005

## 2. Property, Plant and Equipment (Cont'd)

<b>Accumulated depreciation</b>	<b>At 1.4.2004 RM'000</b>	<b>Charge for the year RM'000</b>	<b>Disposals/ Write-offs RM'000</b>	<b>At 31.3.2005 RM'000</b>
Freehold land	—	—	—	—
Leasehold land				
– long lease	14,843	2,853	—	<b>17,696</b>
– short lease	17,800	1,321	—	<b>19,121</b>
Buildings	357,197	50,486	(2)	<b>407,681</b>
Plant, machinery, tankage and pipeline	432,269	58,530	(8,944)	<b>481,855</b>
Office equipment, furniture and fittings	25,187	19,485	(400)	<b>44,272</b>
Motor vehicles	25,120	1,065	(521)	<b>25,664</b>
Computer hardware and software	122,677	34,194	(63,096)	<b>93,775</b>
Projects in progress	—	—	—	—
	<b>995,093</b>	<b>167,934</b>	<b>(72,963)</b>	<b>1,090,064</b>

<b>Group</b>	<b>Net Book Value</b>		<b>Depreciation charge for the year ended</b>
	<b>31.3.2005 RM'000</b>	<b>31.3.2004 RM'000</b>	<b>31.3.2004 RM'000</b>
Freehold land	<b>395,653</b>	278,540	—
Leasehold land			
– long lease	<b>180,856</b>	112,885	1,540
– short lease	<b>21,776</b>	22,770	1,316
Buildings	<b>675,561</b>	572,715	43,054
Plant, machinery, tankage and pipeline	<b>438,873</b>	385,554	49,371
Office equipment, furniture and fittings	<b>53,325</b>	25,469	5,331
Motor vehicles	<b>3,582</b>	2,828	953
Computer hardware and software	<b>59,343</b>	75,712	29,221
Projects in progress	<b>820,397</b>	799,133	—
	<b>2,649,366</b>	<b>2,275,606</b>	<b>130,786</b>

<b>Company</b>	<b>At 1.4.2004 RM'000</b>	<b>Additions RM'000</b>	<b>Disposals/ Write-offs RM'000</b>	<b>Transfers RM'000</b>	<b>At 31.3.2005 RM'000</b>
<b>At cost:</b>					
Freehold land	278,540	—	—	117,113	<b>395,653</b>
Leasehold land					
– long lease	127,728	—	—	70,824	<b>198,552</b>
– short lease	40,570	—	—	327	<b>40,897</b>
Buildings	905,045	231	(10)	153,109	<b>1,058,375</b>
Plant, machinery, tankage and pipeline	662,894	17,509	(9,206)	94,602	<b>765,799</b>
Office equipment, furniture and fittings	47,232	1,358	(402)	45,961	<b>94,149</b>
Motor vehicles	26,545	1,124	(521)	—	<b>27,148</b>
Computer hardware and software	191,328	985	(82,360)	35,949	<b>145,902</b>
Projects in progress	794,464	547,927	(7,481)	(517,885)	<b>817,025</b>
	<b>3,074,346</b>	<b>569,134</b>	<b>(99,980)</b>	<b>—</b>	<b>3,543,500</b>

## Notes to the Financial Statements

31 MARCH 2005

**2. Property, Plant and Equipment (Cont'd)**

<b>Accumulated depreciation</b>	<b>At 1.4.2004 RM'000</b>	<b>Charge for the year RM'000</b>	<b>Disposals/ Write-offs RM'000</b>	<b>At 31.3.2005 RM'000</b>
Freehold land	–	–	–	–
Leasehold land				
– long lease	14,843	2,853	–	<b>17,696</b>
– short lease	17,800	1,321	–	<b>19,121</b>
Buildings	350,080	49,242	(2)	<b>399,320</b>
Plant, machinery, tankage and pipeline	378,614	49,509	(8,944)	<b>419,179</b>
Office equipment, furniture and fittings	22,861	19,187	(400)	<b>41,648</b>
Motor vehicles	23,904	957	(521)	<b>24,340</b>
Computer hardware and software	116,648	33,975	(63,096)	<b>87,527</b>
Projects in progress	–	–	–	–
	924,750	157,044	(72,963)	<b>1,008,831</b>

<b>Company</b>	<b>Net Book Value</b>		<b>Depreciation charge for the year ended</b>
	<b>31.3.2005 RM'000</b>	<b>31.3.2004 RM'000</b>	<b>31.3.2004 RM'000</b>
Freehold land	<b>395,653</b>	278,540	–
Leasehold land			
– long lease	<b>180,856</b>	112,885	1,540
– short lease	<b>21,776</b>	22,770	1,316
Buildings	<b>659,055</b>	554,965	41,811
Plant, machinery, tankage and pipeline	<b>346,620</b>	284,280	40,265
Office equipment, furniture and fittings	<b>52,501</b>	24,371	4,877
Motor vehicles	<b>2,808</b>	2,641	857
Computer hardware and software	<b>58,375</b>	74,680	28,867
Projects in progress	<b>817,025</b>	794,464	–
	<b>2,534,669</b>	2,149,596	119,533

**Security**

Certain property, plant and equipment of the Group costing RM199,594,095 (2004 – RM196,353,422) have been pledged as securities for a financing facility as set out in Note 20 to the financial statements.

The titles to certain freehold and leasehold land are in the process of being registered in the Company's name.

Long term leasehold land comprise leasehold interests with an unexpired term in excess of fifty years.

# Notes to the Financial Statements

31 MARCH 2005

## 3. Investment in Subsidiary

	Company	
	2005 RM'000	2004 RM'000
Unquoted shares at cost	<b>59,475</b>	59,475

Details of the subsidiary are stated in Note 31 to the financial statements.

## 4. Investment in Associates

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Unquoted shares at cost	<b>1,425</b>	1,425	<b>1,425</b>	1,425
Share of post-acquisition reserves	<b>2,241</b>	1,622	–	–
	<b>3,666</b>	3,047	<b>1,425</b>	1,425

Represented by:

Group's share of net assets	<b>3,666</b>	3,047
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Details of the associates are stated in Note 32 to the financial statements.

## 5. Long Term Receivables

	Group and Company	
	2005 RM'000	2004 RM'000
Long term receivables consist of:		
Prepaid rental of service station sites	<b>195,276</b>	150,716

## 6. Goodwill

	Group and Company	
	2005 RM'000	2004 RM'000
Balance at 1 April	<b>30,702</b>	22,166
Additions during the year	–	8,536
	<b>30,702</b>	30,702
Less: Accumulated amortisation	<b>(2,879)</b>	(1,405)
Balance at 31 March	<b>27,823</b>	29,297

Goodwill arose from the acquisition of certain service stations in previous years.

# Notes to the Financial Statements

31 MARCH 2005

## 7. Inventories

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Petroleum products – at cost	<b>461,075</b>	232,628	<b>461,075</b>	232,628
Lubricants				
– at cost	<b>27,297</b>	19,314	<b>27,297</b>	19,314
– at net realisable value	<b>2,159</b>	3,902	<b>2,159</b>	3,902
Others – at cost	<b>842</b>	920	<b>325</b>	376
	<b>491,373</b>	256,764	<b>490,856</b>	256,220

## 8. Trade and Other Receivables

	Note	Group		Company	
		2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Trade receivables		<b>1,050,784</b>	719,718	<b>1,047,348</b>	716,830
Other receivables, deposits and prepayments		<b>1,211,256</b>	533,595	<b>1,209,866</b>	533,027
Amounts due from:					
Related companies	11	<b>48,298</b>	61,403	<b>48,298</b>	61,403
Associates	12	–	2,689	–	2,689
		<b>2,310,338</b>	1,317,405	<b>2,305,512</b>	1,313,949

Credit terms of trade receivables range from 30 to 60 days.

## 9. Amount due to Holding Company

The amount due to holding company represents balances arising in the normal course of business.

## 10. Amount due to Subsidiary

The amount due to subsidiary represents balances arising in the normal course of business.

## 11. Amounts due from/to Related Companies

The amounts due from and to related companies represent balances arising in the normal course of business.

## 12. Amounts due from/to Associates

The amounts due from and to associates represent balances arising in the normal course of business.

# Notes to the Financial Statements

31 MARCH 2005

## 13. Cash and Cash Equivalents

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Cash and bank balances	<b>94,071</b>	141,332	<b>94,060</b>	141,224
Deposits	<b>367,808</b>	537,289	<b>304,845</b>	494,989
	<b>461,879</b>	678,621	<b>398,905</b>	636,213
Deposits are placed with:				
Licensed banks	<b>283,644</b>	476,220	<b>229,243</b>	447,170
Finance companies	<b>8,562</b>	55,729	–	42,479
Other corporations	<b>75,602</b>	5,340	<b>75,602</b>	5,340
	<b>367,808</b>	537,289	<b>304,845</b>	494,989

## 14. Other Payables

	Note	Group		Company	
		2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Other payables		<b>406,360</b>	393,101	<b>385,544</b>	371,853
Amount(s) due to:					
Holding company	9	<b>51,000</b>	29,642	<b>51,000</b>	29,642
Subsidiary	10	–	–	<b>2,317</b>	2,116
Related companies	11	<b>2,862,013</b>	1,532,027	<b>2,862,013</b>	1,532,027
Associates	12	<b>3,665</b>	–	<b>3,665</b>	–
		<b>3,323,038</b>	1,954,770	<b>3,304,539</b>	1,935,638

## 15. Share Capital

	Group and Company	
	2005 RM'000	2004 RM'000
Authorised:		
Ordinary shares of RM1.00 each	<b>1,000,000</b>	1,000,000
Issued and fully paid:		
Balance at 1 April	<b>496,727</b>	496,727
Bonus shares issued during the year	<b>496,727</b>	–
Balance at 31 March	<b>993,454</b>	496,727

During the year, the Company issued 496,727,000 bonus shares of RM1 each to be credited as fully paid up on the basis of one bonus share for every one existing share held.



# Notes to the Financial Statements

31 MARCH 2005

## 16. Reserves

Subject to agreement by the Inland Revenue Board, the Company has sufficient Section 108 tax credit and tax exempt income to distribute all its distributable reserves at 31 March 2005 if paid out as dividends.

## 17. Minority Shareholders' Interests

This consists of the minority shareholders' proportion of share capital and reserves of the subsidiary.

## 18. Borrowings

		Group		
		2005	2004	
		RM'000	RM'000	
<b>Current</b>				
Islamic debt facility – secured				
Al-Bai’ Bithaman Ajil long term non-interest bearing facility		9,592	9,172	
<b>Non-current</b>				
Islamic debt facility – secured				
Al-Bai’ Bithaman Ajil long term non-interest bearing facility		15,312	24,904	
<b>Terms and debts repayment schedule</b>				
		Under	1 - 2	2 - 5
	Total	1 year	years	years
	RM'000	RM'000	RM'000	RM'000
Secured Islamic debt facility				
– Al-Bai’ Bithaman Ajil				
long term non-interest bearing facility		24,904	9,592	10,031
				5,281

## 19. Deferred Tax

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Group	As at 1.4.2004 RM'000	Charged/ (credited) to income statement RM'000	As at 31.3.2005 RM'000
<b>Deferred tax liabilities</b>			
Property, plant and equipment	78,440	6,102	84,542
<b>Deferred tax assets</b>			
Other provisions	(1,880)	(3,459)	(5,339)
Unabsorbed capital allowances	(10,216)	4,616	(5,600)
Total	(12,096)	1,157	(10,939)

# Notes to the Financial Statements

31 MARCH 2005

## 19. Deferred Tax (Cont'd)

Company	As at 1.4.2004 RM'000	Charged/ (credited) to income statement RM'000	As at 31.3.2005 RM'000
<b>Deferred tax liabilities</b>			
Property, plant and equipment	58,924	4,908	<b>63,832</b>
<b>Deferred tax assets</b>			
Other provisions	(1,880)	(3,459)	<b>(5,339)</b>

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts determined after appropriate offsetting, are as follows:

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Deferred tax liabilities	<b>84,542</b>	78,440	<b>63,832</b>	58,924
Deferred tax assets	<b>(10,939)</b>	(12,096)	<b>(5,339)</b>	(1,880)
	<b>73,603</b>	66,344	<b>58,493</b>	57,044

## 20. Islamic Debt Facility

The Group entered into the following Islamic Debt Facility:

### Al-Bai' Bithaman Ajil long term non-interest bearing facility

The RM60,200,000 Al-Bai' Bithaman Ajil long term facility is repayable by 11 quarterly instalments of RM3,423,064 each commencing from 1 September 2000 to 29 May 2003 and 17 quarterly instalments of RM3,152,685 each commencing 30 May 2003 to 29 August 2007 (profit share margin of 8.8% per annum was adjusted to 4.50% per annum effective from 30 May 2003). This facility is secured by way of fixed and floating charges over the property, plant and equipment financed. The cost of the assets charged is RM199,594,095 (2004 – RM196,353,422). The facility outstanding as at year end amounted to RM24,903,590 (2004 – RM34,076,102).

In connection with the Al-Bai' Bithaman Ajil long term facility, the subsidiary has agreed on the following significant covenants with the facility agent:-

- (i) The subsidiary will not, without the prior written consent of the facility agent:-
  - (a) incur, assume, guarantee or permit to exist any indebtedness by the subsidiary except those permitted in the facility agreement; or to permit any encumbrance (other than that permitted) by the subsidiary to subsist, arise or be created or extended over any part of its present or future undertaking, assets, rights or revenues to secure or prefer any present or future indebtedness of the subsidiary or any other person;
  - (b) vary or change the business of the subsidiary to any unrelated business; or to dispose the assets associated with the business except in the ordinary course of business and for fair market value not exceeding RM1 million for any single asset;
  - (c) consolidate or merge with any other person, firm or company or acquire all or substantially all of the assets or stock of, or enter into any partnership, profit sharing or royalty agreement or other similar arrangement other than that permitted in the facility agreement;

# Notes to the Financial Statements

31 MARCH 2005

## 20. Islamic Debt Facility (Cont'd)

- (i) The subsidiary will not, without the prior written consent of the facility agent (Cont'd):-
- (d) make any loan or investment other than an investment acceptable to the project agent; or to give any guarantee (unless in its ordinary course of business and aggregate of such guarantees shall not exceed RM5 million) or grant any credit to or for the benefit of shareholder or subsidiaries, holding company, associates or affiliates or Directors of any of the foregoing.
- (ii) No sale or transfer of shares or other ownership interest in the subsidiary to take place unless such sale or transfer of shares or other ownership interest in the subsidiary is made in compliance with the directives of the Government.
- (iii) Procure/maintain equity of not less than RM5 million as part of the issued and paid up capital of the subsidiary and to maintain a debt equity ratio of not more than 57 : 43.

## 21. Operating Profit

	Group		Company	
	2005	2004	2005	2004
	RM'000	RM'000	RM'000	RM'000
Revenue				
– sales of petroleum products	12,434,155	9,815,504	12,434,155	9,815,504
– rendering of services	16,924	14,861	–	–
	12,451,079	9,830,365	12,434,155	9,815,504
Cost of revenue	(11,419,428)	(8,645,852)	(11,444,920)	(8,667,093)
Gross profit	1,031,651	1,184,513	989,235	1,148,411
Selling and distribution expenses	(191,204)	(198,004)	(191,204)	(198,004)
Administration expenses	(537,242)	(469,990)	(516,171)	(456,648)
Other operating income	27,171	39,874	26,223	39,259
Operating profit	330,376	556,393	308,083	533,018
Operating profit is arrived at after charging:				
Audit fees	198	193	185	180
Non audit fees paid to external auditors	36	89	36	89
Allowance for doubtful debts	13,485	–	13,485	–
Amortisation of goodwill	1,474	1,141	1,474	1,141
Bad debts written off	14	3,047	14	3,047
Contribution to EPF	8,972	8,308	8,972	8,308
Contribution to retirement benefits	4,115	6,178	4,115	6,178
Depreciation of property, plant and equipment	167,934	130,786	157,044	119,533
Fees to holding company for services of an executive director	736	736	736	736
Loss on disposal of property, plant and equipment	171	10,008	171	10,008
Non-executive directors' remuneration:				
– Fees	305	305	305	305
Property, plant and equipment expensed off	10,274	6,680	10,265	6,647
Property, plant and equipment written off	26,731	–	26,731	–
Rental of land and buildings	36,061	36,891	31,149	31,916
Rental of plant and equipment	4,371	3,302	4,366	3,300

# Notes to the Financial Statements

31 MARCH 2005

## 21. Operating Profit (Cont'd)

	Group		Company	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
And crediting:				
Bad debts recoveries	59	–	59	–
Dividend income from associate	–	–	202	653
Dividend income from subsidiary	–	–	702	702
Interest income – deposits	13,495	20,394	11,566	19,215
Income from rental of facilities	7,198	5,288	7,198	5,288
Income from rental of premises	5,612	3,084	5,428	2,871
Write back of allowance for doubtful debts	–	6,952	–	6,952

The estimated monetary value of executive director's benefits-in-kind amounting to RM30,234 (2004 – RM34,076) represents the non-monetary benefits received during the year.

## 22. Employees Information

	Group and Company	
	2005 RM'000	2004 RM'000
Staff costs	116,184	118,906

The number of employees (permanent and contract) of the Group and of the Company at the end of the year was 1,282 (2004 – 1,331).

## 23. Financing Cost

	Group	
	2005 RM'000	2004 RM'000
Profit share margin		
Islamic Debt Facility Al-Bai' Bithaman Ajil long term non-interest bearing facility	1,345	2,103

## Notes to the Financial Statements

31 MARCH 2005

**24. Tax Expense**

	Group		Company	
	2005	2004	2005	2004
	RM'000	RM'000	RM'000	RM'000
Current tax expenses				
Malaysia				
Current year	106,985	158,864	106,433	158,535
Prior year	(544)	(3,038)	(544)	(3,038)
	106,441	155,826	105,889	155,497
Deferred tax expenses				
Origination and reversal of temporary differences	7,259	12,521	1,449	5,578
	113,700	168,347	107,338	161,075
Tax expense on share of profit of associates	267	270	–	–
	113,967	168,617	107,338	161,075

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

Group	2005		2004	
	%	RM'000	%	RM'000
Profit before taxation		330,120		555,189
Income tax using Malaysian tax rates	28	92,434	28	155,453
Non-deductible expenses	7	21,810	3	15,932
Tax expense	35	114,244	31	171,385
Overprovision in prior years	–	(544)	(1)	(3,038)
Tax expense on share of profit of associates	–	267	–	270
Tax expense	35	113,967	30	168,617

**Company**

Profit before taxation		308,083		533,018
Income tax using Malaysian tax rates	28	86,263	28	149,245
Non-deductible expenses	7	21,619	3	14,868
Tax expense	35	107,882	31	164,113
Overprovision in prior years	–	(544)	(1)	(3,038)
Tax expense	35	107,338	30	161,075

# Notes to the Financial Statements

31 MARCH 2005

## 25. Dividends

	Group and Company	
	2005	2004
	RM'000	RM'000
Ordinary:		
Interim paid:		
Interim dividend of 5% less tax at 28% (2004 – 20% less tax at 28%)	<b>35,764</b>	71,529
Final paid:		
2004 – 10% less tax at 28% (2003 – 10% less tax at 28%)	<b>71,529</b>	35,764
	<b>107,293</b>	107,293

The proposed final dividend of 10% less tax at 28% totalling RM71,528,688 has not been accounted for in the financial statements.

The interim and final dividends paid during the year ended 31 March 2005 are based on the enlarged share capital as a result of the completion of the bonus issue exercise of 1:1 on 15 March 2005.

Comparative dividend rates have not been restated to reflect the said bonus issue.

## 26. Earnings Per Ordinary Share – Group

### Basic earnings per share

The earnings per share is derived based on the net profit attributable to ordinary shareholders of RM210,731,000 (2004 – RM381,198,000) and on the number of ordinary shares as at 31 March 2005 of 993,454,000 (2004 – 993,454,000) calculated as follows:-

	2005	2004
	(in '000)	(in '000)
Issued ordinary shares at beginning of year	<b>496,727</b>	496,727
Effect of bonus shares issued on 15 March 2005	<b>496,727</b>	496,727
	<b>993,454</b>	993,454

The number of shares outstanding for the previous financial year has been retrospectively and proportionately restated for the effect of the bonus issue in the current financial year.

## 27. Commitments

Outstanding commitments in respect of capital expenditure at balance sheet date not provided for in the financial statements are:-

	Group		Company	
	2005	2004	2005	2004
	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment:				
Approved and contracted for	<b>43,559</b>	9,273	<b>43,540</b>	8,784
Approved but not contracted for	<b>52,056</b>	16,529	<b>52,056</b>	16,529
	<b>95,615</b>	25,802	<b>95,596</b>	25,313



# Notes to the Financial Statements

31 MARCH 2005

## 28. Significant Related Parties Transactions

Controlling related party relationships are as follows:

- i) the holding company as disclosed in Note 30; and
- ii) its subsidiary as disclosed in Note 31.

Other than as disclosed elsewhere in the notes to the financial statements, the significant related party transactions are as follows:

	<b>Group and Company</b>	
	<b>2005</b>	<b>2004</b>
	<b>RM'000</b>	<b>RM'000</b>
Sales of petroleum products		
Related companies:		
Malaysia LNG Sdn. Bhd.	<b>164,456</b>	141,819
Malaysia International Shipping Corporation Bhd.	<b>42,266</b>	43,200
PETRONAS Carigali Sdn. Bhd.	<b>127,655</b>	102,841
Purchases of petroleum products		
Related companies:		
PETRONAS Trading Corporation Sdn. Bhd.	<b>3,908,712</b>	3,383,206
PETRONAS Penapisan Melaka Sdn. Bhd.	<b>6,034,362</b>	3,642,180
PETRONAS Penapisan Terengganu Sdn. Bhd.	<b>1,374,541</b>	1,010,962
Malaysian Refining Company Sdn. Bhd.	<b>53,635</b>	47,343

The Directors of the Company are of the opinion that the above transactions have been entered into in the normal course of business and have been established on a commercial basis.

## 29. Financial Instruments

The Petroliaam Nasional Berhad (PETRONAS) Group has a Group Risk Management Framework and Guideline that sets the foundation for the establishment of effective risk management across the PETRONAS Group.

The Group and the Company's goal in risk management are to ensure that the management understand, measure and monitor the various risks that arise in connection with their operations. Policies and guidelines have been developed to identify, analyse, appraise and monitor the dynamic risks facing the Group and Company. Based on this assessment, each business unit adopts appropriate measures to mitigate these risks in accordance with the business unit's view of the balance between risk and reward.

The main financial risks faced by the Group and Company through their normal activities are credit risk and interest rate risk.

### Credit risk

Credit risk is the probability of financial loss arising from the failure of counterparties to make payment for goods or services already delivered or to deliver goods or services for which payment has already been made.

Credit evaluations are performed on an on-going basis where customer's credit worthiness is evaluated using a list of qualitative and quantitative weighted criteria. All credit risks are measured, monitored and managed proactively in a decentralised approach based on guidance from PETRONAS Group Risk Management Framework and Guideline.

## Notes to the Financial Statements

31 MARCH 2005

### 29. Financial Instruments (Cont'd)

The Group mitigates its credit risks within a conservative framework by dealing with creditworthy counterparties or setting credit limits on exposures to counterparties where appropriate. These are done on an on-going basis to constantly monitor any developments.

On balance sheet date, there was a significant concentration of credit risk arising from an amount owing by a customer constituting 32% (2004 – 22%) of the total trade receivables, of which all outstanding balances were current.

In addition, there was a significant concentration of credit risk being an amount owing from the government constituting 97% (2004 – 93%) of the total other receivables relating to subsidies arising from the Automatic Pricing Mechanism governing the sale of petroleum products.

The maximum exposure to credit risk for the Group are represented by the carrying amount of each financial asset, without taking into account the fair value of any collateral.

#### Interest rate risk

Exposure to interest rate risk arises from the normal course of the Group engaging in fund raising and investing activities.

The Group uses Al-Bai' Bithaman Ajil Islamic financing facility to finance its capital expenditure.

#### Liquidity risk

Liquidity risk arises from the requirement to raise funds for the business on an ongoing basis as a result of existing and future commitments which are not funded from internal resources.

As at 31 March 2005, the Group is in a net current liabilities position of RM100,113,000 mainly due to significant increases in product cost as a result of the rising international crude oil prices. The Group continuously monitors its performance on an ongoing basis and with a continuing positive outlook on its immediate future operating results, the Group will be able to return to a net current asset position in the near future.

The Group's current credit rating enables it to access banking facilities in excess of current and anticipated future requirements of the Group.

#### Fair value

In respect of cash and cash equivalents, trade and other receivables and other payables, the carrying amounts approximate fair value due to the relatively short term nature of these financial instruments.

## Notes to the Financial Statements

31 MARCH 2005

**29. Financial Instruments (Cont'd)*****Effective interest rates and repricing analysis***

In respect of interest-earning financial assets, the following table indicates their effective interest rates at the balance sheet date and the periods in which they reprice or mature, whichever is earlier.

	Effective interest rate %	Total RM'000	Within 1 year RM'000
<b>2005</b>			
<b>Group</b>			
<b>Financial asset</b>			
Deposits	2.89	367,808	367,808
<b>Company</b>			
<b>Financial asset</b>			
Deposits	2.74	304,845	304,845
<b>2004</b>			
<b>Group</b>			
<b>Financial asset</b>			
Deposits	3.33	537,289	537,289
<b>Company</b>			
<b>Financial asset</b>			
Deposits	3.00	494,989	494,989

**30. Holding Company**

The holding and ultimate holding company is Petroliam Nasional Berhad (PETRONAS), a company incorporated in Malaysia.

**31. Subsidiary and Activity**

	Effective Percentage Holding		Principal Activity
	2005	2004	
Company Incorporated in Malaysia			
Kuala Lumpur Aviation Fuelling System Sdn. Bhd.	65%	65%	Operation of aviation fuelling facilities at Kuala Lumpur International Airport, Sepang.

# Notes to the Financial Statements

31 MARCH 2005

## 32. Associates and Activities

	Effective Percentage Holding		Principal Activity
	2005	2004	
Companies Incorporated in Malaysia			
Lub Dagangan Sdn. Bhd.	20%	20%	Marketing and distribution of lubricants.
PS Pipeline Sdn. Bhd.	50%	50%	To maintain and operate the Multi-Product Pipeline and Klang Valley Distribution Terminal (MPP-KVDT) and the associated facilities for the transportation of the petroleum products on behalf of the MPP-KVDT owners/shareholders on a cost recovery basis.
PS Terminal Sdn. Bhd.	50%	50%	To operate, manage and maintain the joint facilities – terminal, depot, warehouse etc. in Tawau and Bintulu on behalf of the owners Shell Timur Sdn. Bhd. and PETRONAS Dagangan Berhad.
IOT Management Sdn Bhd	20%	20%	To operate and manage an automated bulk petroleum terminal with facilities for receipt, storage and delivery of petroleum products at Senari, Kuching, Sarawak for the users, PETRONAS Dagangan Berhad and Shell Timur Sdn Bhd.

## 33. Segmental Information

Financial information by activity and geographical segment are not presented as the Group is principally involved in the domestic marketing of petroleum products and the operation of service stations in Malaysia.

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# Areas of Operation

## Head Office

Level 30-33, Menara 1  
PETRONAS Twin Towers  
Kuala Lumpur City Centre  
50088 Kuala Lumpur  
Tel: 03-2051 5500  
Fax: 03-2051 5505

## Area Offices

### Central Region

Level 12, Menara Dayabumi  
Jalan Sultan Hishamuddin  
P.O. Box 11946  
50762 Kuala Lumpur  
Tel: 03-2260 1500  
Fax: 03-2260 1527

### Northern Region

Lot 93  
Prai Industrial Estate  
13600 Prai, Pulau Pinang  
Tel: 04-390 7291/7201  
Fax: 04-399 0211

### Southern Region

1st Floor, Bangunan PETRONAS  
Bandar Baru UDA  
Km 7, Jalan Skudai  
81200 Johor Bahru, Johor  
Tel: 07-237 8161  
Fax: 07-236 0955

### Western Region

Suite 1.1, Level 1  
Bangunan Yayasan Melaka  
Off Jalan Hang Tuah  
75300 Melaka  
Tel: 06-284 1433  
Fax: 06-284 2107

### Eastern Region

A-39 & A-43, Jalan Haji Abdul Aziz  
25000 Kuantan, Pahang  
Tel: 09-513 7022/7099  
Fax: 09-514 4040



### Sabah Region

Level 1 & 2  
Menara PETRONAS Kota Kinabalu  
No. 2, Jalan Belia  
Beg Berkunci No. 110  
88100 Kota Kinabalu, Sabah  
Tel: 088-23 9033/9035  
Fax: 088-23 7045

### Sarawak Region

3rd-4th Floor  
Wisma Naim  
Lot 2679, Jalan Rock  
93200 Kuching, Sarawak  
Tel: 082-25 5200  
Fax: 082-42 9958

## Areas of Operation



- Bulk Depot
- ⬡ Aviation Depot
- Bottling Plant
- ◆ Area Office
- ▲ Bunkering Facilities
- Multi Product Pipeline



# Shareholders' Information

Financial Year End : 31 March 2005

Class of Shares : Ordinary Shares of RM1.00 Each

Voting Rights : One Vote Per Ordinary Share (On A Poll)

## Analysis of Shareholdings as at 27 May 2005

Size of Holdings	No. of Holders	% of Total Shareholders	No. of Shares	% of Total Shares
Less than 100	23	0.24	312	0.00
100 – 1,000	592	6.21	493,530	0.05
1,001 – 10,000	8,185	85.84	22,758,068	2.29
10,001 – 100,000	578	6.06	18,858,933	1.90
100,001 to less than 5% of issued shares	156	1.64	257,339,157	25.90
5% and above of issued shares	1	0.01	694,004,000	69.86
	9,535	100.00	993,454,000	100.00

## Classification of Shareholders as at 27 May 2005

Category	No. of Holders		No. of Shares		% of Total Shareholding	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
• Individual	8,487	79	39,383,952	945,200	3.96	0.10
• Corporate Body						
a. Banks/Finance Companies	13	0	93,306,896	0	9.39	0.00
b. Investment Trusts/ Foundation/Charities	23	0	2,422,900	0	0.24	0.00
c. Industrial and Commercial Companies	259	8	15,795,300	956,000	1.59	0.10
• Government Agencies/ Institution	22	0	14,770,200	0	1.49	0.00
• Nominees	508	136	797,080,006	28,793,546	80.23	2.90
	9,312	223	962,759,254	30,694,746	96.91	3.09

## List of Thirty Largest Shareholders

Registered as at 27 May 2005

Name	No. of Shares	% of Total Shares
1. RHB Nominees (Tempatan) Sdn Bhd (Petroleum Nasional Berhad)	694,004,000	69.86
2. Employees Provident Fund Board	38,675,600	3.89
3. Valuecap Sdn Bhd	35,086,100	3.53
4. Malaysia Nominees (Tempatan) Sendirian Berhad (Great Eastern Life Assurance (Malaysia) Berhad (Par 1))	29,575,440	2.98
5. Lembaga Tabung Haji	17,253,100	1.74

## Shareholders' Information

**List of Thirty Largest Shareholders (Cont'd)**

Registered as at 27 May 2005

Name	No. of Shares	% of Total Shares
6. Amanah Raya Nominees (Tempatan) Sdn Bhd (Skim Amanah Saham Bumiputera)	15,407,400	1.55
7. HSBC Nominees (Asing) Sdn Bhd (BNY Brussels For The Great Eastern Life Assurance Co Ltd)	6,888,800	0.69
8. Mayban Nominees (Tempatan) Sdn Bhd (Mayban Trustees Berhad For Public Itikal Fund)	4,509,800	0.45
9. Amanah Raya Nominees (Tempatan) Sdn Bhd (Amanah Saham Malaysia)	4,373,600	0.44
10. Malaysia Nominees (Tempatan) Sendirian Berhad (Great Eastern Life Assurance (Malaysia) Berhad (Par 2))	4,018,000	0.40
11. Amanah Raya Nominees (Tempatan) Sdn Bhd (Amanah Saham Didik)	3,865,900	0.39
12. HSBC Nominees (Tempatan) Sdn Bhd (Nomura Asset Mgmt Sg For Employees Provident Fund)	3,637,800	0.37
13. Amanah Raya Nominees (Tempatan) Sdn Bhd (Public Growth Fund)	3,490,100	0.35
14. Amanah Raya Nominees (Tempatan) Sdn Bhd (Public Equity Fund)	3,028,000	0.30
15. HSBC Nominees (Asing) Sdn Bhd (Cmbisa For Franklin Templeton Investment Funds-Templeton Asian Growth Fund)	2,839,000	0.29
16. Mayban Nominees (Tempatan) Sdn Bhd (Mayban Trustees Berhad For Public Regular Saving Fund)	2,741,400	0.28
17. Universal Trustee (Malaysia) Berhad (SBB Equity Income Fund)	2,700,000	0.27
18. Amanah Raya Nominees (Tempatan) Sdn Bhd (Public Saving Fund)	2,402,800	0.24
19. Amanah Raya Nominees (Tempatan) Sdn Bhd (Public Islamic Equity Fund)	2,384,000	0.24
20. Amanah Raya Nominees (Tempatan) Sdn Bhd (Public Index Fund)	2,354,000	0.24
21. BHLB Trustee Berhad (Public Focus Select Fund)	2,175,500	0.22
22. Foh Chong & Sons Sdn Bhd	2,014,000	0.20
23. State Financial Secretary Sarawak	2,000,000	0.20
24. Kerajaan Negeri Perak Darul Ridzuan	2,000,000	0.20
25. Setiausaha Kerajaan Pulau Pinang	2,000,000	0.20
26. State Secretary Kedah Incorporated	2,000,000	0.20
27. Pegawai Kewangan Negeri Negeri Sembilan	2,000,000	0.20
28. Cartaban Nominees (Asing) Sdn Bhd (Investors Bank And Trust Company For Ishares, Inc)	1,938,000	0.20
29. SBB Nominees (Tempatan) Sdn Bhd (Employees Provident Fund Board)	1,922,900	0.19
30. HSBC Nominees (Asing) Sdn Bhd (Abu Dhabi Investment Authority)	1,824,102	0.18

## Shareholders' Information

### List of Substantial Shareholders as at 27 May 2005

Name	No. of Shares	% of Total Shares
1. RHB Nominees (Tempatan) Sdn Bhd (Petroleum Nasional Berhad)	694,004,000	69.86

### List of Directors' Shareholding in the Company and Related Companies as at 27 May 2005

Name	No. of Shares in the Company	% of Shareholding
1. Tan Sri Dato Sri Mohd Hassan bin Marican	2,000	0.00
2. Datuk Anuar bin Ahmad	2,000	0.00
3. Ainon Marziah bt Wahi	2,000	0.00

Name	No. of Shares in PETRONAS Gas Berhad	% of Shareholding
1. Tan Sri Dato Sri Mohd Hassan bin Marican	5,000	0.00
2. Ainon Marziah bt Wahi	5,000	0.00

Name	No. of Shares in KLCC Property Holdings Berhad	% of Shareholding
1. Tan Sri Dato Sri Mohd Hassan bin Marican	50,000	0.00
2. Datuk Ishak bin Imam Abas	50,000	0.00

# List of Properties

Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>A PULAU PINANG</b>							
1 P.T. 456, Mukim 11, Daerah Seberang Perai Selatan	22,400	SS	LH	04/08/1994	13/06/2014	20	146
2 Lot 16, Sek. 3, Bandar Butterworth	53,274	SS	LH	14/06/1991	16/08/2081	19	402
3 Lot 2360, Mukim 11, Daerah Seberang Perai Tengah	11,467	SS	FH	31/03/1983	—	22	296
4 Lot 2453, Mukim 9, Daerah Seberang Perai Utara	21,463	SS	FH	13/02/1989	—	19	1,300
5 Lot 5352 & 5353 Mukim 11, Daerah Seberang Perai Tengah	43,831	SS	FH	11/07/1991	—	18	1,929
6 Lot 107, Sek. 5, Daerah Timur Laut, Bandar Georgetown	21,081	VL	FH	17/12/1991	—	—	1,634
7 Lot 935 & 936, Daerah Timur Laut, Bandar Gelugor	13,521	VL	FH	21/03/1993	—	—	800
8 Lot 3609 HS(D) 1745 Mukim 15 Daerah Seberang Perai Selatan	26,135	SS	FH	09/10/1998	—	5	850
9 Lot 2574 - 2576, Sek. 4, Bandar Butterworth	6,684	SH	FH	07/01/1984	—	20	200
10 Lot 1070, Mukim 1, Kawasan Perindustrian Perai	907,860	BD	LH	23/04/1992	27/08/2041	23	1,364
11 PT 1612 Mukim 6 Seberang Perai Tengah	55,937	SS	FH	27/08/1999	—	5	2,613
12 Lot 1475 Mukim 13 Daerah Timur Laut	39,241	SS	FH	16/08/1999	—	5	2,960
13 Lot 10034 Mukim 13 Daerah Timur Laut	26,200	SS	FH	28/12/1999	—	5	3,500
14 Lot 3227 Mukim 10 Daerah Seberang Perai Utara	22,367	VL	FH	5/02/2001	—	—	2,052
15 Lot 2840 & 2843 Mukim 4, Daerah Seberang Perai Utara	67,910	SS	FH	14/03/2001	—	2	4,830
16 Lot 2489 & 2490 Seksyen 2, Bandar Butterworth Seberang Perai Utara	50,590	SS	FH	31/01/2002	—	2	3,288

## List of Properties

	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>A</b>	<b>PULAU PINANG</b>							
17	Lot 3167 HS(M) 815 Mukim 04, B'worth-Kulim, Seberang Perai	85,637	SS	FH	25/02/2002	–	1	4,830
18	Lot 10885, Jalan Rozhan, Mukim 15, Seberang Prai Tengah, Pulau Pinang.	69,658	VL	FH	05/03/2004	–	–	3,300
19	Lot PT1612, Bandar Baru Perda, Mukim 06, Seberang Perai Tengah, Pulau Pinang.	55,958	SS	FH	24/07/2002	–	2	2,750
20	Lot 4290, Jalan Perusahaan, Juru, Mukim 06, Seberang Perai Tengah, Pulau Pinang.	60,020	VL	FH	13/12/2004	–	–	3,850
21	Lot 5494 & 5279, Sunway BKE, Mukim 01, Seberang Perai Tengah, Pulau Pinang.	71,811	SS	LH	23/04/2004	21/10/2092	1	6,639
<b>B</b>	<b>KEDAH DARUL AMAN</b>							
1	Sebahagian Lot 1990/1991 HS(M) 24/1982 Mukim Sg. Petani, Daerah Kuala Muda	16,090	SS	LH	22/05/1991	13/07/2012	24	19
2	Lot 27, Seksyen 9, Pekan Gurun, Daerah Kuala Muda	24,775	SS	LH	15/07/1990	07/01/2048	19	132
3	P.T. 461 HS(M) 5/1982 & P.T. 1055 HS(M) 113/1983, Mukim Kota Setar, Daerah Kota Setar	27,000	SS	LH	22/05/1991	16/05/2012	17	50
4	P.T. 669, Mukim Ayer Puteh, Daerah Pendang	26,327	SS	LH	22/05/1991	29/07/2014	18	16
5	P.T. 149 HS(M) 6/85, Mukim Kuah, Daerah Pulau Langkawi	69,384	SS	LH	04/08/1994	14/08/2045	20	50
6	Lot 703, Mukim Sg. Seluang, Daerah Kulim	12,567	SS	FH	31/01/1991	–	20	257
7	P.T. 9290, Mukim Sg. Petani, Daerah Kuala Muda	19,576	SS	FH	17/09/1989	–	13	294
8	Lot 3268, GM 368 Mukim Mergong, Daerah Kota Setar	27,373	SS	FH	16/08/1992	–	18	900
9	P.T. 12241, Mukim Sg. Pasir, Daerah Kuala Muda	29,945	SS	FH	16/08/1993	–	12	1,048

## List of Properties

	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>B</b>	<b>KEDAH DARUL AMAN (cont'd)</b>							
10	P.T. 3541 Mukim Naga, Daerah Kubang Pasu	32,450	SS	FH	18/08/1994	–	11	1,350
11	Lot 2226, Mukim & Daerah Kulim	43,540	SS	FH	31/01/1991	–	22	610
12	Lot P.T. 3356, HS(M) 126/92, Mukim Keladi, Daerah Kulim	48,200	SS	FH	28/04/1993	–	9	1,157
13	P.T. 9289, Mukim Sg. Petani, Daerah Kuala Muda	20,274	SS	FH	16/03/1991	–	14	405
14	P.T. 926, Mukim Sg. Laka, Daerah Kubang Pasu	32,000	VL	LH	5/08/1985	04/08/2015	–	11
15	P.T. 553-564, Mukim Sg. Seluang, Daerah Kulim	18,576	SS	FH	29/08/1991	–	5	204
16	P.T. 2964, Mukim Sg. Seluang, Daerah Kulim	28,674	SS	FH	16/07/1991	–	5	373
17	P.T. 11615, Mukim Sg. Pasir, Daerah Kuala Muda	38,250	SS	FH	21/07/1991	–	3	612
18	P.T. 23539 HS(D) 258/94 Mukim Sungai Petani Daerah Kuala Muda	23,856	VL	FH	31/07/1997	–	–	1,193
19	P.T. 23540 HS (D) 259/84 Mukim Sungai Petani, Daerah Kuala Muda	18,051	VL	FH	31/07/1997	–	–	866
20	P.T. 23517 HS(D) 499/97 Mukim Sungai Petani, Daerah Kuala Muda	23,863	SS	FH	15/03/1998	–	3	725
21	Part of Lot 2008 & 2009 Mukim Sungai Laka Daerah Kubang Pasu	76,300	SS	FH	01/10/1998	–	4	1,614
22	P.T. 4761 Tanjung Bendahara, Mukim Derga	43,550	VL	FH	09/03/2003	–	–	1,750
23	Lot 5840 HS(D) 5380/97, Mukim Padang Cina, Daerah Kulim, Kedah	43,621	SS	FH	25/01/2004	–	–	1,919
24	Lot P.T. 12770, Selarong Lalang, Mukim P'kln Kundor, Kota Setar, Kedah	35,502	VL	FH	10/08/2004	–	–	1,400
25	Lot 1491, Seksyen 41, Jalan Sungai Ular Kota Kenari, Kulim Kedah	42,508	SS	FH	23/08/2004	–	1	1,398
26	Lot P.T. 57919 Jalan Kerbau, Mukim Sg Petani, Daerah Kuala Muda, Kedah	44,225	SS	FH	30/06/2003	–	1	2,000

## List of Properties

	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>C</b>	<b>PERLIS INDERA KAYANGAN</b>							
1	Lot 2729, Mukim Berseri, Daerah Padang Malau	13,340	SS	FH	31/01/1991	–	15	122
2	Lot 3684 Jalan Raja Syed Alwi, Behor Gandil, Mukim Utan Aji, Perlis	50,579	SS	FH	05/10/2004	–	1	1,600
<b>D</b>	<b>KELANTAN DARUL NAIM</b>							
1	P.T. 2424, Bandar dan Daerah Kuala Krai	10,367	SS	LH	14/06/1991	02/03/2049	20	13
2	Lot 2079 (P.T. 1043), Bandar & Daerah Gua Musang	15,995	SS	LH	15/08/1985	13/03/2084	18	184
3	P.T. L.O. 1945, Mukim Maka, Daerah Tanah Merah	19,946	SS	LH	22/05/1991	10/10/2086	22	8
4	P.T. 38/1433, Mukim Lembu, Daerah Kota Bharu	22,593	SS	LH	14/06/1991	23/01/2017	18	4
5	P.T. 48, Seksyen 16, Bandar & Daerah Kota Bharu	28,710	SS	LH	28/12/1992	22/08/2088	21	930
6	P.T. 2360, Mukim Maka, Daerah Tanah Merah	43,200	SS	LH	15/01/1983	09/01/2053	18	196
7	Lot 2781, Bandar & Daerah Kuala Krai	26,285	SS	FH	24/05/1992	–	4	550
8	P.T. 623, Mukim Panchor, Bandar & Daerah Kota Bharu	84,680	W	LH	26/09/1983	25/07/2048	19	142
9	P.T. 88 & 89, Mukim Lemal, Daerah Pasir Mas	15,177	SS	LH	08/12/1998	12/05/2065	5	590
10	Lot 2799, Mukim Tanah Merah, Jajahan Tanah Merah	18,535	SS	LH	29/10/2001	03/08/2068	3	470
11	Lot P.T.1272 HS(M)166, Kg Dalam Huma, Mukim Pasir Puteh, Daerah Limbongan, Kelantan	45,667	VL	FH	29/07/2003	28/07/2069	–	1,044

## List of Properties

	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>E</b>	<b>TERENGGANU DARUL IMAN</b>							
1	Lot 7858, Mukim Chukai, Daerah Kemaman	28,201	SS	LH	22/05/1991	24/04/2044	20	45
2	Lot 2913 & 3486, Mukim Sura, Daerah Dungun	30,408	SS	LH	14/06/1991	29/05/2045 02/09/2045	19	30
3	P.T. 134, Mukim Pelagat, Daerah Besut	39,159	SS	LH	05/05/1988	04/01/2018	16	21
4	Lot 6108 & 4182, Mukim Kuala Dungun, Daerah Dungun	53,087	SS	LH	14/06/1991	13/09/2043	20	39
5	Lot 3578, Mukim Kuala Paka, Daerah Dungun	15,834	SS	FH	08/10/1996	–	18	400
6	P.T. 1722, Mukim Abang, Daerah Dungun	31,323	SS	LH	12/10/1995	16/10/2055	6	37
7	P.T. 4799 (Bhg), Mukim Kijal, Daerah Kemaman	30,000	SS	LH	01/09/1999	25/11/2101	2	473
8	Lot 2112, Mukim Hulu Setiu Daerah Setiu	22,800	SS	FH	21/07/1994	–	3	140
9	P.T. 5010 Mukim Teluk Kalung Daerah Kemaman	64,580	SS	LH	28/10/1999	20/10/2058	4	1,369
10	Lot 2247 Mukim Bukit Kenak Padang Jerneh Daerah Besut	43,712	VL	FH	20/10/2000	–	–	850
<b>F</b>	<b>PAHANG DARUL MAKMUR</b>							
1	P.T. 3370, Mukim Sabai, Daerah Bentong	22,826	SS	LH	18/01/1989	17/01/2049	15	73
2	P.T. 719, Mukim Ringleet, Daerah Cameron Highlands	9,000	SS	LH	23/06/1990	22/06/2089	17	73
3	P.T. 15291, Mukim Kuala Kuantan, Daerah Kuantan	11,115	SS	LH	16/08/1991	16/01/2085	14	382
4	P.T. 3640, Mukim Pedah, Daerah Jerantut	13,612	SS	LH	12/12/1991	09/02/2082	21	254
5	P.T. 1207, Mukim Kuala Lipis, Daerah Lipis	19,329	SS	LH	10/10/1990	09/10/2056	16	29
6	P.T. 1987, Mukim Semantan, Daerah Temerloh	56,901	SS	LH	19/08/1986	18/08/2052	18	40
7	P.T. 4335, Bandar & Daerah Temerloh,	10,054	SS	LH	16/09/1991	30/01/2091	11	495
8	P.T. 9011, Mukim Gali, Daerah Raub	11,434	SS	LH	04/08/1994	10/08/2091	20	10



## List of Properties

	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>F</b>	<b>PAHANG DARUL MAKMUR (Cont'd)</b>							
9	P.T. 4519, Mukim & Daerah Bentong	11,887	SS	LH	29/07/1991	22/03/2053	12	381
10	P.T. 10693, Mukim Kuala Kuantan, Daerah Kuantan	26,966	SS	LH	14/06/1991	11/02/2080	20	128
11	P.T. 601, Mukim Tanah Rata, Daerah Cameron Highlands	30,797	SS	LH	23/06/1990	22/06/2089	18	251
12	P.T. 3920, Mukim Sungai Karang, Daerah Kuantan	16,968	SS	FH	24/11/1990	—	10	173
13	P.T. 3921, Mukim Sungai Karang, Daerah Kuantan	15,020	SS	FH	24/11/1990	—	13	173
14	Lot 2, Seksyen 3, Kampung Ketari, Daerah Bentong	20,691	SS	FH	22/05/1991	—	8	450
15	Lot 24757, Mukim Kuala Kuantan, Daerah Kuantan	34,929	SS	FH	11/11/1991	—	10	675
16	Lot 1593, Mukim Pedah, Daerah Jerantut	14,284	SS	FH	15/01/1984	—	10	600
17	Lot 7, 8 & 43, Seksyen 18, Bandar & Daerah Kuantan	25,345	SS	FH	26/08/1991	—	9	1,290
18	Lot 112, Mukim & Daerah Bentong	39,030	SS	FH	23/11/1991	—	10	520
19	P.T. 3443, Mukim Perak, Daerah Temerloh	47,647	VL	LH	19/08/1986	18/08/2052	—	44
20	P.T. 33423, Seksyen 1, Bandar Indera Mahkota, Daerah Kuantan	20,000	SS	LH	10/09/1992	06/04/2093	4	494
21	P.T. 11198, Mukim Kuala Kuantan, Daerah Kuantan	42,471	VL	FH	1992	—	2	454
22	Lot 587, Mukim Ulu Cheka, Daerah Jerantut	14,593	VL	FH	15/01/1994	—	—	130
23	Lot 5093 CT 6585, Mukim Kuala Kuantan, Daerah Kuantan	21,200	SS	FH	20/08/1993	—	5	515
24	Lot 26180 - 26186, Mukim Kuala Kuantan, Daerah Kuantan	11,711	VL	FH	30/08/1991	—	—	780
25	P.T.10884, Mukim & Daerah Bentong	179,296	LPGSBP	LH	20/09/1991	07/01/2058	8	470

## List of Properties

Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>F PAHANG DARUL MAKMUR (Cont'd)</b>							
26 Lot 5515, Mukim Kuala Kuantan, Daerah Kuantan	22,694	VL	FH	27/03/1992	–	–	590
27 Lot 5392, Mukim Kuala Kuantan, Daerah Kuantan	21,600	VL	FH	16/01/1992	–	–	530
28 P.T. 10852 & 10853, Mukim Mentakab, Daerah Temerloh	43,515	VL	FH	14/03/2000	–	–	2,100
29 P.T. 817, Mukim Sungai Karang, Daerah Kuantan	19,364	SS	LH	10/07/1991	11/07/2090	3	387
30 Lot P.T. 678, Mukim Mentakab, Daerah Temerloh	43,832	SS	LH	22/09/2000	06/11/2035	2	1,453
31 P.T. 57349, Bandar Kuantan, Daerah Kuantan	41,689	VL	LH	19/02/2001	02/09/2093	–	2,926
32 P.T. 67234, Mukim Kuala Kuantan, Daerah Kuantan	71,748	VL	LH	07/07/2002	25/06/2101	–	2,378
<b>G JOHOR DARUL TAKZIM</b>							
1 PTD 3009, Mukim Linau, Daerah Batu Pahat	10,772	SS	LH	22/05/1991	17/01/2047	19	73
2 PTD 4626, Mukim Jeram Baru, Daerah Pontian	15,900	SS	LH	04/08/1994	30/03/2008	15	8
3 PTD 4560, Mukim Kesang, Daerah Muar	17,837	SS	LH	09/01/1996	28/10/2046	21	134
4 PTB 324, Bandar Jementah, Daerah Segamat	25,000	SS	LH	14/06/1991	01/12/2051	18	37
5 PTD 3618, Mukim Sg. Segamat, Daerah Segamat	25,000	SS	LH	14/06/1991	15/09/2051	19	37
6 PTD 13309 & 52136, Mukim Tebrau, Daerah Johor Bahru	70,726	SS	LH	20/02/1991	25/11/2015	17	532
7 PTB 16964, Bandar & Daerah Johor Bahru	24,012	SS	LH	20/02/1991	02/05/2087	12	1,301
8 PTD 89980, Mukim Plentong, Daerah Johor Bahru	25,000	SS	LH	14/06/1991	30/03/2089	20	338
9 PTD 60266, Mukim Pulau, Daerah Johor Bahru	39,260	SS	LH	10/01/1991	03/08/2021	8	1,432
10 PTD 57850, Mukim Tebrau, Daerah Johor Bahru	43,512	SS	LH	23/03/1992	15/10/2021	8	967
11 PTD 7605, Mukim Serom, Daerah Muar	12,818	SS	FH	30/07/1990	–	12	280

## List of Properties

	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>G</b>	<b>JOHOR DARUL TAKZIM (Cont'd)</b>							
12	PTD 9492, Mukim Tebrau, Daerah Johor Bahru	13,208	SS	FH	23/01/1991	–	11	510
13	PTD 814, Mukim Sg. Kluang, Daerah Batu Pahat	13,663	SS	FH	22/05/1991	–	20	153
14	Lot 7949, Mukim Senai-Kulai, Daerah Johor Bahru	15,860	SS	FH	16/09/1990	–	12	599
15	PTD 37211, Bandar & Daerah Kluang	16,847	SS	FH	18/12/1989	–	13	500
16	PTD 15400, Mukim Tangkak, Daerah Muar	20,000	SS	FH	19/05/1992	–	19	288
17	Lot 881, Bandar Maharani, Daerah Muar	27,143	SS	FH	14/05/1991	–	17	628
18	PTD 84376, Mukim Plentong, Daerah Johor Bahru	28,846	SS	FH	23/08/1989	–	13	721
19	PTD 10908, Mukim Sedenak, Daerah Johor Bahru	30,582	SS	FH	27/09/1989	–	13	397
20	Lot 1069, Mukim & Daerah Kota Tinggi	34,848	SS	FH	11/01/1991	–	11	1,063
21	Lot 230, Bandar & Daerah Kota Tinggi	49,713	SS	FH	30/03/1993	–	18	512
22	Lot 3116, Mukim Jalan Bakri, Daerah Muar	30,764	SS	FH	04/01/1992	–	10	600
23	PTD 34963, Mukim Plentong, Daerah Johor Bahru	18,135	SS	FH	26/11/1990	–	11	861
24	Lot 155, Mukim Sermin, Daerah Segamat	21,789	SS	FH	25/06/1989	–	9	300
25	PTD 69921, Mukim Plentong Daerah Johor Bahru	24,779	SS	FH	18/10/1990	–	8	1,239
26	PTD 44992, Mukim Pulai, Daerah Johor Bahru	50,202	SS	FH	12/09/1990	–	8	1,506
27	Lot 7320, Mukim Senai-Kulai, Daerah Johor Bahru	23,475	SS	FH	24/06/1991	–	7	1,415
28	PTD 100976, Mukim Plentong, Daerah Johor Bahru	21,246	SS	FH	26/11/1990	–	7	1,009
29	Lot 4188 & 4189, Mukim & Daerah Kluang	14,157	VL	LH	20/02/1989	11/01/2034	–	103
30	PTD 57709, Mukim Pulai, Daerah Johor Bahru	19,200	SS	LH	13/03/1991	29/06/2020	5	157
31	PTB 11985, Bandar & Daerah Johor Bahru	24,000	SS	LH	25/05/1991	02/02/2042	5	900

## List of Properties

	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>G</b>	<b>JOHOR DARUL TAKZIM (Cont'd)</b>							
32	PTD 1225, Mukim Jementah, Daerah Segamat	24,993	VL	LH	14/06/1991	15/09/2051	–	37
33	PTD 8255, Mukim Buloh Kasap, Daerah Segamat	28,807	SS	LH	07/06/1990	31/12/2086	4	551
34	PTD 35578, Mukim Senai-Kulai, Daerah Johor Bahru	32,147	SS	LH	31/07/1992	18/08/2084	14	1,528
35	PTB 9, Bandar Gemas, Daerah Segamat	25,000	VL	LH	14/06/1991	15/09/2051	–	37
36	Lot 23551 (PTD 110909), Mukim Plentong, Daerah Johor Bahru	21,273	SS	FH	24/08/1993	–	7	469
37	Lot 7344, Mukim Sg. Balang, Semerah, Daerah Batu Pahat	19,979	SS	FH	20/01/1992	–	3	380
38	Lot 7452, Mukim Plentong, Daerah Johor Bahru	21,780	VL	FH	06/03/1991	–	–	795
39	PTD 88326, Mukim Plentong, Daerah Johor Bahru	23,750	SS	FH	18/07/1990	–	5	1,069
40	Lot 367, Bandar & Daerah Johor Bahru	29,784	VL	FH	26/07/1990	–	–	2,978
41	Lot 24883, Mukim Pulai, Bandar Selesa Jaya, Johor Bahru	34,832	SS	FH	09/03/1993	–	7	1,392
42	Lot 23551 (PTD 110910), Mukim Plentong, Daerah Johor Bahru	21,325	SS	FH	24/08/1993	–	7	1,406
43	PTD 6717, Mukim Kesang, Daerah Muar	35,005	SS	FH	09/01/1996	–	5	858
44	PTB 17928, Bandar Johor Bahru	30,410	SS	LH	14/07/1983	14/02/2043	16	3,303
45	PTD 71062, Mukim Pulai, Daerah Johor Bahru	33,540	SS	FH	10/06/1998	–	5	6,500
46	PTD 71046, Mukim Pulai, Daerah Johor Bahru	42,690	SS	FH	10/06/1998	–	5	5,100
47	PTD 100820, Mukim Pulai, Daerah Johor Bahru	61,673	SS	FH	09/08/1999	–	4	4,800
48	Part of Lot 441, 442 & 1504, Mukim Plentong Daerah Johor Bahru	40,000	SS	FH	28/01/1999	–	3	3,000
49	PTB 19195, Bandar Johor Bahru	33,632	VL	LH	15/05/2001	08/03/2091	–	1,818

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	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>G</b>	<b>JOHOR DARUL TAKZIM (Cont'd)</b>							
50	PTD 1525, Mukim Gemereh, Daerah Segamat	34,734	VL	FH	19/02/2002	–	–	799
51	PTD 85816, (105615) Taman Pelangi Indah Mukim Tebrau	91,875	SS	FH	28/05/2003	–	2	6,983
52	PTD 95704, Taman Setia Indah, Mukim Tebrau	54,390	VL	FH	15/10/2003	–	–	5,167
53	Lot PTB4648, HSD47973, Jalan Rahmat, Bandar Penggaram, Batu Pahat, Johor	45,019	SS	FH	08/08/2004	–	1	3,750
54	Lot PTD 105784 HS(D) 361231, Mukim Tebrau, Johor Bahru, Johor	52,599	VL	FH	10/02/2004	–	–	4,471
55	Lot PTD 77623 HS(D) 258216, Taman Nusa Perintis, Mukim Pulai, Johor Bahru, Johor	31,416	SS	FH	09/10/2003	–	2	2,104
56	Lot PTD 95241, Taman Setia Indah, Mukim Tebrau, Johor Bahru, Johor	32,637	VL	FH	28/04/2004	–	–	3,104
57	Lot LT PTD 135636, Tmn Sri Yaakob, Mukim Pulai, Johor Bahru, Johor	56,886	SS	FH	11/10/2004	–	1	5,857
58	Lot LT PTD 129028, Kota Masai, Mukim Plentong, Johor Bahru, Johor	38,298	SS	FH	11/06/2003	–	2	2,718
59	Lot PTD 174174, Bandar Seri Alam, Mukim Plentong, Johor Bahru, Johor	43,577	SS	FH	01/07/2004	–	1	3,746
60	Lot MLO 8028, Parit Tengah, Mukim Tg. Sembrong, Batu Pahat, Johor	70,499	VL	FH	04/02/2005	–	–	676
61	Lot PTD 127744, Jalan Kempas Lama, Mukim Tebrau, Johor Bahru, Johor	44,190	VL	FH	26/01/2005	–	–	3,300
62	Lot PTD 76295, R&R Skudai (NB) Mk Senai, L/Raya Utara-Selatan, Johor Bahru, Johor	120,529	VL	LH	18/07/2003	17/07/2102	–	11,731
63	Lot PTD 173047 HSD353199, Bayu Senibong, Mukim Plentong, Johor Bahru, Johor	70,165	VL	LH	08/05/2003	07/05/2102	–	6,258
64	Lot B19195, Jalan Yahya Awal, Johor Bahru, Johor	33,644	VL	LH	09/03/1992	08/03/2091	–	1,358
65	Lot 181563, Mukim Plentong, Taman Bayu Puteri, Bdr Baru Permas Jaya, Johor Bahru	50,812	VL	LH	21/09/2004	21/01/2097	–	4,130

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<b>H</b>	<b>NEGERI SEMBILAN DARUL KHUSUS</b>							
1	P.T. 1414, Mukim Triang Hilir, Daerah Jelevu	11,926	SS	LH	04/08/1990	24/02/2090	11	172
2	Lot 268 (P.T. 6086), Mukim Ampangan, Daerah Seremban	16,000	SS	LH	20/12/1985	20/12/2045	15	216
3	P.T. 999, Mukim Gemas, Daerah Tampin	21,780	SS	LH	22/05/1991	13/09/2043	17	60
4	P.T. 278, Mukim Ampangan, Daerah Seremban	25,019	SS	LH	22/05/1991	12/09/2075	11	318
5	Lot 10066, Mukim Rasah, Daerah Seremban	14,400	SS	FH	17/07/1982	–	14	442
6	Lot 2253, Mukim Si Rusa, Daerah Port Dickson (Coast)	15,781	SS	FH	31/01/1991	–	17	423
7	P.T. 489, Mukim Serting Ulu, Daerah Jempol	16,861	SS	FH	16/04/1990	–	13	660
8	Lot 448, Mukim Tampin, Daerah Tampin	20,418	SS	FH	31/01/1991	–	15	387
9	Lot 5935, Mukim Rantau, Daerah Seremban	17,687	VL	FH	12/02/1991	–	–	600
10	P.T. 1583 - P.T. 1588 & P.T. 1595 - P.T. 1599, Mukim & Daerah Seremban	24,098	VL	FH	29/10/1990	–	–	916
11	P.T. 26/2 - P.T. 26/3 & P.T. 26/6 - 26/11, Pekan Kuala Klawang, Daerah Jelevu	24,550	SS	FH	14/05/1990	–	4	300
12	Lot 527, Bandar Port Dickson, Daerah Port Dickson (Coast)	43,914	SS	FH	08/04/1991	–	3	800
13	P.T. 10841 & 10842, HS(D) 98016 & 98017, Mukim Rasah, Daerah Seremban	41,167	SS	FH	11/03/1998	–	5	2,200
14	P.T. 2277 HS(D) 16461, Mukim Jimah, Daerah Port Dickson	24,393	SS	FH	12/03/1998	–	5	995
15	Lot 13796 HS(D) 49314, Mukim Rantau, Daerah Seremban	17,663	SS	FH	17/08/1998	–	4	795
16	P.T. 21419 Mukim Labu, Daerah Seremban	55,006	VL	FH	04/10/2000	–	–	2,200
17	P.T. 12874 & 12875 Mukim Labu, Daerah Seremban	26,354	SS	FH	11/12/2002	–	3	3,350

## List of Properties

	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>H</b>	<b>NEGERI SEMBILAN DARUL KHUSUS (Cont'd)</b>							
18	P.T. 6054, Mukim Seremban, Daerah Seremban	52,140	SS	FH	26/03/2002	–	2	2,345
19	P.T. 5890, Bandar Seremban	63,162	SS	FH	19/03/2002	–	2	3,346
20	P.T. 2172, Jln Seremban-Tampin, Daerah Tampin	29,396	SS	FH	28/02/2002	–	2	1,530
21	Lot PT 4087HS(D)154332, Senawang Ampangan, Daerah Seremban, Negeri Sembilan	47,303	VL	FH	10/03/2004	–	–	2,508
22	Lot PT 7931, Jalan Jelebu, Seremban, Negeri Sembilan	29,590	VL	FH	09/10/2004	–	–	1,025
23	Lot PT 1421, Mukim Titian Bintanggor, Daerah Rembau, Negeri Sembilan	87,174	VL	LH	28/01/2004	03/12/2062	–	5,135
<b>I</b>	<b>MELAKA</b>							
1	P.T. 32 dan Lot 684, Kawasan Bandar XXXVII, Daerah Melaka Tengah	12,176	SS	LH	19/11/1991	19/11/2075 31/07/2090	19	147
2	Lot 1072, Mukim Ramuan Cina Kechil, Daerah Alor Gajah	16,770	SS	LH	07/07/1985	07/07/2084	17	89
3	Lot 351, Mukim Batu Berendam, Daerah Melaka Tengah	22,400	SS	LH	04/08/1994	30/09/2084	8	127
4	P.T. 1, Mukim Cheng, Daerah Melaka Tengah	23,143	SS	LH	14/06/1991	28/06/2045	20	101
5	Lot 260, Kampung Klebang, Seksyen 11, Daerah Melaka Tengah	23,435	SS	LH	10/08/1990	12/02/2047	17	415
6	Lot 271, Bandar Pulau Sebang, Seksyen 1, Daerah Alor Gajah	24,154	SS	LH	14/06/1991	14/08/2044	20	110
7	Lot 4351, Mukim Bukit Katil, Daerah Melaka Tengah	28,578	SS	LH	14/06/1991	16/07/2050	21	86
8	Lot 353, Mukim Tangga Baru, Daerah Melaka Tengah	28,050	SS	FH	01/09/1999	–	18	950

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<b>I</b>	<b>MELAKA (Cont'd)</b>							
9	P.T. 4175, Mukim Bkt. Baru, Daerah Melaka Tengah	12,066	SS	FH	16/06/1982	—	20	309
10	Lot 347, Bandar Bkt. Baru, Seksyen 111, Daerah Melaka Tengah	13,329	SS	FH	22/10/1991	—	9	714
11	P.T. 701, Mukim Selandar, Daerah Jasin	20,599	SS	FH	23/01/1992	—	9	300
12	P.T. 4683, Mukim Bachang, Daerah Melaka Tengah	30,000	SS	FH	09/02/1991	—	9	735
13	Lot 321, Mukim Bukit Baru, Daerah Melaka Tengah	63,162	SS	FH	17/08/1990	—	14	1,059
14	Lot 175 & 1456, Kawasan Bandar XXXVII Daerah Melaka Tengah	18,649	SS	FH	09/08/1989	—	12	522
15	Lot 311, Bandar Bkt. Baru, Seksyen V, Daerah Melaka Tengah	18,741	SS	FH	19/03/1985	—	14	412
16	Lot 142, Kawasan Bandar XXXI, Daerah Melaka Tengah	23,079	SS	FH	23/08/1990	—	12	1,269
17	P.T. 1130, Kawasan Bandar VI, Daerah Melaka Tengah	14,155	VL	LH	21/09/1989	15/11/2085	—	332
18	Lot 70, Kawasan Bandar XXIX, Daerah Melaka Tengah	14,322	SS	LH	07/03/1991	10/12/2051	5	440
19	Lot 918, Mukim Peringgiti, Daerah Melaka Tengah	84,345	VL	FH	19/12/1992	—	—	405
20	Lot 2031, GM MCL 1150, Mukim Air Molek, Daerah Melaka Tengah	19,400	SS	FH	11/03/1992	—	5	400
21	Lot 1375, MCL 360, Mukim Balai Panjang, Daerah Melaka Tengah	20,000	SS	FH	05/10/1992	—	3	440
22	P.T. 851, Mukim Sg. Baru Hulu, Daerah Alor Gajah	20,000	SS	FH	09/06/1993	—	3	340
23	Lot 303, Kawasan Bandar XXIX, Daerah Melaka Tengah	21,351	SS	FH	15/01/1991	—	5	726
24	P.T. 1317, HS(M) 67, Mukim Sungai Udang, Daerah Alor Gajah	27,953	SS	FH	24/04/1998	—	4	746
25	2854 GMM 1094, Jalan Air Keroh, 58,704 Mukim Durian Tunggal, Daerah Alor Gajah, Melaka.		SS	FH	30/04/2004	—	1	3,669



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	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>J</b>	<b>PERAK DARUL RIDZUAN</b>							
1	P.T. 5309, Mukim Sg. Siput, Daerah Kuala Kangsar	15,110	SS	LH	19/12/1990	17/12/2089	12	234
2	Lot 5653, Mukim Parit Buntar, Daerah Kerian	17,147	SS	LH	10/05/1991	09/05/2043	20	267
3	Lot 87409, Mukim Hulu Kinta, Daerah Kinta	18,977	SS	LH	31/01/1991	31/12/2078	21	702
4	Lot 29526, Mukim Setiawan, Daerah Dinding	21,700	SS	LH	01/07/1987	22/11/2086	19	263
5	P.T. 66101, Bandar Ipoh, Daerah Kinta	26,332	SS	LH	19/08/1987	18/08/2047	19	214
6	Lot 303, Pekan Sungkai, Daerah Batang Padang	37,200	SS	LH	02/12/1992	01/12/2052	16	94
7	P.T. 89905, Mukim Hulu Kinta, Daerah Kinta	49,735	SS	LH	23/08/1984	10/04/2088	13	504
8	Lot 5739 & P.T. No. 3131-3137, Mukim Slim, Daerah Batang Padang	12,404	SS	LH	24/08/1984	03/06/2083	17	275
9	Lot 14501, Bandar Ipoh, Daerah Kinta	16,975	SS	LH	16/11/1985	31/07/2052	14	408
10	P.T. No. 64796, Bandar Ipoh, Daerah Kinta	20,000	SS	LH	14/06/1991	11/12/2044	19	204
11	Lot 1963, Batu 1, Mukim Kampar, Daerah Hilir Kinta	39,761	SS	LH	16/01/1983	11/12/2044	19	87
12	P.T. 923, Mukim Sg. Raya, Daerah Kinta	17,653	SS	LH	20/05/1992	19/04/2083	9	609
13	Lot 43881, Mukim Sg. Terap, Daerah Kinta	11,979	SS	FH	22/06/1994	—	17	250
14	P.T. 92889, Mukim Hulu Kinta, Daerah Kinta	12,359	SS	LH	16/09/1992	09/10/2049	5	458
15	P.T. 131534, HS(D) KA 35310 Mukim Hulu Kinta, Daerah Kinta	43,712	SS	LH	03/01/1997	08/08/2093	18	1,006
16	Lot 1454, Mukim Bagan Serai, Daerah Kerian	16,089	SS	FH	16/01/1992	—	5	333
17	P.T. 856, HS(M) 3, Mukim Teja, Daerah Kinta	17,146	SS	LH	28/01/1997	28/12/2096	4	749
18	P.T. 154712 HS(D) KA 70460, Mukim Batu, Daerah Kinta	44,734	SS	LH	24/03/1998	22/04/2097	5	115

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<b>J</b>	<b>PERAK DARUL RIDZUAN (Cont'd)</b>							
19	P.T. 8621 Mukim Lumut, Daerah Manjung	45,805	SS	LH	14/10/1999	15/12/2098	5	1,422
20	P.T. 1341 Mukim Simpang, Daerah Larut & Matang	32,130	SS	FH	24/09/1992	—	5	610
21	Lot 92912 Jalan Lahat, Mukim Hulu Kinta, Daerah Kinta	48,395	VL	LH	29/11/2000	08/01/2110	—	931
22	Lot P.T. 10158, Taman Saujana, Batu Gajah, Mukim Sg. Terap, Daerah Kinta	30,887	SS	LH	24/09/2001	26/01/2098	2	940
23	Lot 191515, Jalan Kuala Kangsar, Mukim Kinta, Ipoh	16,523	VL	LH	14/03/2002	11/05/2102	—	1,185
24	Lot HS(D) 91349 P.T. 15613, Mukim Terap Daerah Kinta, Perak	41,499	SS	FH	31/12/2002	—	2	1,743
25	Lot P.T. 187383, Jln Bercham-Tanjung Rambutan, Mukim Hulu Kinta, Perak	34,016	VL	FH	07/12/2004	—	—	1,626
26	Lot P.T. 3491, Kg Kedah, Mukim Parit Buntar Daerah Kerian, Perak	43,588	VL	FH	18/10/2004	—	—	1,000
27	Lot P.T. 15978/HSD131903, Mukim Sg Raya, Kinta, Perak	65,393	VL	LH	28/04/2004	27/04/2013	—	2,475
28	Lot P.T. 191532, Taman Pengkalen Utama, Mukim Hulu Kinta, Daerah Kinta, Perak.	65,415	VL	LH	19/06/2003	18/06/2002	—	2,865
29	Lot P.T. 3137, Mukim Sg Raya, Daerah Kinta, Jalan Ipoh-Kampar, Gopeng, Perak	94,144	VL	LH	31/03/1997	30/03/2096	—	1,916
<b>K</b>	<b>SELANGOR DARUL EHSAN</b>							
1	P.T. 3164, Mukim & Daerah Petaling	17,702	SS	LH	20/04/1989	18/11/2087	11	673
2	Lot 1891, Mukim Sungai Buloh, Daerah Petaling	15,314	SS	LH	31/01/1991	20/03/2011	23	74
3	P.T. 6972, Mukim & Daerah Petaling	32,658	SS	LH	19/02/1992	24/11/2085	21	692
4	Lot 1890, Mukim Sungai Buloh, Daerah Petaling	18,200	SS	LH	31/01/1991	20/03/2011	21	89
5	P.T. 4684, Mukim & Daerah Petaling	26,136	SS	LH	28/06/1991	22/08/2092	11	1,011

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<b>K</b>	<b>SELANGOR DARUL EHSAN (Cont'd)</b>							
6	P.T. Utama, P.T. 1985 (Plot 749), Mukim Batu, Daerah Gombak	13,606	SS	LH	29/03/1990	06/12/2076	11	720
7	P.T. 45, Seksyen 15, Bandar Shah Alam, Daerah Petaling	61,946	SS	LH	14/03/1989	12/01/2086	10	934
8	P.T. 119, Seksyen 1, Mukim Damansara Daerah Petaling	16,731	SS	LH	05/01/1990	02/12/2019	12	255
9	P.T. 435, Seksyen 6, Bandar Shah Alam, Daerah Petaling	26,275	SS	LH	14/06/1991	05/02/2018	20	371
10	P.T. No. 476 & 484, Mukim Ampang, Daerah Ulu Langat	9,600	SS	LH	02/08/1990	30/07/2074	13	415
11	P.T. 22521, Mukim Kajang, Daerah Ulu Langat	26,144	SS	LH	04/06/1991	09/05/2021	11	441
12	P.T. 318, Mukim Ampang, Daerah Gombak	11,400	SS	LH	25/06/1987	21/01/2073	17	537
13	P.T. 436, Mukim Batu, Daerah Kuala Langat	9,320	SS	LH	04/08/1994	22/11/2014	18	4
14	P.T. 31182, Mukim & Daerah Kelang	17,058	SS	LH	19/09/1990	17/09/2050	12	885
15	P.T. 9995, Mukim & Daerah Kelang	43,560	SS	LH	21/05/1985	20/03/2015	18	19
16	P.T. 669, Mukim Ampang Pechah, Daerah Ulu Selangor	14,850	SS	LH	04/08/1994	30/09/2015	20	12
17	P.T. 5162, Mukim Setapak, Daerah Gombak	18,209	SS	LH	28/09/1990	12/02/2067	11	643
18	Lot 1859, Mukim Ampang, Daerah Hulu Langat	20,192	SS	LH	31/01/1991	25/09/2011	19	165
19	P.T. 27361 & Lot No. 15 & 16, Seksyen 5, Pekan Ampang	18,700	SS	LH	17/03/1992	03/01/2090	9	1,123
20	P.T. No. 29071 & 29072, Mukim Batu, Daerah Gombak	51,646	SS	LH	19/09/1991	16/10/2091	8	2,933
21	P.T. 2059, Mukim Serendah, Daerah Ulu Selangor	34,092	SS	LH	11/12/1991	21/11/2090	9	522
22	P.T. 1466 (Lot 7380) & P.T. 1467 (Lot 7381), Mukim Damansara, Daerah Petaling	24,038	SS	FH	22/05/1991	—	22	314

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<b>K SELANGOR DARUL EHSAN (Cont'd)</b>							
23 P.T. 3585, Mukim Kapar, Daerah Kelang	10,417	SS	FH	23/03/1992	–	16	625
24 P.T. 2781, Mukim Damansara, Daerah Petaling	16,687	SS	FH	14/08/1989	–	13	751
25 P.T. 11854, Mukim & Daerah Kelang	12,985	SS	FH	18/06/1990	–	12	835
26 Sebahagian dari Lot 2883, Mukim Tanjong Duabelas, Daerah Kuala Langat	20,000	SS	FH	06/08/1990	–	13	385
27 P.T. 12842, Mukim Kajang, Daerah Ulu Langat	26,639	SS	FH	04/02/1989	–	21	1,066
28 Lot 44, 45 & 46, Seksyen 25, Bandaraya & Daerah Kelang	28,670	SS	FH	12/10/1990	–	11	920
29 P.T. 12911, Mukim Kapar, Daerah Kelang	30,685	SS	FH	27/03/1990	–	22	1,420
30 Lot 136 hingga 140, Kampung Salak, Daerah Sepang	10,145	SS	FH	07/06/1990	–	14	195
31 Sebahagian dari Lot P.T. 32, Mukim & Daerah Petaling	30,000	VL	LH	25/08/1990	14/06/2066	–	742
32 L.O. 15, Seksyen 6, Bandar Petaling, Daerah Kuala Lumpur	17,160	VL	LH	08/08/1988	12/11/2062	–	542
33 P.T. 19163, Mukim & Daerah Petaling	19,795	VL	LH	21/01/1992	07/03/2092	–	808
34 P.T. 28938, Mukim Ampang, Daerah Ulu Langat	19,533	SS	LH	02/10/1991	27/04/2092	9	1,022
35 P.T. 32008, Mukim Batu, Daerah Gombak	27,695	SS	LH	02/10/1991	20/07/2073	9	967
36 Lot 13697, Mukim Sungai Buloh, Daerah Petaling	32,496	VL	LH	30/05/1990	01/02/2079	–	1,236
37 Lot 4029, Mukim Sungai Buloh, Daerah Petaling	41,382	SS	LH	11/09/1990	21/02/2029	4	810
38 Sebahagian dari P.T. 10295, Mukim Rawang, Daerah Gombak	18,310	VL	LH	20/04/1989	13/07/2024	–	368
39 P.T. 9260, Mukim Damansara, Daerah Petaling	15,000	VL	LH	14/01/1991	02/07/2051	–	761
40 P.T. 19197, Mukim Kapar, Daerah Kelang	14,283	VL	FH	17/06/1991	–	–	1,000
41 P.T. 43361, (Lot Pertama) Mukim & Daerah Kelang	23,000	VL	FH	19/03/1990	–	–	1,137

## List of Properties

	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>K</b>	<b>SELANGOR DARUL EHSAN (Cont'd)</b>							
42	P.T. 43362 (Lot ke-2), Mukim & Daerah Kelang	23,000	VL	FH	24/09/1991	–	–	1,041
43	Lot 4437, Mukim Kuala Lumpur, Daerah Petaling	23,207	SS	FH	07/03/1991	–	4	1,184
44	Lot 3441, HS(D) 1608, Mukim Batang Berjuntai, Daerah Kuala Selangor	13,769	VL	FH	18/11/1991	–	–	509
45	P.T. 5052, HS(D) 44113, Seksyen 28, Bandar Shah Alam	25,950	SS	FH	02/01/1992	–	4	1,427
46	P.T. No. 739 & 740, Mukim Serendah, Daerah Hulu Selangor	25,693	SS	FH	25/06/1991	–	4	607
47	P.T. 16292, HS(D) 27931, Mukim Cheras, Daerah Kuala Langat	19,361	SS	FH	10/10/1997	–	5	1,400
48	Lot 4042, HS(M) 5694, Mukim Tanjung Duabelas, Daerah Kuala Langat	21,790	SS	LH	09/12/1997	26/09/2087	5	1,049
49	PT 32710 HS(M) 32875, Mukim Ampang, Daerah Hulu Langat	31,720	SS	LH	28/08/1998	02/08/2094	5	1,865
50	P.T. 63, Mukim Damansara, Daerah Petaling	78,410	TCSS	FH	30/12/1985	–	10	1,423
51	P.T. 1442 Mukim Dengkil, Daerah Putrajaya	40,935	VL	FH	05/05/1999	–	–	5,118
52	P.T. 3870 Mukim Damansara, Daerah Petaling	17,367	SS	FH	14/08/1989	–	10	782
53	P.T. 7003, Mukim Damansara, Daerah Petaling	16,250	SS	FH	14/08/1989	–	10	731
54	P.T. 14026, Mukim Damansara, Daerah Petaling	11,025	VL	FH	14/08/1989	–	–	634
55	P.T. 10444, Mukim Damansara, Daerah Petaling	16,970	SS	FH	14/08/1989	–	9	764
56	P.T. 38352 Mukim & Daerah Klang	25,000	SS	FH	23/04/1991	–	5	1,063
57	P.T. 26061 Mukim & Daerah Klang	20,764	SS	FH	31/10/1990	–	5	831
58	Lot 1253 Mukim Rawang, Daerah Gombak	30,492	SS	FH	02/12/1991	–	5	1,265
59	P.T. 23990 Mukim Kapar, Daerah Klang	26,000	SS	FH	24/02/1992	–	5	1,663

## List of Properties

	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>K</b>	<b>SELANGOR DARUL EHSAN (cont'd)</b>							
60	P.T. 13173 Mukim & Daerah Petaling	23,207	VL	FH	07/03/1991	–	–	1,184
61	Lot 219 Mukim Cheras, Daerah Ulu Langat	51,009	SS	FH	18/03/1993	–	3	1,999
62	P.T. 588, Mukim Damansara, Daerah Petaling	23,487	SS	FH	07/11/1993	–	13	1,174
63	No. 204 Seksyen 25 Mk Daerah Klang	48,007	SS	FH	28/08/1998	–	5	3,360
64	Lot 5006, Mukim Dengkil, Daerah Sepang, Selangor	4,808,672	KVDT	FH	03/08/1995	–	8	7,382
65	P.T. 11887 Mukim Rawang	48,394	SS	LH	06/03/2000	09/02/2094	3	3,350
66	P.T. 75235A Mukim Kelang Daerah Kelang	42,558	SS	FH	08/03/2001	–	3	4,700
67	P.T. 75237A Mukim Kelang Daerah Kelang	43,594	VL	FH	08/03/2001	–	–	2,300
68	P.T. 37331 Seksyen 5, Bandar Kinrara Daerah Petaling	22,387	SS	FH	07/01/2003	–	3	2,800
69	Lot PT 70 Pekan Bukit Kemuning Mukim Klang	52,226	VL	FH	30/10/2003	–	–	4,182
70	Lot 52548, 52549 & 52550 Jalan Batu Tiga-Puchong Mukim Damansara	71,548	SS	LH	28/02/2001	03/08/2068	2	5,138
71	Lot PT 27423, Taman Dato Ahmad Razali, Jalan Kolam Air Lama, Ampang, Daerah Hulu Langat, Selangor	161,222	VL	LH	03/06/1991	02/06/2090	–	19,509
72	Lot PT 35256 (Old Lot 60349), Bandar Baru Selayang, Mukim Batu, Daerah Gombak, Selangor	38,613	SS	LH	03/08/2001	02/08/2100	2	1,598
73	Lot PT 10702, Puncak Alam, Mukim Ijok, Kuala Selangor	56,649	VL	LH	07/04/2004	06/04/2103	–	3,307
74	Lot PT10659, Puncak Alam, Mukim Ijok, Kuala Selangor	43,576	SS	LH	18/09/2003	17/09/2102	2	2,658
75	Lot PT7741, Bt 9, Mukim Teluk Panglima Garang, Kuala Langat, Selangor	37,246	SS	LH	13/08/2002	13/08/2101	3	2,206

## List of Properties

	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>K</b>	<b>SELANGOR DARUL EHSAN (Cont'd)</b>							
76	Lot P.T. 3429 HS(D)17325, Mukim Hulu Kelang, Daerah Gombak, Bkt Antarabangsa, Selangor	66,958	SS	FH	30/01/2004	–	2	8,328
77	Lot P.T. 25433, Bandar Tun Hussein Onn, Mukim Cheras, Daerah Ulu Langat, Selangor	18,478	SS	FH	23/05/2003	–	1	1,201
78	Lot P.T. 30965 HS(D)69867, Bdr Baru Damai Perdana, Cheras, Selangor	43,577	SS	FH	25/11/2002	–	1	5,000
79	Lot P.T. 1545 (Old Lot 2838) HSD 43089, Kepong Industrial Park, Daerah Gombak, Selangor	24,002	SS	FH	04/06/03	–	1	1,607
80	Lot P.T. 44579, Mutiara Damansara Mukim Sungai Buloh, Daerah Petaling, Selangor	56,940	SS	FH	15/01/2004	–	1	9,392
81	Lot P.T. 1161, Pekan Puchong, Daerah Petaling, Selangor	33,573	SS	FH	14/04/2003	–	1	3,959
82	Lot P.T. 24766, Guthrie Corridor Expressway, Bukit Jelutong, Mk Damansara, Daerah Petaling	44,306	VL	FH	02/08/2004	–	–	6,780
83	Lot LT P.T. 6273, Taman Meranti Jaya, Mukim Dengkil, Daerah Sepang, Selangor	70,185	VL	FH	23/12/2004	–	–	5,005
84	Lot P.T. 30147, Bukit Jelutong, Mukim Damansara, Daerah Petaling, Selangor	33,951	VL	FH	16/09/2004	–	–	5,081
<b>L</b>	<b>WILAYAH PERSEKUTUAN</b>							
1	Lot 44489, (P.T. 3), Mukim Kuala Lumpur, Daerah Wilayah Persekutuan	21,780	SS	LH	18/07/1990	08/08/2073	12	956
2	P.T. 9614, Mukim Batu, Daerah Wilayah Persekutuan	17,773	SS	LH	22/08/1990	22/07/2072	12	1,176
3	Lot No. 29395 & 29396, Mukim Kuala Lumpur, Daerah Wilayah Persekutuan	32,081	SS	LH	21/12/1977	21/01/2011	23	201
4	Lot 6209, Mukim Batu, Daerah Wilayah Persekutuan	23,250	SS	LH	14/06/1991	17/11/2043	20	23
5	Lot 16032, Mukim Kuala Lumpur, Daerah Wilayah Persekutuan	16,194	SS	LH	31/01/1991	17/03/2002	21	0

## List of Properties

Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>L WILAYAH PERSEKUTUAN (Cont'd)</b>							
6 P.T. 39732, Mukim Kuala Lumpur, Daerah Wilayah Persekutuan	22,853	SS	LH	10/09/1984	10/02/2077	18	851
7 Lot 48523 (P.T. No. 7489), Mukim Batu, Daerah Wilayah Persekutuan	36,210	SS	LH	12/09/1987	24/06/2017	16	107
8 Lot 136, Seksyen 90, Bandaraya Kuala Lumpur	10,753	SS	LH	04/08/1994	04/05/2047	18	257
9 P.T. 4680, Mukim Setapak, Daerah Wilayah Persekutuan	16,743	SS	LH	08/08/1985	01/08/2000	18	0
10 Lot 12134, Mukim Batu, Daerah Wilayah Persekutuan	30,837	SS	LH	25/01/1991	28/06/2066	12	1,552
11 P.T. 2956, Mukim Kuala Lumpur, Daerah Wilayah Persekutuan	27,341	SS	FH	25/07/1989	–	15	1,300
12 Lot 48653, Mukim Kuala Lumpur, Daerah Wilayah Persekutuan	23,714	SS	FH	16/11/1989	–	13	996
13 Lot 20272, Mukim Setapak, Daerah Wilayah Persekutuan	25,529	SS	FH	31/12/1987	–	14	869
14 Lot 232, Seksyen 96, P.T. No. 232 & 233, Bandaraya Kuala Lumpur	17,212	SS	FH	31/03/1990	–	12	2,250
15 P.T. 3644, Mukim Setapak, Daerah Wilayah Persekutuan	31,300	SS	FH	01/06/1990	–	22	889
16 Lot 16794, Mukim Batu, Daerah Wilayah Persekutuan	16,351	SS	FH	25/09/1987	–	14	817
17 Lot 59, Seksyen 88, Bandaraya Kuala Lumpur	19,785	SS	FH	22/05/1981	–	21	2,477
18 Lot No. 4295 & 4310, Mukim Ampang, Bandaraya Kuala Lumpur	12,626	SS	FH	22/05/1981	–	18	931
19 Lot 2343 (Lot 1653), Seksyen 41, Bandaraya Kuala Lumpur	13,638	SS	FH	24/03/1988	–	15	770
20 Lot No. 545-552, Seksyen 55, Bandaraya Kuala Lumpur	9,741	SS	FH	13/03/1990	–	13	1,800
21 P.T. 2381, Mukim Setapak, Daerah Wilayah Persekutuan	21,052	SS	LH	15/07/1991	20/09/2086	7	1,497
22 Lot 353, Seksyen 91A, Bandaraya Kuala Lumpur	13,164	SS	LH	14/06/1991	11/01/2043	7	96
23 Lot 9524, Mukim Batu, Daerah Wilayah Persekutuan	32,343	SS	FH	28/07/1992	–	7	3,260



## List of Properties

	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>L</b>	<b>WILAYAH PERSEKUTUAN (Cont'd)</b>							
24	Sebahagian dari Lot 33495 (P.T. 2197), Mukim Petaling, Daerah Wilayah Persekutuan	24,427	VL	LH	20/12/1990	19/12/2089	–	1,231
25	P.T. 1035, Mukim Petaling Daerah Wilayah Persekutuan	17,250	VL	LH	12/08/1991	23/10/2085	–	722
26	Sebahagian dari Lot 33492 (P.T. 2194), Mukim Petaling, Daerah Wilayah Persekutuan	24,925	VL	LH	15/07/1991	27/04/2086	–	837
27	P.T. 737, Mukim Petaling Daerah Wilayah Persekutuan	32,947	VL	LH	15/12/1989	17/08/2085	–	914
28	Sebahagian dari P.T. 899, Mukim Petaling, Daerah Wilayah Persekutuan	27,439	SS	LH	01/03/1991	19/08/2084	3	953
29	P.T. 7082, Mukim Batu, Daerah Wilayah Persekutuan	26,530	VL	LH	06/08/1990	11/01/2087	–	1,691
30	P.T. 2686, Mukim Setapak, Daerah Wilayah Persekutuan	17,912	VL	LH	14/08/1991	10/11/2089	–	1,047
31	Lot 25, Seksyen 87, Bandaraya Kuala Lumpur	20,010	VL	FH	24/07/1990	–	–	2,801
32	Sebahagian dari Lot 847, Mukim Kuala Lumpur Daerah Wilayah Persekutuan	20,518	VL	FH	25/09/1991	–	–	1,128
33	Lot 788, Mukim Setapak, Daerah Wilayah Persekutuan	57,173	VL	FH	25/07/1991	–	–	1,800
34	Lot 522, Mukim Petaling, Daerah Wilayah Persekutuan	169,884	LPGSBP	LH	14/06/1991	31/03/2011	24	147
35	Lot 836, Precint 9 Wilayah Persekutuan Putrajaya	43,154	SS	FH	22/04/2003	–	2	4,315
36	Lot 3352 Precint 11 Wilayah Persekutuan Putrajaya	36,500	VL	FH	22/04/2003	–	–	4,510
37	Lot 2495 Precint 16 Wilayah Persekutuan Putrajaya	43,640	VL	FH	22/04/2003	–	–	4,364
38	Lot P.T. 7667, Taman Setiawangsa, Setapak, Kuala Lumpur	63,140	SS	FH	24/07/2003	–	2	7,602

## List of Properties

Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>M SABAH AND WILAYAH PERSEKUTUAN LABUAN</b>							
1 TL 147501764, Daerah Tambunan	24,750	SS	LH	14/06/1991	31/12/2011	18	12
2 CL 175310595 (Lot 136), Daerah Beaufort	24,750	SS	LH	04/10/1983	31/12/2901	18	593
3 CL 025331631, Jalan Papar-Kimanis, Daerah Papar	24,750	SS	LH	22/01/1990	10/09/2913	12	107
4 CL 105139633, Lot 1492, Daerah Tawau	57,064	SS	LH	14/06/1991	10/09/2913	18	0
5 CL 015414490, Jalan Reservoir, Daerah Kota Kinabalu	18,280	SS	LH	14/06/1991	31/12/2012	21	87
6 Lot 39, CL 115317318, Jalan Segama, Daerah Lahat Datu	20,880	SS	LH	16/01/1983	31/12/2002	13	0
7 TL 227500816, Daerah Kota Marudu	21,650	SS	LH	14/06/1991	31/12/2011	18	6
8 CL 10542613, CL 10542622 & CL 105542631, Daerah Tawau	22,450	SS	LH	11/04/1990	17/01/2914	12	404
9 TL 207527044, Jalan Saguking, Daerah Labuan	30,502	SS	LH	14/06/1991	31/12/2011	21	21
10 CL 28409 & CL 284410, Jalan Mat Salleh, Daerah Kota Kinabalu	21,344	SS	LH	18/01/1984	04/05/2913	19	481
11 CL 075326082, Jalan Utara, Daerah Sandakan	14,750	SS	LH	13/01/1991	09/07/2887	23	193
12 CL 105316630, Daerah Tawau	23,820	SS	LH	17/10/1991	20/06/2055	12	352
13 CL 015433379, CL 015433388, CL 013433404, CL 015433360 Jalan Swamp, Daerah Kota Kinabalu	29,927	SS	LH	15/01/1990	31/12/2930	13	519
14 TL 057504688, Pekan Kudat, Daerah Kudat	28,300	SS	LH	31/12/1991	31/12/2009	10	121
15 CL 10546680 (CL 105311500), Km 7, Jalan Apas, Daerah Tawau	21,780	SS	LH	23/03/1995	23/02/2025	9	355
16 TL 107525986, LA 81110053, Jalan Mawar, Daerah Tawau	25,000	SS	LH	14/06/1991	31/12/2011	14	19
17 (Lot 1), CL 105139580, Jalan Kuhara, Daerah Tawau	19,249	SS	LH	13/06/1991	30/10/2055	10	347
18 Sebahagian dari CL 105244326, Jalan Apas, Daerah Tawau	25,968	SS	LH	27/10/1991	24/10/2916	7	598

## List of Properties

	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>M</b>	<b>SABAH AND WILAYAH PERSEKUTUAN LABUAN (Cont'd)</b>							
19	CL 1153799989, Jalan Silam, Daerah Lahad Datu	21,279	SS	LH	22/01/1994	31/12/2069	2	282
20	CL 165005569, Daerah Tenom	12,000	SS	LH	09/10/1985	30/12/2014	2	24
21	CL 075203413, Jalan Labuk, Daerah Sandakan	20,000	VL	LH	01/04/1993	01/07/2882	–	649
22	CL 025337722, Kg. Kinarut, Daerah Papar	39,639	SS	LH	18/06/1993	31/12/2084	5	305
23	TL 247501177, Daerah Kunak	13,930	VL	LH	18/11/1997	31/12/2088	–	570
24	CL 156466699 Km 7, Jalan Apas, Daerah Tawau	79,598	VL	LH	30/04/1998	23/02/2925	–	192
25	CL 105430868, Lot 82100054, Tanjong Batu, Daerah Tawau	435,600	BD	LH	14/06/1991	31/12/2042	9	129
26	RSP No. 90019022, Sepangar Bay, Kota Kinabalu	522,720	BD	LH	29/12/1994	–	12	6,756
27	TL 207532465, Jalan Mustapha, Wilayah Persekutuan Labuan	23,123	OSS	LH	22/10/1993	23/03/2919	11	61
28	CL 207901933, Tanjong Kubong, Labuan	23,096	SS	FH	29/07/1992	–	10	342
29	CL015580186, Daerah Kota Kinabalu, Luyang 2	8,503	SS	LH	23/12/2002	31/12/2906	13	987
30	CL015500893, Daerah Kota Kinabalu, Likas	30,158	SS	LH	23/12/2002	23/12/2083	15	869
31	CL01578533, Daerah Kota Kinabalu, Jalan Inanam	20,575	SS	LH	23/12/2002	14/05/2076	20	761
32	CL015474012, Daerah Kota Kinabalu, Penampang	28,353	SS	LH	23/03/2003	31/12/2076	18	861
33	CL215386851, Daerah Penampang, Kampung Nosoob	27,007	SS	LH	23/12/2002	08/12/2062	15	961
34	CL215395396, Daerah Penampang, Kasigui	29,063	VL	LH	23/12/2002	31/12/2904	–	732
35	Lot TL077544186, Km 6 Jalan Batu Sapi, Karamunting, Sandakan, Sabah.	85,813	SS	LH	21/10/2003	14/11/2883	1	699

## List of Properties

	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>N</b>	<b>SARAWAK</b>							
1	Lot 5185, Seksyen 64, Daerah Bandar Kuching	21,388	SS	LH	10/11/1987	23/09/2048	13	401
2	Lot 1392, Blok 11, Daerah Muara Tebas	12,325	SS	LH	31/01/1991	31/12/2069	9	245
3	Lot 7933, Seksyen 64, Daerah Bandar Kuching	12,884	SS	LH	31/01/1991	23/01/2777	17	368
4	Lot 721, Blok 31, Daerah Kemena	46,392	SS	LH	14/06/1991	11/03/2051	21	278
5	Lot 2974, Seksyen 65, Daerah Bandar Kuching	35,865	SS	LH	01/11/1985	23/10/2045	15	515
6	Lot 397, Blok 9, Daerah Konsesi Miri	63,733	SS	LH	14/06/1991	18/01/2042	19	104
7	Lot 425, Blok 2, Daerah Sibul	15,069	SS	LH	14/06/1991	31/01/2042	10	260
8	Lot 4772, Blok 16, Daerah Kuching Tengah	60,762	SS	LH	10/05/1990	02/05/2050	22	106
9	Lot 402, Daerah Serian	11,270	SS	LH	06/10/1997	26/12/2045	16	29
10	Lot 299, Seksyen 5, Daerah Bandar Kuching	16,512	SS	LH	22/05/1989	30/03/2049	22	42
11	Lot 1804, Daerah Limbang	18,094	SS	LH	22/01/1992	21/01/2052	9	302
12	Lot 2156, Blok 16, Daerah Kuching Tengah	36,372	SS	LH	14/03/1991	09/02/2041	12	702
13	Lot 2065, Blok 1, Daerah Lambir	38,179	SS	LH	08/12/1992	07/12/2052	9	192
14	Lot 419, Blok 26, Daerah Kemena	22,432	SS	LH	15/08/1994	14/08/2054	14	106
15	Lot 650, Blok 3, Daerah Sentah-Segu	18,546	SS	LH	03/04/1991	27/05/2052	10	370
16	Lot 284, Blok 16, Daerah Kuching Tengah	35,370	SS	LH	08/01/1992	31/12/2025	16	712
17	Sublot 131 & Lot 2400, Blok 4, Daerah Sungai Merah	23,034	SS	LH	12/12/1995	13/10/2057	7	924
18	Lot 486, Blok 4, Daerah Bandar Sungai Merah	22,657	SS	LH	15/04/1996	31/12/2019	7	768
19	Sublot 102, Blok 5, Daerah Sentah-Segu	22,012	VL	LH	23/08/1994	16/02/2056	–	628
20	Lot 1144, Blok 6, Daerah Seduan	22,423	SS	LH	06/04/1994	14/07/2053	6	230
21	Lot 251, Daerah Muara Tebas	35,198	SS	LH	29/11/1995	28/11/2055	4	650
22	Lot 1176, Blok 14, Daerah Seduan	11,169	VL	LH	03/09/1996	09/02/2056	–	72

## List of Properties

	Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2005 (RM'000)
<b>N</b>	<b>SARAWAK (Cont'd)</b>							
23	Lot 570, Blok 16, Daerah Bandar Seduan	16,102	W	LH	30/08/1984	20/06/2038	12	56
24	Lot 123, 124, 125 & 126, Daerah Bandar Seduan	301,004	BD	LH	08/07/1989	20/05/2018	11	914
25	Lot 1415, Seksyen 66, Daerah Bandar Kuching	472,956	BD	LH	14/06/1981	17/02/2042	23	359
26	Lot 94 Blok 217 Daerah Batu Kawah	22,703	SS	LH	20/03/2000	27/08/2058	3	1,211
27	Lot 121 Blok 217 Daerah Bukit Kisi	22,388	SS	LH	05/04/1999	12/04/2056	3	202
28	Lot 1106 Blok 5 Kuala Baram Land District, Daerah Miri	36,867	VL	FH	31/12/2002	—	—	1,125
29	Lot 1050, Blok 7, Jalan Bulan Sabit, Miri, Sarawak.	79,639	SS	LH	27/07/2002	13/12/2054	2	4,021
<b>O</b>	<b>LAND FOR PIPELINE</b>							
1	Pipelines for multiple petroleum products of 130 km, which consists of 28 km from Sungai Udang, Melaka to Sungai Linggi, Negeri Sembilan, 62 km from Sungai Linggi to FELDA LPJ, Mukim Labu, Negeri Sembilan, 36 km from FELDA LPJ, Mukim Labu to KVD, Sepang, Selangor, 3 km from KVD, Sepang to KLIA, Selangor and 1 km from Port Dickson Refinery to main pipeline.	36,603,280	MPP	FH	20/07/1995 (Negeri Sembilan & Melaka) 03/08/1995 (Selangor)	—	—	31,951

### ABBREVIATION DESCRIPTION

SS	—	Service Station
VL	—	Vacant Land
SH	—	Shophouse
OSS	—	Office & Service Station
BD	—	Bulk Depot
LPGSBP	—	LPG Storage & Bottling Plant
W	—	Warehouse
TCSS	—	Training Centre & Service Station
MPP	—	Multi Product Pipeline
KVD	—	Klang Valley Distribution Terminal

### Tenure

FH	—	Freehold
LH	—	Leasehold

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Third Annual General Meeting of PETRONAS Dagangan Berhad (the Company) will be held on Wednesday, 27 July 2005 at 10.00 a.m. at the Ballroom 1 & 2, Level 2, Hotel Nikko Kuala Lumpur, 165, Jalan Ampang, 50450 Kuala Lumpur for the following purposes, namely:

## Agenda

1. To receive the Audited Financial Statements for the year ended 31 March 2005 together with the Reports of the Directors and Auditors thereon. **(Resolution 1)**
2. To approve the payment of final dividend of 10% per ordinary share less income tax at 28% in respect of the year ended 31 March 2005. **(Resolution 2)**
3. To re-elect the following Directors pursuant to Article 93 of the Company's Articles of Association:-
  - (a) Dato' Kamaruddin bin Mohd Jamal **(Resolution 3)**
  - (b) Ainon Marziah bt Wahi **(Resolution 4)**
  - (c) Ibrahim bin Marsidi **(Resolution 5)**
4. To approve the payment of Directors' fees in respect of the year ended 31 March 2005. **(Resolution 6)**
5. To re-appoint Messrs. KPMG Desa Megat & Co. as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**
6. To transact any other ordinary business for which due notice has been given.

## Notice of Book Closure

**NOTICE IS ALSO HEREBY GIVEN THAT** the Register of Members will be closed on 19 August 2005 to determine shareholders entitlement to the dividend payment. The final dividend of 10% per ordinary share less income tax at 28%, if approved, will be payable on 9 September 2005 to shareholders whose names appear in the Register of Depositors on 19 August 2005.

A depositor shall qualify for entitlement to the dividend only in respect of :-

- (a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 19 August 2005 in respect of ordinary transfers.
- (b) Shares bought on the Bursa Malaysia on a cum entitlement basis according to the Rules of the Bursa Malaysia.

By Order of the Board

**NOOR LILY ZURIATI BT ABDULLAH** (LS 05485)

**YEAP KOK LEONG** (MAICSA 0862549)

Company Secretaries

Kuala Lumpur

1 July 2005

## Notes:

1. A member of the Company entitled to attend and vote at the meeting may appoint a proxy or proxies to attend and vote on his behalf. A proxy may but need not be a member of the Company.
2. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each Securities account it holds with ordinary shares of the Company standing to the credit of the said Securities accounts.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation either under seal or under the hand of an officer or attorney duly authorised and must be deposited at the Company's Share Registrar, Symphony Share Registrar Sdn. Bhd. (formerly known as Malaysian Share Registration Services Sdn.Bhd.), Level 26, Menara Multi Purpose, Capital Square, No. 8, Jalan Munshi Abdullah, 50100 Kuala Lumpur, not less than 48 hours before the time fixed for the meeting.

# Statement Accompanying Notice of Annual General Meeting

Pursuant to Paragraph 8.28(2) of the Listing Requirements of Bursa Malaysia Securities Berhad appended hereunder are:-

## Directors standing for re-election

Directors who are standing for re-election at the Twenty-Third Annual General Meeting of the Company which will be held at Ballroom 1 & 2, Level 2, Hotel Nikko Kuala Lumpur, 165, Jalan Ampang, 50450 Kuala Lumpur on Wednesday, 27 July 2005 at 10.00 a.m. are:-

- (a) Dato' Kamaruddin bin Mohd Jamal
- (b) Ainon Marziah bt Wahi
- (c) Ibrahim bin Marsidi

## Details of Directors standing for re-election as in Agenda 3 of the Notice of Annual General Meeting

	Dato' Kamaruddin bin Mohd Jamal	Ainon Marziah bt Wahi
<b>Age</b>	62	54
<b>Nationality</b>	Malaysian	Malaysian
<b>Qualification</b>	<ul style="list-style-type: none"> <li>British Royal Military College of Science and British Command and Staff College.</li> <li>MBA degree from the School of Business Management, Cranfield Institute of Technology, United Kingdom.</li> <li>Advance Management Program at the IMD, Lousanne, Switzerland.</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Arts (Hons) Anthropology &amp; Sociology, University of Malaya</li> <li>Master of Science (Industrial Relations), University of Strathclyde, United Kingdom</li> </ul>
<b>Position in the Company</b>	Independent Non-Executive Director	Non Independent Non-Executive Director
<b>Date first appointed to the Board</b>	01.03.2002	01.10.2002
<b>Membership of the Board Committees</b>	Board of Directors	Board of Directors
<b>Number of board meetings attended during the financial year 2004/2005</b>	4/4	4/4
<b>Working experience</b>	<ul style="list-style-type: none"> <li>Served the Malaysian Army from 1962 to 1974.</li> <li>Joined Esso Production Malaysia Inc. in 1975 and had held various management positions in both upstream and downstream sectors.</li> <li>Assistant to the Chairman for two years before he was appointed as the HR Director for Esso Companies in Malaysia on 1 January 1987 until he elected to retire in December 2001.</li> </ul>	<ul style="list-style-type: none"> <li>Joined PETRONAS in 1979 and has held various senior positions in Human Resources Management Division.</li> <li>Vice President of Human Resources Management Division, PETRONAS since 1 October 2002 to date.</li> </ul>
<b>Directorships in other public companies</b>	Nil	Nil
<b>Securities holdings in the Company</b>	Nil	2,000
<b>Family relationships with any directors and/or major shareholders of the Company</b>	Nil	Nil
<b>Conflict of interest with the Company</b>	Nil	Nil
<b>List of conviction for offences within the past 10 years other than traffic offences</b>	Nil	Nil

## Statement Accompanying Notice of Annual General Meeting

### Details of Directors standing for re-election as in Agenda 3 of the Notice of Annual General Meeting (Cont'd)

<b>Age</b>	<b>Ibrahim bin Marsidi</b> 53
<b>Nationality</b>	Malaysian
<b>Qualification</b>	<ul style="list-style-type: none"> <li>Bachelor Economics (Analytical) (Hons), University of Malaya.</li> </ul>
<b>Position in the Company</b>	Managing Director/Chief Executive Officer
<b>Date first appointed to the Board</b>	01.10.2002
<b>Membership of the Board Committees</b>	Board of Directors
<b>Number of board meetings attended during the financial year 2004/2005</b>	4/4
<b>Working experience</b>	<ul style="list-style-type: none"> <li>Joined PETRONAS in 1979 and has held various senior managerial positions including Senior Manager of Eastern and Northern Regions, General Manager of LPG Business &amp; Retail Business in the Company and Crude Oil Group, PETRONAS.</li> <li>Managing Director/Chief Executive Officer of the Company since 1 October 2002 to date.</li> </ul>
<b>Directorships in other public companies</b>	Nil
<b>Securities holdings in the Company</b>	Nil
<b>Family relationships with any directors and/or major shareholders of the Company</b>	Nil
<b>Conflict of interest with the Company</b>	Nil
<b>List of conviction for offences within the past 10 years other than traffic offences</b>	Nil





# Proxy Form

I/We \_\_\_\_\_

of \_\_\_\_\_

being a member of PETRONAS Dagangan Berhad hereby appoint \_\_\_\_\_

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at the Ballroom 1 & 2, Level 2, Hotel Nikko Kuala Lumpur, 165, Jalan Ampang, 50450 Kuala Lumpur on Wednesday, 27 July 2005 at 10.00 a.m. and at any adjournment thereof.

Resolution	For	Against
1. Adoption of Directors' Report and Financial Statements		
2. Approval of a Final Dividend		
3. To re-elect Director under Article 93 : Dato' Kamaruddin bin Mohd Jamal		
4. To re-elect Director under Article 93 : Ainon Marziah bt Wahi		
5. To re-elect Director under Article 93 : Ibrahim bin Marsidi		
6. Approval of Payment of Directors' Fees		
7. Re-appointment of Auditors		

Number of Ordinary Shares Held

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature/Common Seal of Shareholder(s)

## Notes:

1. This proxy form, duly signed must be deposited at the office of Company's Share Registrars, Symphony Share Registrars Sdn. Bhd. (formerly known as Malaysian Share Registration Services Sdn. Bhd.), Level 26, Menara Multi Purpose, Capital Square, No. 8, Jalan Munshi Abdullah, 50100 Kuala Lumpur, not less than 48 hours before the time fixed for the meeting.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or if the appointer is a corporation either under seal or under the hand of an officer or attorney duly authorised. A proxy need not be a member of Company. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
3. Unless voting instructions are indicated in the spaces provided above, the proxy may vote as he thinks fit.

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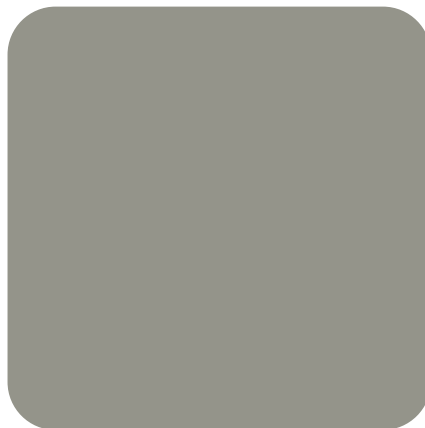
Affix Stamp

**Symphony Share Registrars Sdn Bhd**

Level 26, Menara Multi Purpose  
Capital Square  
No. 8, Jalan Munshi Abdullah  
50100 Kuala Lumpur

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# awards & achievements



**PETRONAS DAGANGAN BERHAD** (88222-D)

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Website : [www.mymesra.com.my](http://www.mymesra.com.my)  
Mesralink Tel : **1-300-88-8181**  
E-mail : [mesralink@petronas.com.my](mailto:mesralink@petronas.com.my)