

Enriching Life
Annual Report 2006



PETRONAS Dagangan Berhad is today one of the leading providers of premium petroleum products in Malaysia. To stay ahead, we are constantly reinventing our operations to meet the evolving needs of increasingly discerning consumers. By introducing the pioneering concept of having a streetmall within a service station, we aim to bring customer convenience to a new level. Continuously going above and beyond in our commitment to enrich lives by delivering only the best.

PETRONAS DAGANGAN BERHAD (88222-D)

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PETRONAS DAGANGAN BERHAD (88222-D)



ANNUAL REPORT 2006

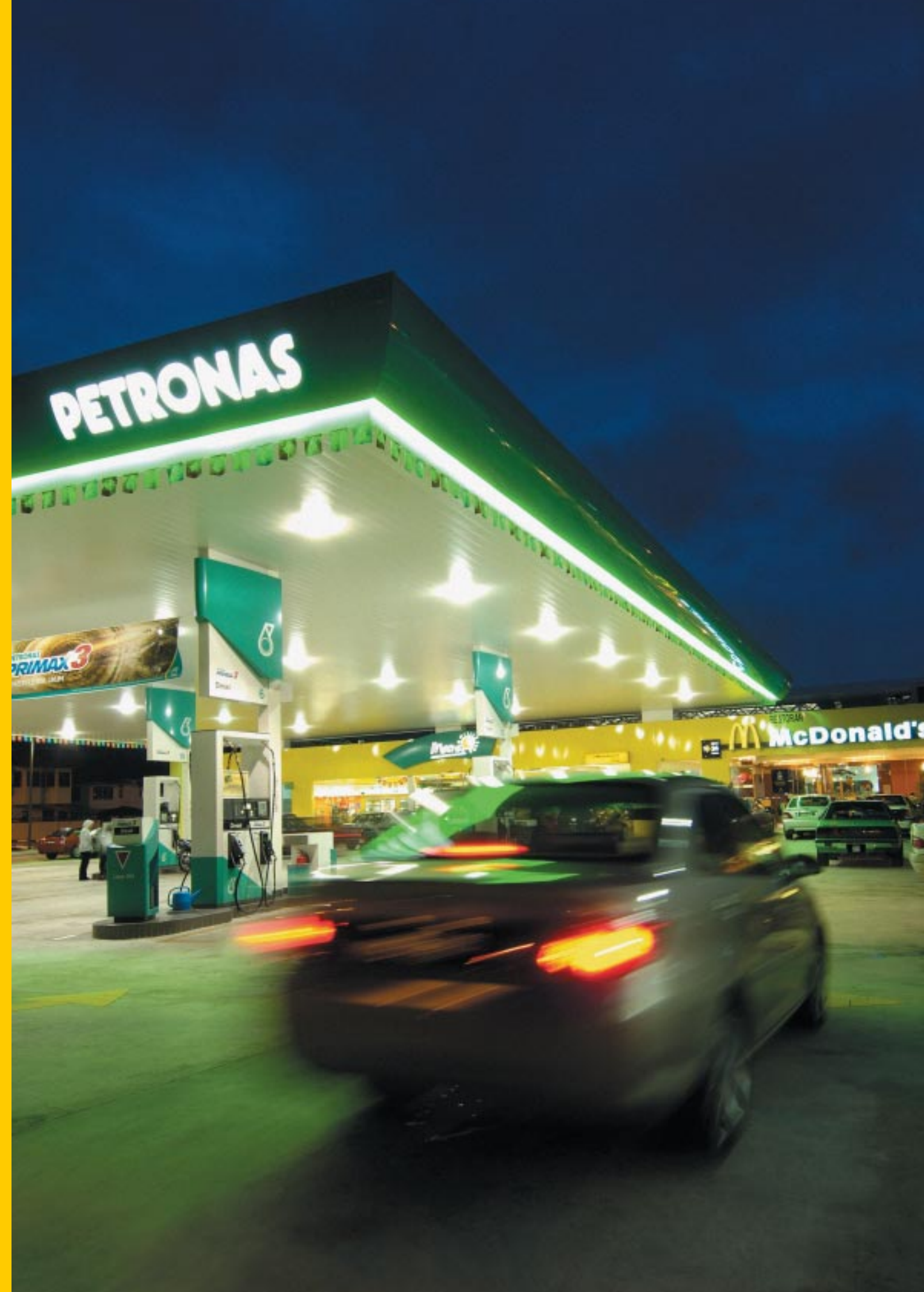
Corporate Profile

PETRONAS Dagangan Berhad (the Company) was incorporated in Malaysia under the Companies Act 1965 on 5 August 1982 and was converted to a public company on 21 August 1993. Shares of the Company were listed on the Main Board of Bursa Malaysia Securities Berhad on 8 March 1994.

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.

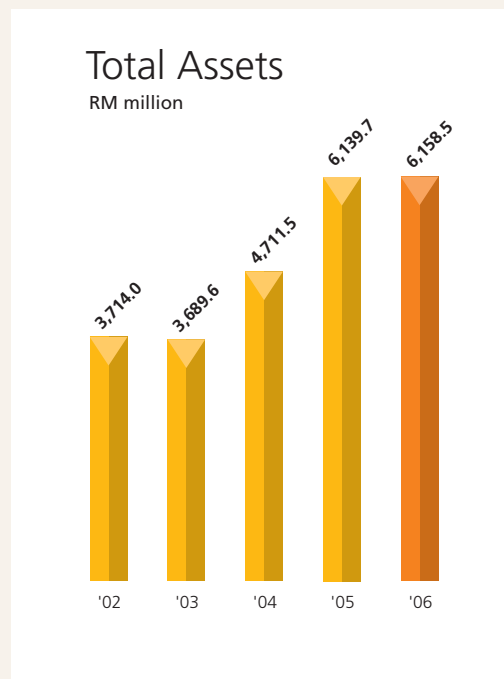
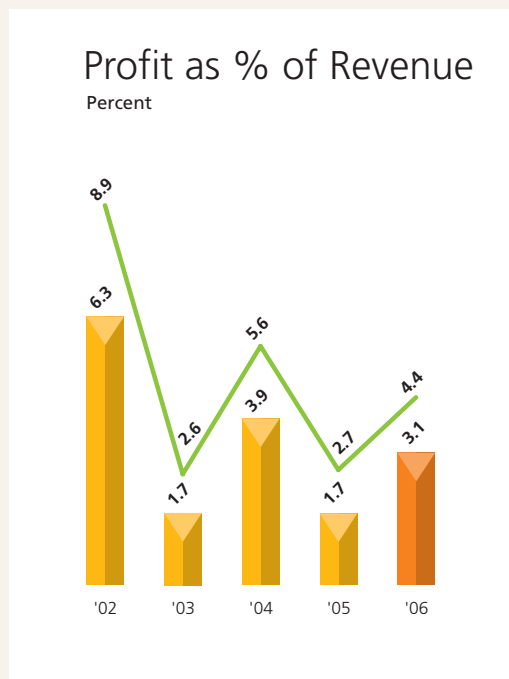
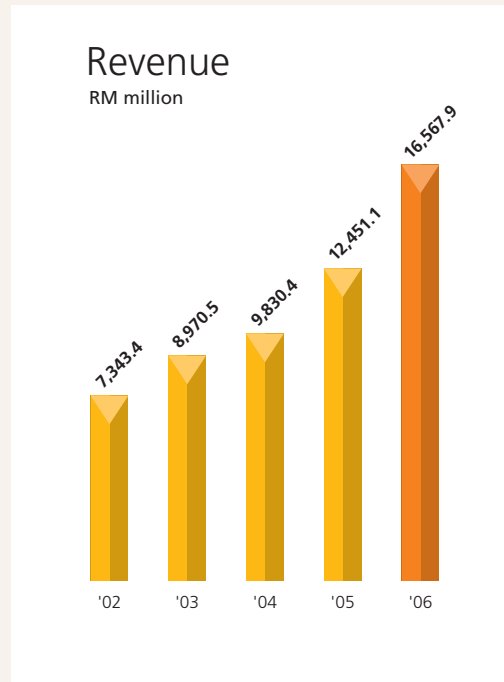
The Company has a sophisticated Customer Service Centre to serve its customers better.



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Five year Financial

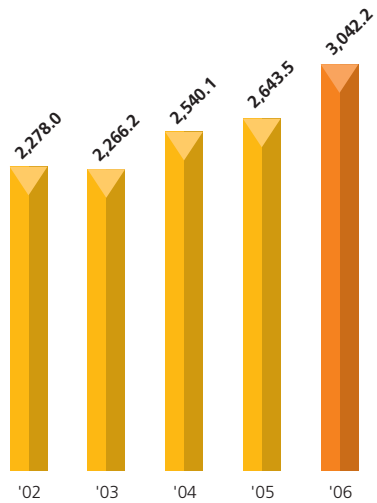


— Profit Before Tax ■ Profit After Tax

Highlights

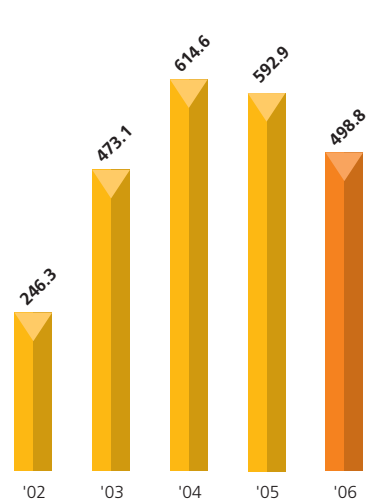
Shareholders' Funds

RM million



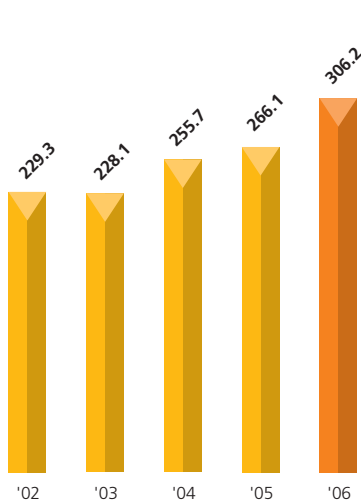
Capital Expenditure

RM million



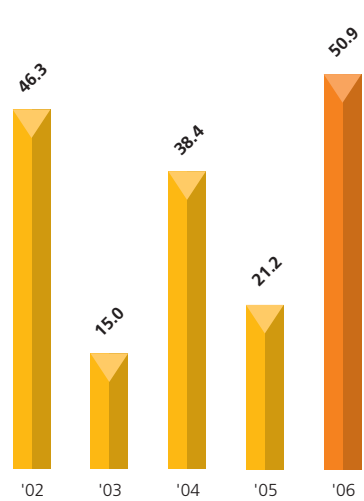
Net Assets per share

Sen



Earnings per share

Sen



The Net 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 financial year 2005.



Corporate Information



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Financial Calendar

2004/2005 Final Dividend Paid	9 September 2005
First Quarter Results	30 August 2005
Second Quarter Results	23 November 2005
2005/2006 Interim Dividend Paid	23 December 2005
Third Quarter Results	27 February 2006
Financial Year End	31 March 2006
Fourth Quarter and Financial Year Results	25 May 2006
Issue of 2006 Annual Report	30 June 2006
Twenty-Fourth Annual General Meeting	27 July 2006
Proposed Date for Payment of 2005/2006 Final Dividend	8 September 2006

DIRECTORS

Datuk Anuar bin Ahmad (Chairman)
Ibrahim bin Marsidi
Dato' Chew Kong Seng
Dr. R. Thillainathan
Dato' Kamaruddin bin Mohd Jamal
Datuk Ainon Marziah bt Wahid
Mohammad Medan bin Abdullah

BOARD AUDIT COMMITTEE

Dato' Chew Kong Seng (Chairman)
Dr. R. Thillainathan
Dato' Kamaruddin bin Mohd Jamal
Mohammad Medan bin Abdullah

COMPANY SECRETARIES

Noor Lily Zuriati bt Abdullah
Yeap Kok Leong

REGISTRAR

Symphony Share Registrars Sdn. Bhd.
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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

Datuk Anuar bin Ahmad (Chairman)

Ibrahim bin Marsidi • Dato' Chew Kong Seng • Dr. R. Thillainathan • Dato' Kamaruddin bin Mohd Jamal

Datuk Ainon Marziah bt Wahi • Mohammad Medan bin Abdullah • Noor Lily Zuriati bt Abdullah (Company Secretary)

Yeap Kok Leong (Company Secretary)



Profile of Directors

Datuk Anuar bin Ahmad, a Malaysian aged 52, is a Non-Independent Non-Executive Director. He was appointed as Chairman of PETRONAS Dagangan Berhad on 3 October 2005. 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 three (3) Board meetings in this financial year.

Ibrahim bin Marsidi, a Malaysian aged 54, 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.

Dato' Chew Kong Seng, a Malaysian aged 68, 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 and 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 was subsequently transferred to Sarawak office in 1973, first as Manager-in-Charge and later as Partner-in-Charge. He served as the Managing Partner of Ernst & Young for six years before he retired from professional practice in 1996. From May 1999 to June 2005, he was an executive director of Sarawak Enterprise Corporation Bhd.

His experience covers a wide variety of industries including those relating to banking and financial institutions, utilities, timber based, manufacturing, trading and advisory services to local and foreign investors. He is also an Independent Director and Audit Committee Chairman of four (4) public listed companies namely PETRONAS Dagangan Berhad, Industrial Concrete Products Berhad, AEON Co. (M) Bhd and PBA Holdings Berhad. He is an Audit Committee member of PETRONAS Gas Berhad. He also acts as an Independent Director in other public limited companies.

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

Dr. R. Thillainathan, a Malaysian aged 61, 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.

Dato' Kamaruddin bin Mohd Jamal, a Malaysian aged 63, 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.

Datuk Ainon Marziah bt Wahi, a Malaysian aged 55, 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.

Mohammad Medan bin Abdullah, a Malaysian aged 48, is a Non-Independent Non-Executive Director. He holds a Bachelor of Laws from Universiti Malaya.

He joined PETRONAS in 1982 and is currently the Senior General Manager, Corporate Services Division, PETRONAS Carigali Sdn Bhd. Prior to assuming this position, he has held various senior positions in PETRONAS. He is also a Board member of other companies within the PETRONAS Group.

He was appointed to the Board on 20 February 2006 and attended one (1) Board meeting in this financial year.

None of the Directors has:
Any family relationship with any Director and/or major shareholder.
Any conflict of interest with PETRONAS Dagangan Berhad.
Any conviction for offences within the past 10 years other than traffic offences.
(All of the Directors are members of Nomination and Remuneration Committee).

Management



FROM LEFT:

**Raja Abd Halim
bin Raja Abd Razak**
Senior Manager,
Planning Department

Ibrahim bin Marsidi
Managing Director /
Chief Executive Officer

Md Arif bin Mahmood
Senior General Manager,
Retail Business Division



FROM LEFT:

Fadzilan bin Mohd Daud
Senior Manager,
Human Resource Management
& Administration Services
Department

Baharin bin Raoh
General Manager,
Lube Business Division

Muhamad bin Hashim
Senior Manager,
Brand Department

Committee

FROM LEFT:

**Noor Lily Zuriati
bt Abdullah**

Company Secretary /
Senior Legal Counsel

**Mohd Ibrahimuddin
bin Mohd Yunus**

General Manager,
LPG Business Division

Azmi bin Yahaya

General Manager,
Finance Services Division



FROM LEFT:

Ir. Yee Gim Kong

Senior Manager,
HSE & Risk Management
Department

Rahiman bin Hashim

General Manager,
Commercial Business
Division

**Izuddin Husaini
bin Mohd Yusoff**

General Manager,
Supply & Distribution
Division



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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 2006.

The Company delivered a commendable performance yet again during the year under review despite the challenging business environment. It recorded a 33% increase in revenue from RM12,451 million in the previous financial year to RM16,568 million due to higher sales volume and selling price. As a result, profit before tax increased to RM726 million from RM330 million. After providing for taxation, the net profit came to RM506 million, a new record for the Company. Earnings per share increased to 50.9 sen from 21.2 sen last year.

The Board of Directors is recommending a final dividend of 15 sen less 28% tax per share. Together with the interim dividend of 5 sen less 28% tax per share paid on 23 December 2005, the total dividend for the Financial Year amounts to 20 sen less 28% tax per share.

Despite the intense competition, the Company successfully maintained its position as the largest petroleum products marketer in the country, improving its market share estimated at 41% from 40% last year. Moving forward, we aim to strengthen the Company's market position further.



The Company's profit before tax increased to RM726 million from RM330 million. After providing for taxation, the net profit came to RM506 million, a new record for the Company.

CHAIRMAN'S STATEMENT



In the retail business sector, the Company managed to maintain its market share of 30%. A total of 56 new stations were brought into operation during the year, increasing the total number of stations in operation to 785 as at 31 March 2006. The company scored another first in the industry with the introduction of a "Street Mall" concept at its latest hyperstation in Jalan Kolam Ayer Lama, Ampang Jaya. This latest hyperstation offers a wider range of products and services as well as added convenience for our customers. Prior to this, we were the first in the country to introduce the pay-at-pump facility for chip-based credit cards and also the first oil company to launch a hyperstation in Setiawangsa in 2003. During the year, the Company also launched its "Smartpay Diesel Subsidy" card which allows eligible customers to purchase government subsidised diesel at any PETRONAS service stations nationwide.

In the commercial business segment, the Company maintained its dominance and increased its market share to 61%, up from 58.7% in the last financial year. In addition to having the largest market share for jet fuel and commercial diesel, the Company is now also the largest bitumen marketer in the country.

In the LPG sector, the Company further strengthened its market leadership with a commendable growth during the year under review from 43.7% to 45%. Our cooking gas, Gas PETRONAS, is easily available throughout the country via the extensive network of our channel members comprising 402 dealers and 20 stockists.

In the lubricant sector, the Company improved its market share further from 14% to 15.5% during the year. Together with our parent company PETRONAS, we continued to sponsor major events such as the PETRONAS Malaysian Formula 1 Grand Prix and PETRONAS Sprinta AAM Malaysian Cup Prix Championship, as well as motor sports teams, to create stronger brand positioning for its lubricants. To sustain our growth in the lubricant sector, we will continue to strengthen our presence by undertaking various branding initiatives, as well as providing excellent after-sales service.

To keep up with the pace of our business growth, the Company has also expanded its supply and logistics facilities to further improve its operational efficiency and effectiveness. The Terminal Automation System has been installed at Kerteh and Melaka depots. The Automated Road Tanker Scheduling system has been extended to improve delivery in the Northern states. We also commissioned a new LPG storage tank at our Prai Depot to receive supply of LPG via pipeline from PETRONAS' Trans Thai Malaysia project.

In line with Malaysia's projected economic growth and the promising prospect of greater demand for petroleum products, the Company will continue with its expansion program to strengthen its position and sustain growth.

The Company remains committed to ensuring that the highest possible standards of Health, Safety and Environment (HSE) management practices are applied throughout the organisation. In this regard, we have conducted various HSE exercises, drills, seminars and educational programmes during the year as part of our ongoing HSE improvement programme. We also ensured that all our business activities were conducted in strict compliance to the stipulated HSE standards.

We are well aware that the development of human capital is an important element towards becoming the leading and trusted retailer in the country. Our priority is to continue upgrading staff competencies and capabilities, as well as nurturing future leaders to ensure sustainable growth. As such, the Company will continue to invest in development and training programmes to further enhance the skills and expertise of its employees.

To foster closer relationship with the local community in the areas that we operate in, we joined forces with our service station dealers to undertake various community programmes nationwide.

Our involvement in such programmes has helped create good rapport between the Company and local residents, which is consistent with our philosophy of sharing our success with the community.

In line with Malaysia's projected economic growth and the promising prospect of greater demand for petroleum products, the Company will continue with its expansion program to strengthen its position and sustain growth.

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 heartfelt appreciation to the Government of Malaysia and its relevant agencies for the continued support and guidance.

The Company's achievement would not have been possible without the contribution of its 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 advice, support and cooperation.

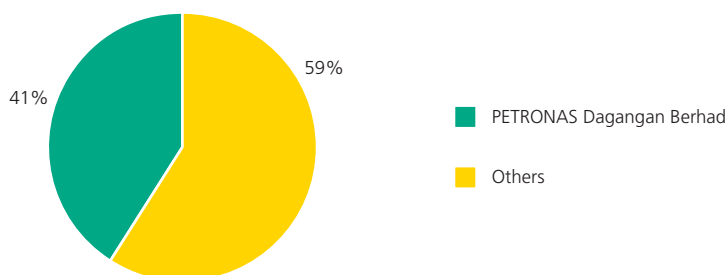


Datuk Anuar bin Ahmad

Chairman

CEO's Report

Market Share
Total All Products



PETRONAS Dagangan Berhad (the Company) posted yet another set of commendable results for the financial year ended 31 March 2006. We successfully increased our market share further during the period despite the highly competitive business environment.

FINANCIAL PERFORMANCE

During the year under review, we achieved a revenue of RM16,568 million from RM12,451 million previously, representing a year-on-year increase of 33%. The improvement in revenue is attributed to better sales volume in all business sectors and higher product prices in line with steeper product costs.

Group profit before tax surged to RM726 million from RM330 million in the previous year. After providing for corporate tax, Group net profit amounted to RM506 million, up 140% from the previous year.

The Company's financial position remained strong with a healthy balance sheet. As at 31 March 2006, our total assets owned by the Group stood at RM6,158 million, mainly funded by our shareholders funds except for a RM5 million long-term debt borrowed by our subsidiary Kuala Lumpur Aviation Fuelling System (KAFS). We also spent a total of RM498.8 million during the year on capital expenditure, financed by internally generated funds to support the business growth.

BUSINESS PERFORMANCE

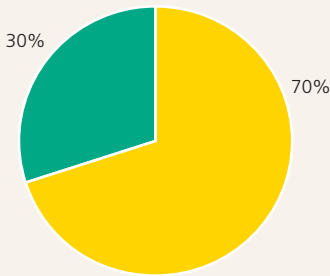
During the year under review, our overall market share improved to 41% from 40%, thus widening the gap against our closest competitor. Total sales volume during the year grew by 1% to 11.8 billion litres.



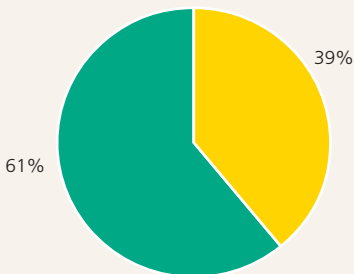
During the year under review, we achieved a revenue of RM16,568 million from RM12,451 million previously, representing a year-on-year increase of 33%.



Market Share
Retail



Market Share
Commercial



■ PETRONAS Dagangan Berhad
■ Others

The **Retail Business** continued to be the focus of our business expansion. More than 80% of our capital expenditure was channeled into this sector, which saw a total of 73 new stations built during the year. Out of these, 56 stations have already begun operations while another 17 are still waiting for regulatory approvals prior to commencement of business. There are 785 PETRONAS service stations in total operating nationwide as at March 2006.

The Retail Business accounted for about 43% of our total sales volume and approximately 58% of our gross margin. Its contribution to our sales volume and profitability in the coming years is expected to grow further in tandem with the planned network expansion. At retail level, we are the second largest distributor of petroleum products in the country with a 30% market share.

Looking at our achievements so far, PETRONAS Dagangan Berhad has indeed scored many "firsts" in the industry, such as being the first to introduce unleaded gasoline back in 1990, the first to launch a "hyper-station" located in Setiawangsa in 2003 and the first to introduce chip-based credit card facilities at pumps, just to name a few. And recently, we were in the news

again for being the first oil company to introduce the brand-new "Street Mall" concept for its latest hyperstation at Jalan Kolam Ayer Lama, Ampang. The hyperstation, which houses two rows of shop lots at its premise, offers customers the true meaning of convenience by providing a range of quality products and services comprising eight business partners – ranging from McDonald's fast food restaurant to a nasi kandar restaurant. These business partners truly complement our fuel station and Kedai Mesra in satisfying the ever-growing needs of today's customers' demands for quality value added service and convenience.

The implementation of PETRONAS Dagangan Berhad's fleet card for government-subsidised diesel customers was another achievement for us this year. On 1 March 2006, we successfully launched our "SmartPay Diesel Subsidy" card for eligible customers. The "SmartPay Diesel Subsidy" card, which comes with enhanced security features, enables eligible customers to purchase diesel with ease at any PETRONAS service stations nationwide at subsidised price. We are pleased to note that the number of card members has grown steadily among fleet customers due to its popularity and convenience.



We were also given the task to supply fuel to all mini stations throughout the country beginning 1 January 2006. These mini stations cater to the need of consumers in relatively remote areas, where regular petrol stations are not available.

We have also taken various initiatives to attract new customers and maintain the loyalty of existing ones. Such initiatives include an aggressive media campaign for PRIMAX petrol as well as the "Kad MESRA Car Craze" competition.

The **Commercial Business** markets PETRONAS Dagangan Berhad's range of petroleum products that include mogas, aviation fuel, kerosene, diesel, fuel oils, bitumen and a wide range of lubricants. Commercial Business remained the biggest contributor to our sales, accounting for 48% of total sales volume. In terms of profitability, it accounted for about a third of our gross profit. This year, PETRONAS Dagangan Berhad's Commercial Business continued to dominate the market as it has done for the past years. We successfully retained our position as market leader, especially in diesel and jet fuel sales. We are also now number one in bitumen sales. We were also aggressive in the sales of bunker fuels.

With our extensive infrastructure and logistics network, we are certainly well equipped to ensure that the needs of our customers are efficiently met.

The **Liquefied Petroleum Gas (LPG) Business** performed well despite lower market demand, higher product prices and greater demand for natural gas from the industrial sector. We managed to sustain our market leadership with a 45% market share, or up 4% in terms of sales volume compared to the same period last year. This growth is supported by the significant increase in gas cylinder sales that outpaced market growth by 16 times.

The success of LPG Business was mainly attributed to its highly dedicated channel members consisting 20 stockists and 402 dealers that are strategically located throughout the country. To enhance their service capabilities and motivate them further, we took pro-active efforts to equip them with development training and exposure to Health, Safety and Environment (HSE) programmes.

To push the brand positioning of our cooking gas a step further, we recently launched a thematic TV commercial for Gas PETRONAS,

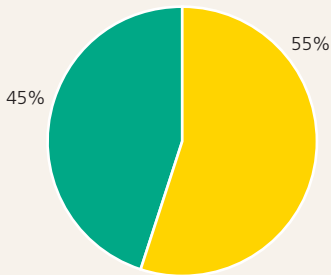
which is also the first thematic TV advertisement for the brand after more than five years. With the tagline "Tentu Ada", the TV commercial portrays our key message of the wide availability of Gas PETRONAS to consumers, no matter where they are. A new corporate identity was also incorporated in Gas PETRONAS' premium items, namely signages and uniforms for channel members. In addition, the LPG channel members actively took part in numerous community service projects in their respective market areas, in a bid to promote Gas PETRONAS and retain our brand's position as "The Number One Cooking Gas in Malaysia".

In the **Lubricant Business**, we registered positive performance as domestic sales grew 10% against market growth of 3%. Our market share grew to a respectable 15.5% from 14% in the previous year, supported by aggressive sales promotions, continuous brand enhancement efforts and reliable after sales service. Our lubricants, especially the SYNTIUM range, are now widely used by motorists nationwide.

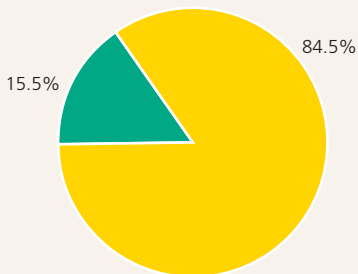
Our continued involvement in motor sports events such as the PETRONAS Sprinta AAM Malaysian Cup Prix Championship and the partnership between PETRONAS and BMW



Market Share
LPG



Market Share
Lubricants



■ PETRONAS Dagangan Berhad
■ Others

as the Premium Partner of the BMW Sauber F1 Racing Team have further strengthened the brand image of our products such as SPRINTA and SYNTIUM.

SUPPLY AND LOGISTICS

In order to fulfill the growing business demand and in the face of an increasingly competitive market, we realised the importance of enhancing our supply and logistics infrastructure in tandem with the growing business demand. During the year, we continued to undertake our supply and logistics enhancement programme that was aimed at achieving operational efficiency and capacity optimisation. The implementation of the Terminal Automation System at two key terminals namely, Kerteh and Melaka, will supplement the earlier automated terminal at Prai in terms of handling road tanker loading operations more efficiently. This was further complimented by the extension of the Automated Road Tanker Scheduling System that would help improve land transportation efficiency around the northern region of Peninsular Malaysia.

With the commissioning of the Trans Thai Malaysia (TTM) project, the Company is now able to have direct LPG supply via pipeline from Songkla, Thailand to the Company's

LPG Plant in Prai. Starting from FY 2006/07, the Prai LPG Plant will be relying less on supply delivered by vessels from out-of-state refineries.

We also continued to invest in the installation of bowsers/refuellers for aircraft refueling operations to cater for the growing demand for aviation fuel. The Company also played a vital role in the new Low Cost Carrier (LCC) Terminal of the Kuala Lumpur International Airport (KLIA), Sepang by providing an extension to the fuel hydrant line, which enables the LCC planes to refuel at the terminal.

The development of an independent oil terminal in Kuching is expected to be completed by the end of FY 2006/07. Upon its completion, the existing Kuching Bulk Terminal will be closed and operations will be shifted to the new terminal.

ORGANISATIONAL IMPROVEMENT

In realising our vision of becoming the Brand of 1st Choice, we relentlessly pursued improvement initiatives in developing our human capital. Among others, we undertook several measures to nurture our staff in becoming future leaders. Such effort is vital to us as these young



employees today would ensure sustainable growth of the company. Leadership Development programmes were conducted for new executives in the company to help develop resilience and a strong sense of teamwork, as well as to instill positive values in the early stage of their career.

As an organisation committed to delivering our brand promise, we will continue to undertake initiatives to improve and integrate our processes, as well as encourage quality improvement projects on a groupwide basis. Such initiatives will help enhance our operational efficiency, which will ultimately lead to greater customer satisfaction.

We are pleased to note that the Company's KLIA Aviation Depot Quality Improvement team – that was named the Overall Best Circle for Year 2004 by the National Productivity Corporation was invited to share their work improvement project experience at the Innovative & Creative Circle (ICC) International Convention in Changwon, South Korea in November 2005.

In intensifying our branding efforts internally, we introduced a "Way of Working" (WOW) and special recognition scheme for our staff. A new corporate identity was also introduced in a bid to portray a consistent company image and identity using every aspect of our operations, such as new designs for our road tankers and staff uniform.

STAFF COMMUNICATION

Realising the importance of open communication at all levels in the organisation, the Management organised Quarterly Tea Talk sessions initiated by the Managing Director/CEO that received positive response from the staff. During such sessions, employees were updated on our business and financial performance. They were also given insights on future company's plans and direction. Management Committee members also 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

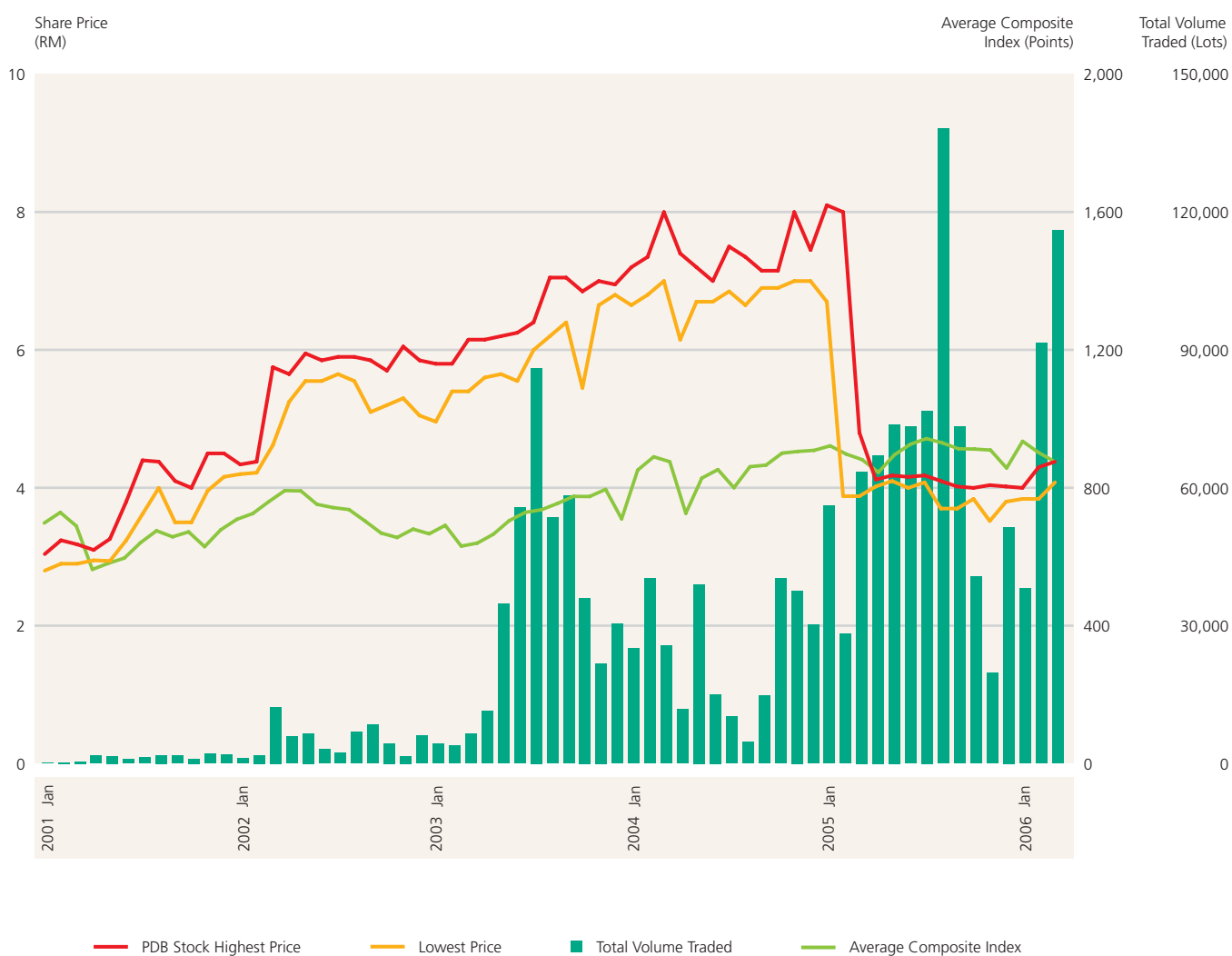
The Company has continued to undertake various social programmes for the benefit of the local community, with the aim of creating lasting relationships and stronger loyalty among its customers.

APPRECIATION

I would like to take this opportunity to thank all the staff for their hard work, dedication and loyalty to the Company. I would also like to record our utmost gratitude to all our valued customers, dealers and business partners for their continuous support and faith in us. I would also like to extend our heartfelt appreciation to the Government, its agencies and the local authorities for their kind assistance and co-operation as well as to our Board of Directors for their wise counsel and guidance.

Ibrahim bin Marsidi
Chief Executive Officer

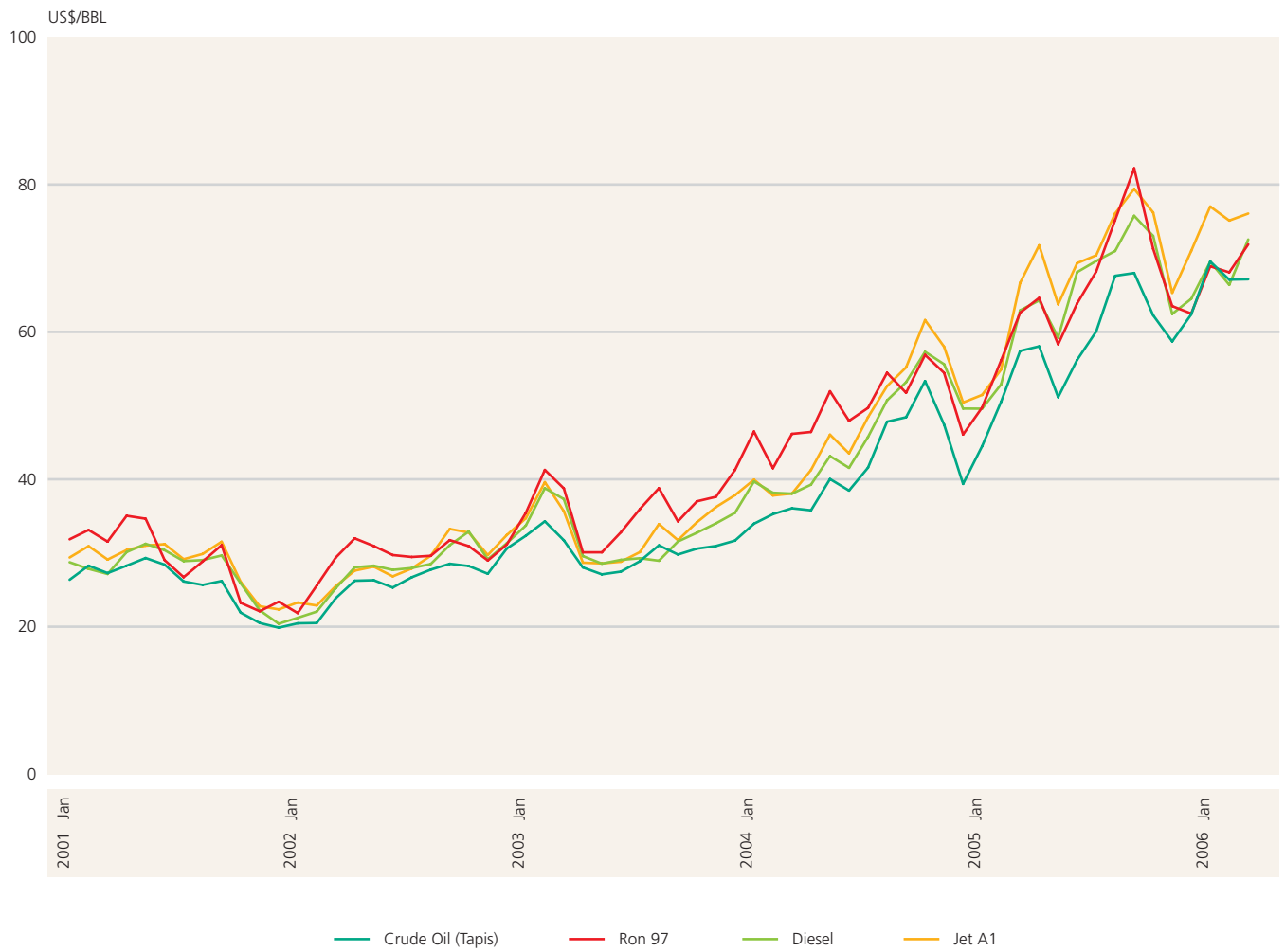
Share Performance



Ordinary Share of RM1.00 each	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006*
Highest Price	7.95	6.25	7.85	6.80	4.70	4.42	4.70	4.50	6.05	7.05	8.00	8.10	4.38
Lowest Price	4.40	4.42	5.60	2.99	1.78	3.40	2.86	2.80	4.20	4.96	6.15	3.52	3.84

* Based on transacted prices for the period ended 31 March 2006

Crude Oil and Petroleum Product Price Trend



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



LINGSAH-LINGSAH KESELAMATAN
GAS
14 KG



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Corporate Social Responsibility

PETRONAS Dagangan Berhad has always believed in giving back to the community and sharing our success with the people.

Touching the lives of millions as the domestic retailing arm of PETRONAS, PETRONAS Dagangan Berhad remains committed as a socially responsible corporate entity whilst pursuing and achieving business excellence. We actively incorporate proactive community initiatives, human capital development, outstanding products and services whilst focusing on health, safety and environmental aspects.

COMMUNITY

Via our various community development initiatives, PETRONAS Dagangan Berhad has always believed in giving back to the community and sharing our success with the people. Our efforts in reaching out to the community cover a wide range of fields, including education and sports.

One such initiative is our "Tabung Mesra" Fund launched in October 2001. A joint effort between PETRONAS Dagangan Berhad and the Ministry of Education, Tabung Mesra is aimed at instilling a more stimulating learning environment for pupils via the PETRONAS StreetSmart Reading Corner project. RM3.5 million was raised for the project by channeling one sen to Tabung Mesra for every RM1 purchase made by holders of Kad Mesra at PETRONAS service stations. The fund was utilised to set up PETRONAS StreetSmart Reading Corners in 100 selected schools nationwide, with each reading corner equipped with more than 500 books related to English and Living Skills subjects.

The project, implemented over a two-year period, benefited 30 recipient schools in Phase 1 (May 2004 to March 2005) and reading corners will be set up by the end of this financial year for the remaining 70 schools in Phase Two, that commenced in April 2005.

"Hari Mesra Pelanggan" or Customer Appreciation Day was another popular community programme conducted by PETRONAS Dagangan Berhad at ground level at various PETRONAS service stations nationwide. The event serves as an excellent platform for us to reach and share our success with the local community through wholesome, family-oriented activities such as colouring contests, telematches and singing competitions. We also took the opportunity to reach out to the less fortunate with financial contributions as well as in kind, especially to orphans and single mothers, who were invited to participate in these events.

In conjunction with Ramadhan and Hari Raya Aidilfitri festivities last year, we conducted a special programme called "Jalinan Kasih" in October and presented 200 underprivileged children from the State of Johor with new clothes and shoes. Aid was also provided to those affected when floods struck certain parts of Kedah in December 2005, by donating cooking gas to them.

In sponsoring community outdoor activities, PETRONAS Dagangan Berhad collaborated with the Berita Harian Malay daily in organising a hugely popular annual fishing competition, Pertandingan Memancing Kad Mesra – Joran in September 2005 in Rompin Pahang where it received overwhelming response from anglers for both Deep Sea and Beach categories.



EMPLOYEES

Recognising that employees are the backbone of the company, the development of human capital is vital for PETRONAS Dagangan Berhad in ensuring a winning edge over our competitors in this highly competitive industry. In line with developing expertise and improving capabilities, our employees are consistently encouraged to take up courses and training programmes related to their work to further sharpen their skills at PETRONAS' training centre, PERMATA, or at external training programmes. The welfare of our employees and their families is also well taken care of, as reflected by our extensive medical benefits.

In line with enriching value and knowledge among our staff, our employees are constantly updated on our on-going activities and major events through our website. The "Creating Excellence Forum" was another platform for our staff, to be updated on the Company's business plans. "Tea Talk" sessions held quarterly also saw senior management mingling and discussing relevant company matters with employees in all regions. During these sessions, employees get to voice any concerns or pose company-related questions to senior management. Providing an open two-way communication channel with our staff, we obtained their feedback to help us provide a better working environment for our employees.

In cultivating Brand Culture company-wide, a bi-annual Brand Camp was held to educate our appointed "brand agents" on PETRONAS brand values of "Trusted, Passionate, Progressive and Enriching" and how to apply these values to their daily duties.

Apart from improving work-related skills, we also acknowledge the artistic talent of our staff. Our annual Talent Quest continues to receive enthusiastic response from our employees who see it as a great avenue to showcase their talent.

PARTNERS

Our business partners, namely service station dealers and attendants, play a crucial role and in line with enhancing our business relations, we introduced the "Rakan Niaga/Rakan Niaga Kecil" Incentive Programme with the aim of enhancing their performance level by rewarding those who provide outstanding service.

With regard to our liquefied petroleum gas (LPG) dealers, focal group leaders (FGL) and stockists, a special team-building programme was organized to inculcate team spirit and positive thinking. The programme was conducted in all our business regions, with a total participation of 200 LPG dealers, FGL and stockists during the current financial year.

PETRONAS Dagangan Berhad also organised defensive driving classes throughout the financial year for 300 lorry drivers from our LPG dealers and stockists to ensure that they were well trained in terms of road safety, safe handling of LPG and customer service. As a result of this programme, the number of road accidents involving lorries owned by our LPG stockists and dealers was reduced significantly.



During the fiscal year, we also organised forklift competency programmes for the forklift drivers of its LPG stockists and dealers. In addition, we also conducted a safety course for our bulk customers to enhance their understanding of the safety aspects in handling LPG.

HEALTH, SAFETY & ENVIRONMENT

As a company that deals primarily with petroleum-related products, we place major emphasis on the safety aspect of our business operations. Since our inception, we have actively taken part in emergency drills – conducted in collaboration with various government agencies such as the Fire and Rescue Department and the Royal Malaysian Police (PDRM), as well as other external parties – as a precautionary measure against any potential mishaps.

An example of such exercise was an Emergency Response Plan (ERP) Drill held in September last year, involving a simulated fire emergency scenario at our Prai Depot in Penang.

We also collaborated with the National Institute of Occupational Safety and Health (NIOSH) to organise a Total Health Promotion Programme between September 2005 and March 2006. A talk on Drugs and HIV/AIDS Awareness was also conducted in September last year in addition to refresher first aid and basic first aid courses for selected employees in June and December 2005 respectively.

Taking into account the millions of vehicle users who frequent over 700 PETRONAS stations in the country every year, PETRONAS Dagangan Berhad organised the annual Coffee Break campaign where free drinks were served at selected PETRONAS service stations along the highways and busy trunk roads. The aim of this campaign was to educate road users on the importance of taking breaks during long journeys to ensure a safe trip. In October 2005, we held our Coffee Break campaign in conjunction with Deepavali and Hari Raya Aidilfitri festive holidays. For the first time this year, we collaborated with the Road Safety Department of the Transport Ministry in the campaign, in addition to our existing partners namely, Nestle, ntv7 and AMP Radio. The Coffee Break campaign resumed in January and February 2006 for the Chinese New Year festivities.

Playing a key role in raising public awareness on safety in relation to using cooking gas, PETRONAS Dagangan Berhad sponsored the hugely popular "Jalan-Jalan Cari Makan" TV programme. A special segment called "Safety Tips with Gas PETRONAS" provided valuable information to viewers on how to make their cooking experience a safe one, thus making their kitchen a safer place for their families.

Calendar of Events 2005/2006



28 MARCH 2005

PETRONAS Dagangan Berhad Contributes StreetSmart Reading Corners to East Coast Schools

14 JUNE 2005

PETRONAS Dagangan Berhad Brings New Season of "Jalan-Jalan Cari Makan" TV Programme

12 APRIL 2005 **A**

PETRONAS Sprinta AAM Cub Prix Championship Season 2005 Begins

28 JUNE 2005 **E**

Retail Dealer Convention & Award Night at Marriot Putrajaya

24 APRIL 2005 **B**

PETRONAS/MABA 3-On-3 Basketball Competition Returns

2 JULY 2005 **F**

Launching of Transnasional E-Ticketing Service at Selected PETRONAS Service Stations in East Coast

8 & 9 JUNE 2005 **C**

Special Visit to PETROSAINS for PETRONAS Dagangan Berhad's Commercial Customers and Family Members

27 JULY 2005

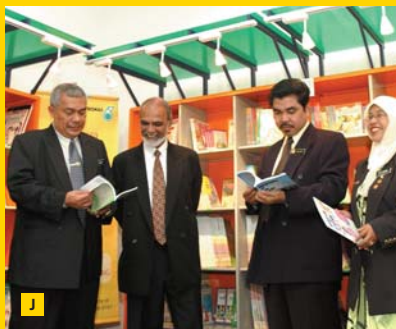
PETRONAS Dagangan Berhad's 23rd Annual General Meeting

10 JUNE 2005 **D**

LPG Award Night at Hotel Istana, Kuala Lumpur

16 AUGUST 2005

PETRONAS Dagangan Berhad Contributes StreetSmart Reading Corners to East Malaysian Schools



10 SEPTEMBER 2005

Sponsorship of Kad Mesra-Joran Fishing Competition in Rompin, Pahang

1 OCTOBER 2005 **G**

PETRONAS Wins Reader's Digest Trusted Brands Award for Gas Station Category

27 OCTOBER 2005

PETRONAS Dagangan Berhad's Coffee Break Campaign Returns for "Deeparaya"

17 NOVEMBER 2005 **H**

Compatibility Test on Airbus A380 Aircraft at KLIA

25 NOVEMBER 2005

PETRONAS Dagangan Berhad's Hari Raya Open House at Renaissance Hotel, Kuala Lumpur

6 DECEMBER 2005 **I**

PETRONAS Appointed as the Official Fuel Provider for LIMA '05

1 JANUARY 2006

PETRONAS Dagangan Berhad Appointed as the Sole Fuel Supplier to Mini Stations Nationwide

18 JANUARY 2006

PETRONAS Sprinta AAM Cup Prix Season Returns for 2006 Season

23 JANUARY 2006 **J**

Presentation of Tabung Mesra Fund to Northern Region Schools at S.K. Datuk Kelana, Tapah

26 JANUARY - 5 FEBRUARY 2006 **K**

Chinese New Year's Coffee Break Campaign



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M



N



O

14 FEBRUARY 2006 L

First Grand Prize Monthly Winner of Kad Mesra “Car Craze” Contest Announced

14 MARCH 2006

Winner of Kad Mesra “Car Craze” Contest for February Announced

1 MARCH 2006 M

Official Launch of SmartPay Diesel Subsidy Card

20 MARCH 2006

Visit by Indonesian Media Representatives to PETRONAS Service Station Jalan Kolam Ayer Lama

6 MARCH 2006

Management Visit to The New Straits Times Press (Malaysia) Berhad

23 MARCH 2006 O

Official Launch of KLIA’s Low Cost Carrier (LCC) Terminal

14 MARCH 2006 N

PETRONAS Dagangan Berhad Introduces “Streetmall” Concept at PETRONAS Service Station Jalan Kolam Ayer Lama

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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 seven (7) 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 three (3) other non-independent and non-executive members (including the Chairman).

As at the date of this report, the percentage of the Board composition is as follows:

Executive Director (also the Managing Director)	1/7 (14.28%)
Independent non-executive directors	3/7 (42.86%)
Non-independent non-executive directors (including Chairman)	3/7 (42.86%)

The profile of each director is presented in this Annual Report from pages 10 to 11.

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.

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.	31.05.2005	8	1	3	3
2.	30.08.2005	8	1	3	3
3.	23.11.2005	7	1	3	3
4.	27.02.2006	8	1	3	3

(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 (resigned on 03.10.2005)	0 / 2
2.	Datuk Anuar bin Ahmad (appointed as Chairman on 03.10.2005)	3 / 4
3.	Ibrahim bin Marsidi	4 / 4
4.	Datuk Ishak bin Imam Abas (resigned on 01.04.2006)	4 / 4
5.	Dato' Kamaruddin bin Mohd Jamal	4 / 4
6.	Dato' Chew Kong Seng	4 / 4
7.	Dr. R. Thillainathan	4 / 4
8.	Datuk Ainon Marziah bt Wahi	4 / 4
9.	Mohammad Medan bin Abdullah (appointed on 20.02.2006)	1 / 1

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:

Details of Directors' Fees

Name of Directors	Directors' Fees (RM)	BAC Fees (RM)	Total (RM)
Tan Sri Dato Sri Mohd Hassan bin Marican (resigned on 03.10.2005)	30,000	0.00	30,000
Ibrahim bin Marsidi	0.00	0.00	0.00
Datuk Anuar bin Ahmad (appointed as Chairman on 03.10.2005)	48,000	0.00	48,000
Datuk Ishak bin Imam Abas (resigned on 01.04.2006)	36,000	8,400	44,400
Dato' Kamaruddin bin Mohd Jamal	36,000	0.00	36,000
Dato' Chew Kong Seng	36,000	12,000	48,000
Dr. R. Thillainathan	36,000	8,400	44,400
Datuk Ainon Marziah bt Wahi	36,000	0.00	36,000
Mohammad Medan bin Abdullah (appointed on 20.02.2006)	3,000	0.00	3,000
TOTAL	261,000	28,800	289,800

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; 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 – 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 mesralink@petronas.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 of 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.

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 four (4) members, three (3) 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 48 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 (the 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.
- 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's approval.
- The Group performs 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.

RISK MANAGEMENT

The Risk Management Framework serves to manage and control significant risk exposures inherent in the Company's 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.

Health, Safety and Environment (HSE) Risk Management Framework and Guidelines as well as Project Risk Management Framework and Guidelines have been reviewed by PDB's Management Committee and approved by the Managing Director.

The framework and guidelines covering HSE, Credit and Project risks will enable the management to apply systematic approach in identifying and assessing relevant risks and that the necessary controls and mitigation are appropriately addressed. During the year, Credit Risk Management has been enhanced by a Credit Control Committee at regional as well as head office level to review the credit risk exposures and Trade Account Receivables (TAR) on a monthly and bi-monthly basis respectively. As the Board has identified HSE as significant inherent risks in our business operations, the Company has placed a lot of emphasis on the management of HSE risks in the business.

During the year, the Company had further reviewed and updated the Company's risk profile. The review had identified several risk events which have been closed as the risk exposures have been minimised due to introduction of new processes incorporating additional controls during the year. The closure of identified risks has been approved by the Management Committee, BAC and the Board in August 2005. In order to validate some of the controls that have been implemented, risk assessments were carried out at selected Company locations to check the effectiveness of controls that were implemented and to recommend additional controls as appropriate.

The Company had also conducted risk awareness sessions at all the Regional Offices and at Company's Corporate Head Office to communicate the importance of managing risks in the business and to improve risk management awareness.

The Company shall continue to incorporate risk management practices within its business processes and activities. 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 BAC.

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 the 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 25 May 2006.

Board Audit Committee's Report



FROM LEFT :

Dato' Kamaruddin bin Mohd Jamal
(appointed on 25.05.2006)
(Independent non-executive director)

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

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

Mohammad Medan bin Abdullah
(appointed on 25.05.2006 replacing Datuk Ishak bin Imam Abas who resigned on 01.04.2006)
(Non-Independent non-executive director)

The Board Audit Committee (BAC) is pleased to present the BAC Report for the year ended 31 March 2006 as follows:-

MEMBERSHIP

Pursuant to a Board resolution passed on 3 March 1994, the BAC was formed. Currently, the BAC comprises of four (4) directors, namely:-

- (i) Dato' Chew Kong Seng (Chairman)
(Independent non-executive director)
- (ii) Dr. R. Thillainathan
(Independent non-executive director)
- (iii) Dato' Kamaruddin bin Mohd Jamal (appointed on 25.05.2006)
(Independent non-executive director)
- (iv) Mohammad Medan bin Abdullah (appointed on 25.05.2006 replacing Datuk Ishak bin Imam Abas who resigned on 01.04.2006)
(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 with and the BAC did not see any matter in breach of the Listing Requirements of Bursa Malaysia Securities Berhad 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 Secretary, 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.	24.05.2005	3	2	1
2.	23.08.2005	3	2	1
3.	18.11.2005	3	2	0
4.	20.02.2006	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 / 4
2.	Dr. R. Thillainathan	4 / 4
3.	Datuk Ishak bin Imam Abas	3 / 4

The following activities were carried out by the BAC during the financial year ended 31 March 2006:-

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;
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 of 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.

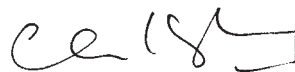
INTERNAL AUDIT

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 fulfils 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;
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 financial results and statements prior to approval by the Board, focusing particularly on:-
 - any change in accounting policies and practices;
 - significant and unusual events;
 - major judgmental 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 56 to 84 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 2006 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 2006

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 2006.

PRINCIPAL ACTIVITIES

The principal activities of the Company in the course of the financial year remain unchanged and 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	512,412	494,990
Minority interests' share of subsidiary's profit	(6,448)	–
Net profit for the year	505,964	494,990
Unappropriated profits brought forward	1,650,072	1,626,485
Profits available for appropriation	2,156,036	2,121,475
Dividends	(107,293)	(107,293)
Unappropriated profits carried forward	2,048,743	2,014,182

DIVIDENDS

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

- (i) 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 2005 on 9 September 2005.
- (ii) an interim dividend of 5% less 28% tax amounting to RM35,764,344 in respect of the financial year ended 31 March 2006 on 23 December 2005.

The Directors propose a final dividend of 15% less 28% tax amounting to RM107,293,032 in respect of the financial year ended 31 March 2006 .

RESERVES AND PROVISIONS

There were no material movements to and from reserves and provisions during the year other than as disclosed in the Statement of Changes in Equity.

DIRECTORS OF THE COMPANY

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

Tan Sri Dato Sri Mohd Hassan bin Marican – Chairman (retired on 3 October 2005)
 Datuk Anuar bin Ahmad (appointed as Chairman on 3 October 2005)
 Datuk Ishak bin Imam Abas (retired on 1 April 2006)
 Ibrahim bin Marsidi – Managing Director/CEO
 Dato' Chew Kong Seng
 Dr. R. Thillainathan
 Dato' Kamaruddin bin Mohd Jamal
 Datuk Aionon Marziah binti Wahid
 Mohammad Medan bin Abdullah (appointed on 20 February 2006)

In accordance with Article 93 of the Company's Articles of Association, Dato' Chew Kong Seng and Dr. R. Thillainathan retire by rotation from the Board at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

In accordance with Article 96 of the Company's Articles of Association, Mohammad Medan bin Abdullah who was newly appointed as Director on 20 February 2006 retire at the forthcoming Annual General Meeting and, being eligible, offers himself 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	Number of Shares in the Company			Balance at 31.3.2006
	Balance at 1.4.2005	Bought	Sold	
Datuk Anuar bin Ahmad	2,000	–	–	2,000
Datuk Aionon Marziah binti Wahid	2,000	–	–	2,000
Datuk Ishak bin Imam Abas	–	20,000	–	20,000

	Number of Shares in PETRONAS Gas Berhad			Balance at 31.3.2006
	Balance at 1.4.2005	Bought	Sold	
Datuk Aionon Marziah binti Wahid	5,000	–	–	5,000

	Number of Shares in KLCC Property Holdings Berhad			Balance at 31.3.2006
	Balance at 1.4.2005	Bought	Sold	
Datuk Ishak bin Imam Abas	50,000	–	–	50,000

None of the other Directors holding office at 31 March 2006 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 2006

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

There were no changes in the issued and paid up capital of the Company during the financial year.

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 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.

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 2006 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:

DATUK ANUAR BIN AHMAD

IBRAHIM BIN MARSIDI

Kuala Lumpur,
25 May 2006

Statement by Directors

In the opinion of the Directors, the financial statements set out on pages 56 to 84, 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 2006 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:

DATUK ANUAR BIN AHMAD

IBRAHIM BIN MARSIDI

Kuala Lumpur,
25 May 2006

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 84, 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 25 May 2006

BEFORE ME:

Commissioner for Oaths

Report of the Auditors to the Members

We have audited the financial statements set out on pages 56 to 84. 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 2006 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,
25 May 2006

Consolidated Balance Sheet

at 31 March 2006

	Note	2006 RM'000	2005 RM'000
PROPERTY, PLANT AND EQUIPMENT	2	2,840,424	2,649,366
INVESTMENT IN ASSOCIATES	4	3,718	3,666
LONG TERM RECEIVABLES	5	247,622	195,276
GOODWILL	6	26,349	27,823
CURRENT ASSETS			
INVENTORIES	7	605,447	491,373
TRADE AND OTHER RECEIVABLES	8	1,968,921	2,310,338
CASH AND CASH EQUIVALENTS	13	466,006	461,879
		3,040,374	3,263,590
CURRENT LIABILITIES			
TRADE AND OTHER PAYABLES	14	2,865,859	3,323,038
BORROWINGS	18	10,031	9,592
TAXATION		91,986	31,073
		2,967,876	3,363,703
NET CURRENT ASSETS/(LIABILITIES)		72,498	(100,113)
		3,190,611	2,776,018
Financed by:			
CAPITAL AND RESERVES			
SHARE CAPITAL	15	993,454	993,454
RESERVES	16	2,048,743	1,650,072
SHAREHOLDERS' FUNDS		3,042,197	2,643,526
MINORITY SHAREHOLDERS' INTERESTS	17	49,458	43,577
LONG TERM AND DEFERRED LIABILITIES			
BORROWINGS	18	5,280	15,312
DEFERRED TAX	19	93,676	73,603
		98,956	88,915
		3,190,611	2,776,018

The financial statements were approved and authorised for issue by the Board of Directors on 25 May 2006.

The notes set out on pages 64 to 84 form an integral part of, and, should be read in conjunction with, these financial statements.

Consolidated Income Statement

for the year ended 31 March 2006

	Note	2006 RM'000	2005 RM'000
Revenue	21	16,567,916	12,451,079
Operating Profit	21	726,106	330,376
Financing Cost	23	(923)	(1,345)
Share of profit of associates		1,031	1,089
Profit before taxation		726,214	330,120
Tax expense	24		
– Company and subsidiary		(213,500)	(113,700)
– Associates		(302)	(267)
		(213,802)	(113,967)
Profit after taxation but before minority interests		512,412	216,153
Minority interests' share of subsidiary's profit		(6,448)	(5,422)
NET PROFIT FOR THE YEAR		505,964	210,731
Dividends per ordinary share – net	25	14.4 sen	10.8 sen
Earnings per ordinary share – basic	26	50.9 sen	21.2 sen

The notes set out on pages 64 to 84 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 2006

	Note	2006 RM'000	2005 RM'000
Non-distributable:			
Share Capital			
	15		
Balance at 1 April		993,454	496,727
Bonus issue		–	496,727
Balance at 31 March		993,454	993,454
Share premium			
Balance at 1 April		–	213,708
Capitalised as bonus issue		–	(213,708)
Balance at 31 March		–	–
Distributable:			
Unappropriated profits			
Balance at 1 April		1,650,072	1,829,653
Net profit for the year		505,964	210,731
Capitalised as bonus issue		–	(283,019)
Dividends	25	(107,293)	(107,293)
Balance at 31 March		2,048,743	1,650,072
Total		3,042,197	2,643,526

The notes set out on pages 64 to 84 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 2006

	2006 RM'000	2005 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	16,393,171	12,170,015
Cash paid to suppliers and employees	(15,653,130)	(11,538,096)
	740,041	631,919
Taxation paid	(132,514)	(153,013)
Net cash generated from operating activities	607,527	478,906
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income from deposits with financial institutions	14,056	17,404
Purchase of property, plant and equipment	(430,768)	(536,154)
Prepaid rental of service station sites	(67,988)	(56,732)
Proceeds from sales of property, plant and equipment	1,772	115
Net cash used in investing activities	(482,928)	(575,367)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Al-Bai' Bithaman Ajil long term facility	(9,593)	(9,172)
Profit share margin paid	(3,019)	(3,438)
Dividends paid to shareholders	(107,293)	(107,293)
Dividends paid to minority interests of a subsidiary	(567)	(378)
Net cash used in financing activities	(120,472)	(120,281)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	4,127	(216,742)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	461,879	678,621
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	466,006	461,879
CASH AND CASH EQUIVALENTS (Note 13)		
Cash and bank balances	40,716	94,071
Deposits	425,290	367,808
	466,006	461,879

The notes set out on pages 64 to 84 form an integral part of, and, should be read in conjunction with, these financial statements.

Balance Sheet

at 31 March 2006

	Note	2006 RM'000	2005 RM'000
PROPERTY, PLANT AND EQUIPMENT	2	2,727,939	2,534,669
INVESTMENT IN SUBSIDIARY	3	59,475	59,475
INVESTMENT IN ASSOCIATES	4	1,425	1,425
LONG TERM RECEIVABLES	5	247,622	195,276
GOODWILL	6	26,349	27,823
CURRENT ASSETS			
INVENTORIES	7	604,924	490,856
TRADE AND OTHER RECEIVABLES	8	1,964,028	2,305,512
CASH AND CASH EQUIVALENTS	13	385,676	398,905
		2,954,628	3,195,273
CURRENT LIABILITIES			
TRADE AND OTHER PAYABLES	14	2,844,565	3,304,539
TAXATION		91,861	30,970
		2,936,426	3,335,509
NET CURRENT ASSETS/(LIABILITIES)		18,202	(140,236)
		3,081,012	2,678,432
Financed by:			
CAPITAL AND RESERVES			
SHARE CAPITAL	15	993,454	993,454
RESERVES	16	2,014,182	1,626,485
SHAREHOLDERS' FUNDS		3,007,636	2,619,939
LONG TERM AND DEFERRED LIABILITIES			
DEFERRED TAX	19	73,376	58,493
		3,081,012	2,678,432

The notes set out on pages 64 to 84 form an integral part of, and, should be read in conjunction with, these financial statements.

Income Statement

for the year ended 31 March 2006

	Note	2006 RM'000	2005 RM'000
Revenue	21	16,550,246	12,434,155
Operating profit/Profit before taxation	21	702,603	308,083
Tax expense	24	(207,613)	(107,338)
NET PROFIT FOR THE YEAR		494,990	200,745
Dividends per ordinary share – net	25	14.4 sen	10.8 sen

The notes set out on pages 64 to 84 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 2006

	Note	2006 RM'000	2005 RM'000
Non-distributable:			
Share Capital			
	15		
Balance at 1 April		993,454	496,727
Bonus issue		–	496,727
Balance at 31 March		993,454	993,454
Share premium			
Balance at 1 April		–	213,708
Capitalised as bonus issue		–	(213,708)
Balance at 31 March		–	–
Distributable:			
Unappropriated profits			
Balance at 1 April		1,626,485	1,816,052
Net profit for the year		494,990	200,745
Capitalised as bonus issue		–	(283,019)
Dividends	25	(107,293)	(107,293)
Balance at 31 March		2,014,182	1,626,485
Total		3,007,636	2,619,939

The notes set out on pages 64 to 84 form an integral part of, and, should be read in conjunction with, these financial statements.

Cash Flow Statement

for the year ended 31 March 2006

	2006 RM'000	2005 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	16,375,468	12,153,743
Cash paid to suppliers and employees	(15,675,268)	(11,557,236)
	700,200	596,507
Taxation paid	(131,839)	(152,641)
Net cash generated from operating activities	568,361	443,866
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income from deposits with financial institutions	11,814	16,270
Purchase of property, plant and equipment	(421,626)	(534,438)
Prepaid rental of service station sites	(67,988)	(56,732)
Proceeds from sale of property, plant and equipment	1,772	115
Dividends received	1,731	904
Net cash used in investing activities	(474,297)	(573,881)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(107,293)	(107,293)
Net cash used in financing activities	(107,293)	(107,293)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(13,229)	(237,308)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	398,905	636,213
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	385,676	398,905
CASH AND CASH EQUIVALENTS (Note 13)		
Cash and bank balances	40,146	94,060
Deposits	345,530	304,845
	385,676	398,905

The notes set out on pages 64 to 84 form an integral part of, and, should be read in conjunction with, these financial statements.

Notes to the Financial Statements

31 March 2006

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 2006 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. ACCOUNTING POLICIES (CONT'D)**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.

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.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2006

1. ACCOUNTING POLICIES (CONT'D)

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.

(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 Petroliam 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 2006.

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.

1. ACCOUNTING POLICIES (CONT'D)**1.11 Taxation (Cont'd)****(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.

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 comprises profit share margin on Islamic debt facility.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2006

2. PROPERTY, PLANT AND EQUIPMENT

Group	At	Additions	Disposals/	Transfers	At
	1.4.2005		Write-offs		31.3.2006
	RM'000	RM'000	RM'000	RM'000	RM'000
At cost:					
Freehold land	395,653	47	(2,430)	107,325	500,595
Leasehold land					
– long lease	198,552	70	(165)	47,005	245,462
– short lease	40,897	–	–	–	40,897
Buildings	1,083,242	–	(8,440)	165,637	1,240,439
Plant, machinery, tankage and pipeline	920,728	27,350	(5,251)	75,618	1,018,445
Office equipment, furniture and fittings	97,597	419	(676)	25,155	122,495
Motor vehicles	29,246	554	(3,471)	2,700	29,029
Computer hardware and software	153,118	8,175	(67)	145,414	306,640
Projects in progress	820,397	380,700	–	(568,854)	632,243
	3,739,430	417,315	(20,500)	–	4,136,245

	At	Charge for	Disposals/	At
	1.4.2005	the year	Write-offs	31.3.2006
	RM'000	RM'000	RM'000	RM'000
Accumulated depreciation				
Freehold land	–	–	–	–
Leasehold land				
– long lease	17,696	3,127	–	20,823
– short lease	19,121	1,293	–	20,414
Buildings	407,681	55,811	(324)	463,168
Plant, machinery, tankage and pipeline	481,855	60,658	(3,203)	539,310
Office equipment, furniture and fittings	44,272	18,440	(525)	62,187
Motor vehicles	25,664	2,040	(3,411)	24,293
Computer hardware and software	93,775	71,905	(54)	165,626
Projects in progress	–	–	–	–
	1,090,064	213,274	(7,517)	1,295,821

2. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Net Book Value		Depreciation
	31.3.2006	31.3.2005	charge for the
	RM'000	RM'000	year ended
			31.3.2005
			RM'000
Freehold land	500,595	395,653	–
Leasehold land			
– long lease	224,639	180,856	2,853
– short lease	20,483	21,776	1,321
Buildings	777,271	675,561	50,486
Plant, machinery, tankage and pipeline	479,135	438,873	58,530
Office equipment, furniture and fittings	60,308	53,325	19,485
Motor vehicles	4,736	3,582	1,065
Computer hardware and software	141,014	59,343	34,194
Projects in progress	632,243	820,397	–
	2,840,424	2,649,366	167,934

Company	At	Additions	Disposals/	Transfers	At
	1.4.2005		Write-offs		31.3.2006
	RM'000	RM'000	RM'000	RM'000	RM'000
At cost:					
Freehold land	395,653	47	(2,430)	107,325	500,595
Leasehold land					
– long lease	198,552	70	(165)	47,005	245,462
– short lease	40,897	–	–	–	40,897
Buildings	1,058,375	–	(8,440)	165,120	1,215,055
Plant, machinery, tankage and pipeline	765,799	27,344	(5,251)	72,962	860,854
Office equipment, furniture and fittings	94,149	419	(676)	25,118	119,010
Motor vehicles	27,148	538	(3,471)	2,700	26,915
Computer hardware and software	145,902	8,160	(67)	145,414	299,409
Projects in progress	817,025	373,339	–	(565,644)	624,720
	3,543,500	409,917	(20,500)	–	3,932,917

NOTES TO THE FINANCIAL STATEMENTS

31 March 2006

2. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	At 1.4.2005 RM'000	Charge for the year RM'000	Disposals/ Write-offs RM'000	At 31.3.2006 RM'000
Accumulated depreciation				
Freehold land	–	–	–	–
Leasehold land				
– long lease	17,696	3,127	–	20,823
– short lease	19,121	1,293	–	20,414
Buildings	399,320	54,527	(324)	453,523
Plant, machinery, tankage and pipeline	419,179	53,182	(3,203)	469,158
Office equipment, furniture and fittings	41,648	18,085	(525)	59,208
Motor vehicles	24,340	1,792	(3,411)	22,721
Computer hardware and software	87,527	71,658	(54)	159,131
Projects in progress	–	–	–	–
	1,008,831	203,664	(7,517)	1,204,978

	Net Book Value		Depreciation charge for the year ended
	31.3.2006	31.3.2005	31.3.2005
	RM'000	RM'000	RM'000
Freehold land	500,595	395,653	–
Leasehold land			
– long lease	224,639	180,856	2,853
– short lease	20,483	21,776	1,321
Buildings	761,532	659,055	49,242
Plant, machinery, tankage and pipeline	391,696	346,620	49,509
Office equipment, furniture and fittings	59,802	52,501	19,187
Motor vehicles	4,194	2,808	957
Computer hardware and software	140,278	58,375	33,975
Projects in progress	624,720	817,025	–
	2,727,939	2,534,669	157,044

Security

Certain property, plant and equipment of the Group costing RM203,329,713 (2005 – RM195,929,679) 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.

3. INVESTMENT IN SUBSIDIARY

	Company	
	2006 RM'000	2005 RM'000
Unquoted shares at cost	59,475	59,475

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

4. INVESTMENT IN ASSOCIATES

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Unquoted shares at cost	1,425	1,425	1,425	1,425
Share of post-acquisition reserves	2,293	2,241	–	–
	3,718	3,666	1,425	1,425
Represented by:				
Group's share of net assets	3,718	3,666		

Details of the associates are stated in Note 32 to the financial statements.

5. LONG TERM RECEIVABLES

	Group and Company	
	2006 RM'000	2005 RM'000
Long term receivables consist of:		
Prepaid rental of service station sites	247,622	195,276

6. GOODWILL

	Group and Company	
	2006 RM'000	2005 RM'000
Balance at 1 April	30,702	30,702
Less: Accumulated amortisation	(4,353)	(2,879)
Balance at 31 March	26,349	27,823

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

NOTES TO THE FINANCIAL STATEMENTS

31 March 2006

7. INVENTORIES

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Petroleum products – at cost	576,619	461,075	576,619	461,075
Lubricants				
– at cost	25,892	27,297	25,892	27,297
– at net realisable value	1,929	2,159	1,929	2,159
Others – at cost	1,007	842	484	325
	605,447	491,373	604,924	490,856

8. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Trade receivables		1,153,965	1,050,784	1,150,549	1,047,348
Other receivables, deposits and prepayments		702,641	1,211,256	701,164	1,209,866
Amounts due from:					
– Related companies	11	111,751	48,298	111,751	48,298
– Associates	12	564	–	564	–
		1,968,921	2,310,338	1,964,028	2,305,512

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.

13. CASH AND CASH EQUIVALENTS

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Cash and bank balances	40,716	94,071	40,146	94,060
Deposits	425,290	367,808	345,530	304,845
	466,006	461,879	385,676	398,905
Deposits are placed with:				
Licensed banks	420,187	283,644	345,530	229,243
Finance companies	5,103	8,562	–	–
Other corporations	–	75,602	–	75,602
	425,290	367,808	345,530	304,845

14. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Other payables		449,084	406,360	425,660	385,544
Amount(s) due to:					
Holding company	9	126,383	51,000	126,383	51,000
Subsidiary	10	–	–	2,130	2,317
Related companies	11	2,289,043	2,862,013	2,289,043	2,862,013
Associates	12	1,349	3,665	1,349	3,665
		2,865,859	3,323,038	2,844,565	3,304,539

Included in amount due to holding company is a balance which is non-trade in nature, amounting to RM88,028,000 (2005: RM24,734,000).

15. SHARE CAPITAL

	Group and Company	
	2006 RM'000	2005 RM'000
Authorised:		
Ordinary shares of RM1.00 each	1,000,000	1,000,000
Issued and fully paid:		
Balance at 1 April	993,454	496,727
Bonus shares issued during the year	–	496,727
Balance at 31 March	993,454	993,454

NOTES TO THE FINANCIAL STATEMENTS

31 March 2006

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 2006 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	
	2006 RM'000	2005 RM'000
Current		
Islamic debt facility – secured		
Al-Bai' Bithaman Ajil long term non-interest bearing facility	10,031	9,592
Non-current		
Islamic debt facility – secured		
Al-Bai' Bithaman Ajil long term non-interest bearing facility	5,280	15,312

Terms and debts repayment schedule

	Total RM'000	Under 1 year RM'000	1 – 2 years RM'000	2 – 5 years RM'000
Secured Islamic debt facility –				
Al-Bai' Bithaman Ajil long term				
non-interest bearing facility	15,311	10,031	5,280	–

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	Charged/ (credited)	As at
	1.4.2005 RM'000	to income statement RM'000	31.3.2006 RM'000
Deferred tax liabilities			
Property, plant and equipment	84,542	20,831	105,373
Deferred tax assets			
Other provisions	(5,339)	(6,343)	(11,682)
Unabsorbed capital allowances	(5,600)	5,585	(15)
Total	(10,939)	(758)	(11,697)

19. DEFERRED TAX (CONT'D)

Company	As at 1.4.2005 RM'000	Charged/ (credited) to income statement RM'000	As at 31.3.2006 RM'000
Deferred tax liabilities			
Property, plant and equipment	63,832	21,226	85,058
Deferred tax assets			
Other provisions	(5,339)	(6,343)	(11,682)

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	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Deferred tax liabilities	105,373	84,542	85,058	63,832
Deferred tax assets	(11,697)	(10,939)	(11,682)	(5,339)
	93,676	73,603	73,376	58,493

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 RM203,329,713 (2005 – RM195,929,679). The facility outstanding as at year end amounted to RM15,311,298 (2005 - RM24,903,590).

NOTES TO THE FINANCIAL STATEMENTS

31 March 2006

20. ISLAMIC DEBT FACILITY (CONT'D)

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;
 - (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	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Revenue				
– sales of petroleum products	16,550,246	12,434,155	16,550,246	12,434,155
– rendering of services	17,670	16,924	–	–
	16,567,916	12,451,079	16,550,246	12,434,155
Cost of revenue	(15,122,643)	(11,419,428)	(15,149,818)	(11,444,920)
Gross profit	1,445,273	1,031,651	1,400,428	989,235
Selling and distribution expenses	(172,538)	(191,204)	(172,538)	(191,204)
Administration expenses	(601,569)	(537,242)	(579,616)	(516,171)
Other operating income	54,940	27,171	54,329	26,223
Operating profit	726,106	330,376	702,603	308,083

21. OPERATING PROFIT (CONT'D)

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Operating profit is arrived at after charging:				
Audit fees	275	198	260	185
Non audit fees paid to external auditors	37	36	37	36
Allowance for doubtful debts	9,479	13,485	9,479	13,485
Amortisation of goodwill	1,474	1,474	1,474	1,474
Bad debts written off	–	14	–	14
Contribution to EPF	10,648	8,972	10,648	8,972
Contribution to retirement benefits	6,573	4,115	6,573	4,115
Depreciation of property, plant and equipment	213,274	167,934	203,664	157,044
Fees to holding company for services of an executive director	736	736	736	736
Loss on disposal of property, plant and equipment	–	171	–	171
Non-executive directors' remuneration:				
Fees	290	305	290	305
Property, plant and equipment expensed off	12,735	10,274	12,729	10,265
Property, plant and equipment written off	–	26,731	–	26,731
Rental of land and buildings	44,567	36,061	39,575	31,149
Rental of plant and equipment	4,277	4,371	3,846	4,366
And crediting:				
Bad debts recoveries	9	59	9	59
Dividend income from associate	–	–	677	202
Dividend income from subsidiary	–	–	1,053	702
Gain on disposal of property, plant and equipment	72	–	72	–
Interest income – deposits	15,880	13,495	13,549	11,566
Income from rental of facilities	6,579	7,198	6,579	7,198
Income from rental of premises	7,876	5,612	7,664	5,428

The estimated monetary value of executive director's benefits-in-kind amounting to RM30,566 (2005 – RM30,234) represents the non-monetary benefits received during the year.

22. EMPLOYEES INFORMATION

	Group and Company	
	2006 RM'000	2005 RM'000
Staff costs	133,390	116,184

The number of employees (permanent and contract) of the Group and of the Company at the end of the year was 1,311 (2005 – 1,282).

NOTES TO THE FINANCIAL STATEMENTS

31 March 2006

23. FINANCING COST

	Group	
	2006 RM'000	2005 RM'000
Profit share margin		
Islamic Debt Facility		
Al-Bai' Bithaman Ajil long term non-interest bearing facility	923	1,345

24. TAX EXPENSE

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Current tax expenses				
Malaysia				
Current year	203,246	106,985	202,549	106,433
Prior year	(9,819)	(544)	(9,819)	(544)
	193,427	106,441	192,730	105,889
Deferred tax expenses				
Origination and reversal of temporary differences	20,073	7,259	14,883	1,449
	213,500	113,700	207,613	107,338
Tax expense on share of profit of associates	302	267	–	–
	213,802	113,967	207,613	107,338

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	2006		2005	
	%	RM'000	%	RM'000
Profit before taxation		726,214		330,120
Income tax using Malaysian tax rates	28	203,340	28	92,434
Non-deductible expenses	3	19,979	7	21,810
Tax expense	31	223,319	35	114,244
Overprovision in prior years	(2)	(9,819)	–	(544)
Tax expense on share of profit of associates	–	302	–	267
Tax expense	29	213,802	35	113,967

24. TAX EXPENSE (CONT'D)

Company	2006		2005	
	%	RM'000	%	RM'000
Profit before taxation		702,603		308,083
Income tax using Malaysian tax rates	28	196,729	28	86,263
Non-deductible expenses	3	20,703	7	21,619
Tax expense	31	217,432	35	107,882
Overprovision in prior years	(1)	(9,819)	–	(544)
Tax expense	30	207,613	35	107,338

25. DIVIDENDS

	Group and Company	
	2006 RM'000	2005 RM'000
Ordinary:		
Final paid:		
2005 – 10% less tax at 28%		
(2004 – 10% less tax at 28%)	71,529	71,529
Interim paid:		
Interim dividend of 5% less tax at 28%		
(2005 – 5% less tax at 28%)	35,764	35,764
	107,293	107,293

The proposed final dividend of 15% less tax at 28% totalling RM107,293,032 has not been accounted for in the financial statements.

The net dividend per ordinary shares as disclosed in the Income Statement for the financial year ended 31 March 2006 on pages 57 and 61 takes into account the total interim and final proposed dividends for the financial year.

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 RM505,964,000 (2005 – RM210,731,000) and on the number of ordinary shares as at 31 March 2006 of 993,454,000 (2005 – 993,454,000) calculated as follows:

	2006 RM'000	2005 RM'000
Issued ordinary shares at beginning of year	993,454	496,727
Effect of bonus shares issued on 15 March 2005	–	496,727
	993,454	993,454

NOTES TO THE FINANCIAL STATEMENTS

31 March 2006

27. COMMITMENTS

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

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Property, plant and equipment:				
Approved and contracted for	65,508	43,559	65,189	43,540
Approved but not contracted for	129,667	52,056	129,392	52,056
	195,175	95,615	194,581	95,596

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:

	Group and Company	
	2006 RM'000	2005 RM'000
Sales of petroleum products		
Related companies:		
Malaysia LNG Sdn. Bhd.	285,638	164,456
MISC Berhad	21,846	42,266
PETRONAS Carigali Sdn. Bhd.	253,966	127,655
Purchases of petroleum products		
Related companies:		
PETRONAS Trading Corporation Sdn. Bhd.	1,886,055	3,908,712
PETRONAS Penapisan Melaka Sdn. Bhd.	13,017,649	6,034,362
PETRONAS Penapisan Terengganu Sdn. Bhd.	1,996,775	1,374,541
Malaysian Refining Company Sdn. Bhd.	293,586	53,635

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 Petroliam 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 is exposed to various risks that are particular to its core business which consists of the domestic marketing of petroleum products and the operation of service stations. These risks arise in the normal course of the business.

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.

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 28% (2005 - 32%) 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 88% (2005 - 97%) 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.

All interest rate risks are monitored and managed proactively by PETRONAS Group Treasury Division based on guidance from PETRONAS Group Risk Management Framework and Guideline.

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

NOTES TO THE FINANCIAL STATEMENTS

31 March 2006

29. FINANCIAL INSTRUMENTS (CONT'D)

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.

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

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.

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
2006			
Group			
Financial asset			
Deposits	3.12	425,290	425,290
Company			
Financial asset			
Deposits	2.94	345,530	345,530
2005			
Group			
Financial asset			
Deposits	2.89	367,808	367,808
Company			
Financial asset			
Deposits	2.74	304,845	304,845

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		Principal Activity
	Holding		
	2006	2005	
Company Incorporated in Malaysia			
Kuala Lumpur Aviation Fuelling System Sdn. Bhd.	65%	65%	Operation of aviation fuelling facilities at Kuala Lumpur International Airport, Sepang.

32. ASSOCIATES AND ACTIVITIES

	Effective Percentage		Principal Activity
	Holding		
	2006	2005	
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.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2006

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.

34. SUBSEQUENT EVENT

On 28 April 2006, a fuel storage tank at the Company's Pasir Gudang bulk depot was hit by lightning during a thunderstorm. The ensuing fire damaged three fuel storage tanks and also affected surrounding associated facilities. The Company is in the midst of estimating the total losses with investigation on the incident still on-going. The Company is filing an insurance claim to recover the losses.

Operations of the bulk depot have been suspended temporarily for repairs and rectification works. The Company's supply and distribution operations for the southern region of Peninsular Malaysia are not disrupted during this period because supply is sourced from the Company's other depots.

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Areas of Operation

HEAD OFFICE

Level 30-33, Tower 1
PETRONAS Twin Towers
Kuala Lumpur City Centre
50088 Kuala Lumpur
Tel: 03-2051 5000
Fax: 03-2026 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 No. 93
Prai Industrial Estate
13600 Prai, Pulau Pinang
Tel: 04-390 7291/7201
Fax: 04-399 0211

Southern Region

1st & 2nd Floor, Bangunan PETRONAS
Bandar Baru UDA
Km 7, Jalan Skudai
81200 Johor Bahru, Johor
Tel: 07-237 8161
Fax: 07-236 0954

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

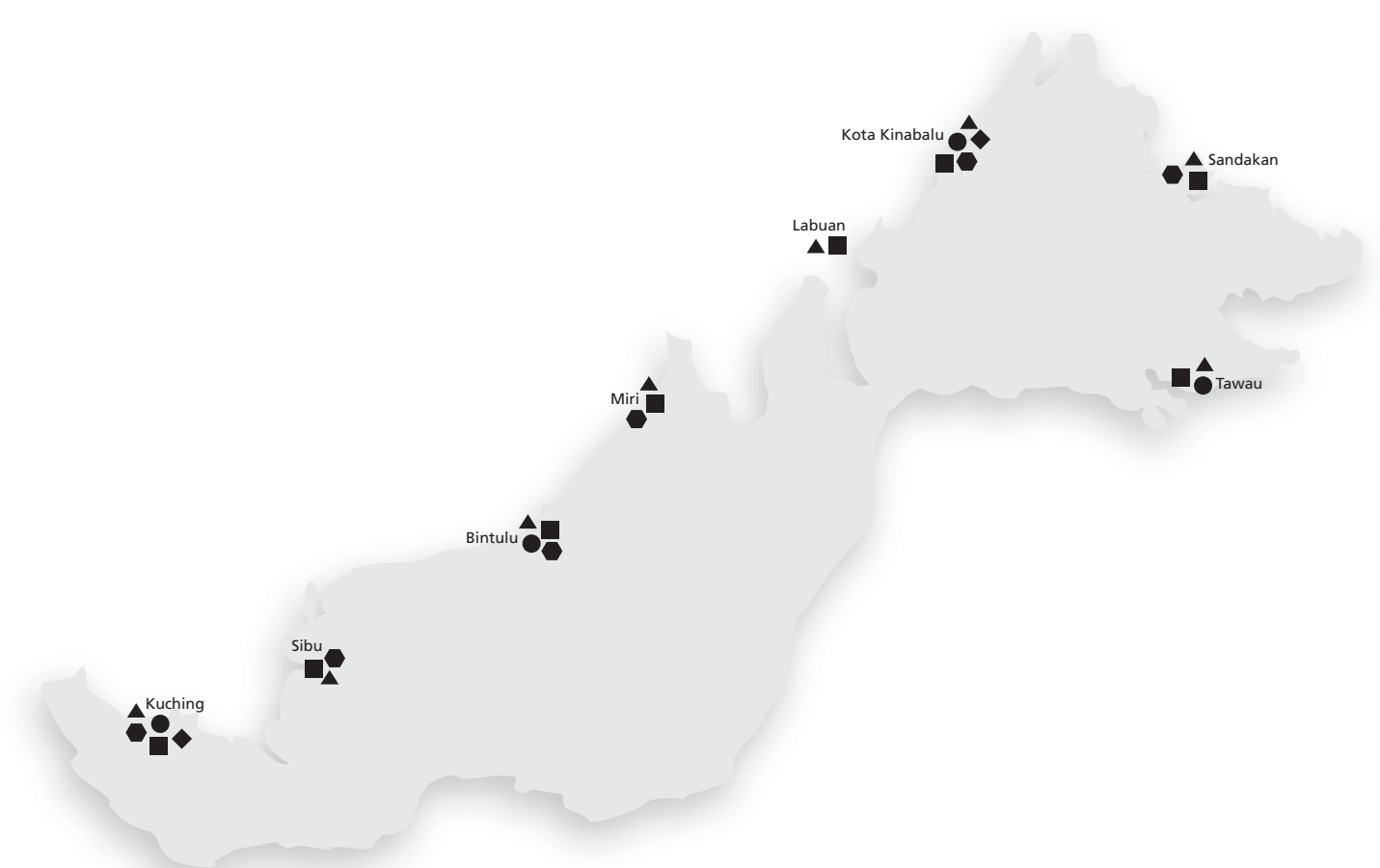
Sabah Region

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





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

Shareholders' Information

Financial Year End : 31 March 2006
 Class of Shares : Ordinary Shares of RM1.00 Each
 Voting Rights : One Vote Per Ordinary Share (On A Poll)

ANALYSIS OF SHAREHOLDINGS AS AT 26 MAY 2006

Size of Holdings	No. of Holders	% of Total	
		Shareholders	Shares
Less than 100	27	0.27	0.00
100 – 1,000	995	9.94	0.09
1,001 – 10,000	8,207	81.97	2.33
10,001 – 100,000	622	6.21	1.98
100,001 to less than 5% of issued shares	160	1.60	25.74
5% and above of issued shares	1	0.01	69.86
	10,012	100.00	100.00

CLASSIFICATION OF SHAREHOLDERS AS AT 26 MAY 2006

Category	No. of Holders		No. of Shares		% of Total Shareholding	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
• Individual	8,915	83	41,212,302	848,900	4.15	0.09
• Corporate Body						
a. Banks / Finance Companies	23	0	119,495,096	0	12.03	0.00
b. Investment Trusts / Foundation / Charities	17	0	36,000	0	0.01	0.00
c. Industrial and Commercial Companies	279	7	20,110,700	930,000	2.02	0.09
• Government Agencies / Institution	14	0	10,541,400	0	1.06	0.00
• Nominees	566	108	785,842,046	14,437,556	79.10	1.45
	9,814	198	977,237,544	16,216,456	98.37	1.63

LIST OF THIRTY LARGEST SHAREHOLDERS

Registered As At 26 May 2006

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	43,244,600	4.35
3. Valuecap Sdn Bhd	36,234,200	3.65
4. Malaysia Nominees (Tempatan) Sendirian Berhad (Great Eastern Life Assurance (Malaysia) Berhad (Par 1))	29,105,440	2.93
5. Lembaga Tabung Haji	15,007,600	1.51
6. Kumpulan Wang Amanah Pencen	12,706,400	1.28

LIST OF THIRTY LARGEST SHAREHOLDERS (CONT'D)
Registered As At 26 May 2006

Name	No. of Shares	% of Total Shares
7. Amanah Raya Nominees (Tempatan) Sdn Bhd (Skim Amanah Saham Bumiputera)	8,487,500	0.85
8. Permodalan Nasional Berhad	7,687,800	0.77
9. HSBC Nominees (Asing) Sdn Bhd (Nomura Asset Mgmt Sg For Employees Provident Fund)	5,712,300	0.57
10. Mayban Nominees (Tempatan) Sdn Bhd (Mayban Trustees Berhad For Public Itikal Fund)	4,528,100	0.46
11. Malaysia Nominees (Tempatan) Sendirian Berhad (Great Eastern Life Assurance (Malaysia) Berhad (Par 2))	3,992,300	0.40
12. DB (Malaysia) Nominee (Tempatan) Sendirian Berhad (Icapital.Biz Berhad)	3,300,000	0.33
13. Amanah Raya Nominees (Tempatan) Sdn Bhd (Kumpulan Wang Am)	3,243,100	0.33
14. SBB Nominees (Tempatan) Sdn Bhd (Employees Provident Fund Board)	3,026,300	0.30
15. Cartaban Nominees (Asing) Sdn Bhd (Investors Bank And Trust Company For Ishares, Inc)	2,492,100	0.25
16. Hong Leong Bank Berhad	2,471,600	0.25
17. Mayban Nominees (Tempatan) Sdn Bhd (Mayban Trustees Berhad For Public Regular Savings Fund)	2,318,200	0.23
18. Amanah Raya Nominees (Tempatan) Sdn Bhd (Public Islamic Equity Fund)	2,184,000	0.22
19. Universal Trustee (Malaysia) Berhad (SBB High Growth Fund)	2,078,300	0.21
20. Amanah Raya Nominees (Tempatan) Sdn Bhd (Public Saham Didik)	2,050,000	0.21
21. Foh Chong & Sons Sdn Bhd	2,014,000	0.20
22. State Financial Secretary Sarawak	2,000,000	0.20
23. Universal Trustee (Malaysia) Berhad (SBB Savings Fund)	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. Mayban Securities Nominees (Tempatan) Sdn Bhd (Kumpulan Wang Amanah Pencen For Kerajaan Negeri Negeri Sembilan)	2,000,000	0.20
28. Amanah Raya Nominees (Tempatan) Sdn Bhd (Public Savings Fund)	1,869,800	0.19
29. Universal Trustee (Malaysia) Berhad (SBB Equity Income Fund)	1,795,000	0.18
30. Amanah Raya Nominees (Tempatan) Sdn Bhd (Public Index Fund)	1,394,000	0.14

SHAREHOLDERS' INFORMATION

LIST OF SUBSTANTIAL SHAREHOLDERS

As At 26 May 2006

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 26 May 2006

Name	No. of Shares in the Company	% of Shareholding
1. Datuk Anuar bin Ahmad	2,000	0.00
2. Datuk Ainon Marziah bt Wahi	2,000	0.00

Name	No. of Shares in PETRONAS Gas Berhad	% of Shareholding
1. Datuk Ainon Marziah bt Wahi	5,000	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 2006 (RM'000)
A PULAU PINANG							
1. P.T. 456, Mukim 11, Daerah Seberang Perai Selatan	22,400	SS	LH	4-Aug-1994	13-Jun-2014	21	142
2. Lot 16, Sek. 3, Bandar Butterworth	53,274	SS	LH	14-Jun-1991	16-Aug-2081	20	396
3. Lot 2360, Mukim 11, Daerah Seberang Perai Tengah	11,467	SS	FH	31-Mar-1983	–	23	296
4. Lot 2453, Mukim 9, Daerah Seberang Perai Utara	21,463	SS	FH	13-Feb-1989	–	20	1,300
5. Lot 5352 & 5353, Mukim 11, Daerah Seberang Perai Tengah	43,831	SS	FH	11-Jul-1991	–	19	1,929
6. Lot 107, Sek. 5, Daerah Timur Laut, Bandar Georgetown	21,081	VL	FH	17-Dec-1991	–	–	1,634
7. Lot 3609 HS(D) 1745, Mukim 15, Daerah Seberang Perai Selatan	26,135	SS	FH	9-Oct-1998	–	6	850
8. Lot 2574 – 2576, Sek. 4, Bandar Butterworth	6,684	SH	FH	7-Jan-1984	–	21	200
9. Lot 1070, Mukim 1, Kawasan Perindustrian Perai	907,860	BD	LH	23-Apr-1992	27-Aug-2041	24	1,326
10. P.T. 1612, Mukim 6, Seberang Perai Tengah	55,937	SS	FH	27-Aug-1999	–	6	2,613
11. Lot 1475, Mukim 13, Daerah Timur Laut	39,241	SS	FH	16-Aug-1999	–	6	2,960
12. Lot 10034, Mukim 13, Daerah Timur Laut	26,200	SS	FH	28-Dec-1999	–	6	3,500
13. Lot 3237, Mukim 10, Daerah Seberang Perai Utara	22,367	SS	FH	5-Feb-2001	–	1	2,052
14. Lot 2840 & 2843, Mukim 4, Daerah Seberang Perai Utara	67,910	SS	FH	14-Mar-2001	–	3	4,830
15. Lot 2489 & 2490, Seksyen 2, Bandar Butterworth Seberang Perai Utara	50,590	SS	FH	31-Jan-2002	–	3	3,288
16. Lot 3167 HS(M) 815, Mukim 04, B'worth-Kulim Seberang Perai	85,637	SS	FH	25-Feb-2002	–	2	4,830
17. Lot 10885, Jln Rozhan, Mukim 15, Seberang Prai Tengah	69,658	SS	FH	5-Mar-2004	–	1	3,300
18. Lot PT1612, Bdr Baru Perda, Mukim 06, Seberang Perai Tengah	55,958	SS	FH	24-Jul-2002	–	3	2,750
19. Lot 648, Jln Perusahaan, Juru, Mukim 06, Seberang Perai Tengah,	60,020	VL	FH	13-Dec-2004	–	–	3,850
20. Lot 5494 & 5279, Sunway BKE, Mukim 01, Seberang Perai Tengah	71,811	SS	LH	23-Apr-2004	21-Oct-2092	2	6,562
21. Lot 8889 & 4867, Jalan Dato Ahmad Badawi, Seberang Perai Utara	29,662	SS	FH	22-Jul-2005	–	1	1,499

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 2006 (RM'000)
B KEDAH DARUL AMAN							
1. Sebahagian Lot 1990/1991 HS(M) 24/1982, Mukim Sg. Petani, Daerah Kuala Muda	16,090	SS	LH	22-May-1991	13-Jul-2012	25	16
2. Lot 27, Sek. 9, Pekan Gurun, Daerah Kuala Muda	24,775	SS	LH	15-Jul-1990	7-Jan-2048	20	119
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-May-1991	16-May-2012	18	43
4. P.T. 669, Mukim Ayer Puteh, Daerah Pendang	26,327	SS	LH	22-May-1991	29-Jul-2014	19	14
5. P.T. 149 HS(M) 6/85, Mukim Kuah, Daerah Pulau Langkawi	69,384	SS	LH	4-Aug-1994	14-Aug-2045	21	48
6. Lot 703, Mukim Sg. Seluang, Daerah Kulim	12,567	SS	FH	31-Jan-1991	–	21	257
7. P.T. 9290, Mukim Sg. Petani, Daerah Kuala Muda	19,576	SS	FH	17-Sep-1989	–	14	294
8. Lot 3268 GM 368, Mukim Mergong, Daerah Kota Setar	27,373	SS	FH	16-Aug-1992	–	19	900
9. P.T. 12241, Mukim Sg. Pasir, Daerah Kuala Muda	29,945	SS	FH	16-Aug-1993	–	13	1,048
10. P.T. 3541, Mukim Naga, Daerah Kubang Pasu	32,450	SS	FH	18-Aug-1994	–	12	1,350
11. Lot 2226, Mukim & Daerah Kulim	43,540	SS	FH	31-Jan-1991	–	23	610
12. Lot P.T. 3356 HS(M) 126/92, Mukim Keladi, Daerah Kulim	48,200	SS	FH	28-Apr-1993	–	10	1,157
13. P.T. 9289, Mukim Sg. Petani, Daerah Kuala Muda	20,274	SS	FH	16-Mar-1991	–	15	405
14. P.T. 926, Mukim Sg. Laka, Daerah Kubang Pasu	32,000	VL	LH	5-Aug-1985	4-Aug-2015	–	10
15. P.T. 553-564, Mukim Sg. Seluang, Daerah Kulim	18,576	SS	FH	29-Aug-1991	–	6	204
16. P.T. 2964, Mukim Sg. Seluang, Daerah Kulim	28,674	SS	FH	16-Jul-1991	–	6	373
17. P.T. 11615, Mukim Sg. Pasir, Daerah Kuala Muda	38,250	SS	FH	21-Jul-1991	–	4	612
18. P.T. 23539 HS(D) 258/94, Mukim Sungai Petani, Daerah Kuala Muda	23,856	VL	FH	31-Jul-1997	–	–	1,193
19. P.T. 23540 HS (D) 259/84, Mukim Sungai Petani, Daerah Kuala Muda	18,051	VL	FH	31-Jul-1997	–	–	866

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 2006 (RM'000)
20.	P.T. 23517 HS(D) 499/97, Mukim Sungai Petani, Daerah Kuala Muda	23,863	SS	FH	15-Mar-1998	–	4	725
21.	Part of Lot 2008 & 2009, Mukim Sungai Laka, Daerah Kubang Pasu	76,300	SS	FH	1-Oct-1998	–	5	1,614
22.	P.T. 4761, Tanjung Bendahara, Mukim Derga	43,550	SS	FH	9-Mar-2003	–	1	1,750
23.	Lot 5840 HS(D) 5380/97, Mukim Padang Cina, Daerah Kulim	43,621	SS	FH	25-Jan-2004	–	2	1,919
24.	Lot P.T. 12770, Selarong Lalang, Mukim P'kln Kundor, Kota Setar	35,502	SS	FH	10-Aug-2004	–	1	1,400
25.	Lot 1491, Seksyen 41, Jln Sungai Ular, Kota Kenari, Kulim	42,508	SS	FH	23-Aug-2004	–	2	1,398
26.	Lot P.T. 57919, Jln Kerbau, Mukim Sg Petani, Daerah Kuala Muda	44,225	SS	FH	30-Jun-2003	–	2	2,000
27.	Lot P.T. 437 HSM 25/1986, Alor Bekong, Mukim Mergong, Kota Setar	12,496	SS	FH	2-Nov-2004	–	20	562
C	PERLIS INDERA KAYANGAN							
1.	Lot 2729, Mukim Berseri, Daerah Padang Malau	13,340	SS	FH	31-Jan-1991	–	16	122
2.	Lot 3684, Jln Raja Syed Alwi, Behor Gandil, Mukim Utan Aji	50,579	SS	FH	5-Oct-2004	–	2	1,600
3.	Lot P.T. 726 HSM 773, Behor Temak, Mukim Seriab	30,280	SS	FH	30-Apr-2004	–	2	2,225
4.	Lot 1925, Mukim Titi Tinggi, Padang Besar	18,686	SS	LH	2-Nov-2004	1-May-2043	22	1,156
D	KELANTAN DARUL NAIM							
1.	P.T. 2424, Bandar dan Daerah Kuala Krai	10,367	SS	LH	14-Jun-1991	2-Mar-2049	21	13
2.	Lot 2079 (P.T. 1043), Bandar & Daerah Gua Musang	15,995	SS	LH	15-Aug-1985	13-Mar-2084	19	182
3.	P.T. L.O. 1945, Mukim Maka, Daerah Tanah Merah	19,946	SS	LH	22-May-1991	10-Oct-2086	23	8
4.	P.T. 38/1433, Mukim Lembu, Daerah Kota Bharu	22,593	SS	LH	14-Jun-1991	23-Jan-2017	19	3
5.	P.T. 48, Sek 16, Bandar & Daerah Kota Bharu	28,710	SS	LH	28-Dec-1992	22-Aug-2088	22	919
6.	P.T. 2360, Mukim Maka, Daerah Tanah Merah	43,200	SS	LH	15-Jan-1983	9-Jan-2053	19	191
7.	Lot 2781, Bandar & Daerah Kuala Krai	26,285	SS	FH	24-May-1992	–	5	550
8.	P.T. 623, Mukim Panchor, Bandar & Daerah Kota Bharu	84,680	W	LH	26-Sep-1983	25-Jul-2048	20	139

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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 2006 (RM'000)
9. PT 88 & 89, Mukim Lemal, Daerah Pasir Mas	15,177	SS	LH	8-Dec-1998	12-May-2065	6	580
10. Lot 2799, Mukim Tanah Merah, Jajahan Tanah Merah	18,535	SS	LH	29-Oct-2001	3-Aug-2068	4	468
11. Lot PT1272 HS(M)166, Kg Dalam Huma, Mukim Pasir Puteh, Daerah Limbongan	45,667	SS	LH	29-Jul-2003	28-Jul-2069	1	1,028

E TERENGGANU DARUL IMAN

1. Lot 7858, Mukim Chukai, Daerah Kemaman	28,201	SS	LH	22-May-1991	24-Apr-2044	21	44
2. Lot 2913 & 3486, Mukim Sura, Daerah Dungun	30,408	SS	LH	14-Jun-1991	29-May-2045 2-Sep-2043	20	30
3. P.T. 134, Mukim Pelagat, Daerah Besut	39,159	SS	LH	5-May-1988	4-Jan-2018	17	19
4. Lot 6108 & 4182, Mukim Kuala Dungun, Daerah Dungun	53,087	SS	LH	14-Jun-1991	13-Sep-2043	21	38
5. Lot 3578, Mukim Kuala Paka, Daerah Dungun	15,834	SS	FH	8-Oct-1996	–	19	400
6. P.T. 1722, Mukim Abang, Daerah Dungun	31,323	SS	LH	12-Oct-1995	16-Oct-2055	7	37
7. P.T. 4799 (Bhg), Mukim Kijal, Daerah Kemaman	30,000	SS	LH	1-Sep-1999	25-Nov-2101	3	468
8. Lot 2112, Mukim Hulu Setiu, Daerah Setiu	22,800	SS	FH	21-Jul-1994	–	4	140
9. PT 5010, Mukim Teluk Kalung, Daerah Kemaman	64,580	SS	LH	28-Oct-1999	20-Oct-2058	5	1,344
10. Lot 2247, Mukim Bukit Kenak, Padang Jerteh, Daerah Besut	43,712	SS	FH	20-Oct-2000	–	4	850
11. Lot 13181 HM 5258, Banggol Titian Ketat, Mukim Kuala Nerus, Kuala Terengganu	17,739	VL	FH	9-Sep-2004	–	–	1,015

F PAHANG DARUL MAKMUR

1. P.T. 3370, Mukim Sabai, Daerah Bentong	22,826	SS	LH	18-Jan-1989	17-Jan-2049	16	72
2. P.T. 719, Mukim Ringlet, Daerah Cameron Highlands	9,000	SS	LH	23-Jun-1990	22-Jun-2089	18	72
3. P.T. 15291, Mukim Kuala Kuantan, Daerah Kuantan	11,115	SS	LH	16-Aug-1991	16-Jan-2085	15	377
4. P.T. 3640, Mukim Pedah, Daerah Jerantut	13,612	SS	LH	12-Dec-1991	9-Feb-2082	22	251
5. P.T. 1207, Mukim Kuala Lipis, Daerah Lipis	19,329	SS	LH	10-Oct-1990	9-Oct-2056	17	29
6. P.T. 1987, Mukim Semantan, Daerah Temerloh	56,901	SS	LH	19-Aug-1986	18-Aug-2052	19	39

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 2006 (RM'000)
7. P.T. 4335, Bandar & Daerah Temerloh	10,054	SS	LH	16-Sep-1991	30-Jan-2091	12	489
8. P.T. 9011, Mukim Gali, Daerah Raub	11,434	SS	LH	4-Aug-1984	10-Aug-2091	21	10
9. P.T. 4519, Mukim & Daerah Bentong	11,887	SS	LH	29-Jul-1991	22-Mar-2053	12	373
10. P.T. 10693, Mukim Kuala Kuantan, Daerah Kuantan	26,966	SS	LH	14-Jun-1991	11-Feb-2080	21	126
11. P.T. 601, Mukim Tanah Rata, Daerah Cameron Highlands	30,797	SS	LH	23-Jun-1990	22-Jun-2089	19	248
12. P.T. 3920, Mukim Sungai Karang, Daerah Kuantan	16,968	SS	FH	24-Nov-1990	–	11	173
13. P.T. 3921, Mukim Sungai Karang, Daerah Kuantan	15,020	SS	FH	24-Nov-1990	–	14	173
14. Lot 2, Sek. 3, Kampung Ketari, Daerah Bentong	20,691	SS	FH	22-May-1991	–	9	450
15. Lot 24757, Mukim Kuala Kuantan, Daerah Kuantan	34,929	SS	FH	11-Nov-1991	–	11	675
16. Lot 1593, Mukim Pedah, Daerah Jerantut	14,284	SS	FH	15-Jan-1984	–	11	600
17. Lot 7, 8 & 43, Sek. 18, Bandar & Daerah Kuantan	25,345	SS	FH	26-Aug-1991	–	10	1,290
18. Lot 112, Mukim & Daerah Bentong	39,030	SS	FH	23-Nov-1991	–	11	520
19. P.T. 3443, Mukim Perak, Daerah Temerloh	47,647	VL	LH	19-Aug-1986	18-Aug-2052	–	43
20. P.T. 33423, Seksyen 1, Bandar Indera Mahkota, Daerah Kuantan	20,000	SS	LH	10-Sep-1992	6-Apr-2093	5	489
21. Lot 587, Mukim Ulu Cheka, Daerah Jerantut	14,593	VL	FH	15-Jan-1994	–	–	130
22. Lot 5093 CT 6585, Mukim Kuala Kuantan, Daerah Kuantan	21,200	SS	FH	20-Aug-1993	–	6	515
23. Lot 26180 – 26186, Mukim Kuala Kuantan, Daerah Kuantan	11,711	VL	FH	30-Aug-1991	–	–	780
24. P.T.10884, Mukim & Daerah Bentong	179,296	LPGSBP	LH	20-Sep-1991	7-Jan-2058	9	461
25. Lot 5515, Mukim Kuala Kuantan, Daerah Kuantan	22,694	VL	FH	27-Mar-1992	–	–	590
26. Lot 5392, Mukim Kuala Kuantan, Daerah Kuantan	21,600	VL	FH	16-Jan-1992	–	–	530
27. PT 10852 & 10853, Mukim Mentakab, Daerah Temerloh	43,515	SS	FH	14-Mar-2000	–	1	2,100
28. PT 817, Mukim Sungai Karang, Daerah Kuantan	19,364	SS	LH	10-Jul-1991	11-Jul-2090	4	382
29. Lot P.T. 678, Mukim Mentakab, Daerah Temerloh	43,832	SS	LH	22-Sep-2000	6-Nov-2035	3	1,405

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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 2006 (RM'000)
30. P.T. 57349, Bandar Kuantan, Daerah Kuantan	41,689	VL	LH	19-Feb-2001	2-Sep-2093	–	2,871
31. P.T. 67234, Mukim Kuala Kuantan, Daerah Kuantan	71,748	VL	LH	7-Jul-2002	25-Jun-2101	–	2,330
32. Lot P.T.4019, Bandar Kerayong, Mukim Triang, Daerah Bera	49,051	SS	FH	9-Aug-2005	–	1	1,110
33. Lot P.T. 3775 (HSM 3112), Paya Siak Ulu, Mukim Perak, Temerloh	17,438	VL	FH	12-Nov-2004	–	–	940
G JOHOR DARUL TAKZIM							
1. PTD 3009, Mukim Linau, Daerah Batu Pahat	10,772	SS	LH	22-May-1991	17-Jan-2047	20	71
2. PTD 4626, Mukim Jeram Baru, Daerah Pontian	15,900	SS	LH	4-Aug-1994	30-Mar-2008	16	2
3. PTD 4560, Mukim Kesang, Daerah Muar	17,837	SS	LH	9-Jan-1996	28-Oct-2046	22	130
4. PTB 324, Bandar Jementah, Daerah Segamat	25,000	SS	LH	14-Jun-1991	1-Dec-2051	19	36
5. PTD 3618, Mukim Sg. Segamat, Daerah Segamat	25,000	SS	LH	14-Jun-1991	15-Sep-2051	20	36
6. PTD 13309 & 52136, Mukim Tebrau, Daerah Johor Bahru	70,726	SS	LH	20-Feb-1991	25-Nov-2015	18	498
7. PTB 16964, Bandar & Daerah Johor Bahru	24,012	SS	LH	20-Feb-1991	2-May-2087	13	1,286
8. PTD 89980, Mukim Plentong, Daerah Johor Bahru	25,000	SS	LH	14-Jun-1991	30-Mar-2089	21	329
9. PTD 60266, Mukim Pulai, Daerah Johor Bahru	39,260	SS	LH	10-Jan-1991	3-Aug-2021	9	1,347
10. PTD 57850, Mukim Tebrau, Daerah Johor Bahru	43,512	SS	LH	23-Mar-1992	15-Oct-2021	9	908
11. PTD 7605, Mukim Serom, Daerah Muar	12,818	SS	FH	30-Jul-1990	–	13	280
12. PTD 9492, Mukim Tebrau, Daerah Johor Bahru	13,208	SS	FH	23-Jan-1991	–	12	510
13. PTD 814, Mukim Sg. Kluang, Daerah Batu Pahat	13,663	SS	FH	22-May-1991	–	21	153
14. Lot 7949, Mukim Senai-Kulai, Daerah Johor Bahru	15,860	SS	FH	16-Sep-1990	–	13	599
15. PTD 37211, Bandar & Daerah Kluang	16,847	SS	FH	18-Dec-1989	–	14	500
16. PTD 15400, Mukim Tangkak, Daerah Muar	20,000	SS	FH	19-May-1992	–	20	288
17. Lot 881, Bandar Maharani, Daerah Muar	27,143	SS	FH	14-May-1991	–	18	628
18. PTD 84376, Mukim Plentong, Daerah Johor Bahru	28,846	SS	FH	23-Aug-1989	–	14	721
19. PTD 10908, Mukim Sedenak, Daerah Johor Bahru	30,582	SS	FH	27-Sep-1989	–	14	397

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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 2006 (RM'000)
20. Lot 1069, Mukim & Daerah Kota Tinggi	34,848	SS	FH	11-Jan-1991	–	12	1,063
21. Lot 230, Bandar & Daerah Kota Tinggi	49,713	SS	FH	30-Mar-1993	–	19	512
22. Lot 3116, Mukim Jalan Bakri, Daerah Muar	30,764	SS	FH	4-Jan-1992	–	11	600
23. PTD 34963, Mukim Plentong, Daerah Johor Bahru	18,135	SS	FH	26-Nov-1990	–	12	861
24. Lot 155, Mukim Sermin, Daerah Segamat	21,789	SS	FH	25-Jun-1989	–	10	300
25. PTD 69921, Mukim Plentong, Daerah Johor Bahru	24,779	SS	FH	18-Oct-1990	–	9	1,239
26. PTD 44992, Mukim Pulai, Daerah Johor Bahru	50,202	SS	FH	12-Sep-1990	–	9	1,506
27. Lot 7320, Mukim Senai-Kulai, Daerah Johor Bahru	23,475	SS	FH	24-Jun-1991	–	8	1,415
28. PTD 100976, Mukim Plentong, Daerah Johor Bahru	21,246	SS	FH	26-Nov-1990	–	8	1,009
29. Lot 4188 & 4189, Mukim & Daerah Kluang	14,157	VL	LH	20-Feb-1989	11-Jan-2034	–	100
30. PTD 57709, Mukim Pulai, Daerah Johor Bahru	19,200	SS	LH	13-Mar-1991	29-Jun-2020	6	147
31. PTB 11985, Bandar & Daerah Johor Bahru	24,000	SS	LH	25-May-1991	2-Feb-2042	6	876
32. PTD 1225, Mukim Jementah, Daerah Segamat	24,993	VL	LH	14-Jun-1991	15-Sep-2051	–	36
33. PTD 8255, Mukim Buloh Kasap, Daerah Segamat	28,807	SS	LH	7-Jun-1990	31-Dec-2086	5	544
34. PTD 35578, Mukim Senai-Kulai, Daerah Johor Bahru	32,147	SS	LH	31-Jul-1992	18-Aug-2084	15	1,509
35. PTB 9, Bandar Gemas, Daerah Segamat	25,000	VL	LH	14-Jun-1991	15-Sep-2051	–	36
36. Lot 23551 (PTD 110909), Mukim Plentong, Daerah Johor Bahru	21,273	SS	FH	24-Aug-1993	–	8	469
37. Lot 7344, Mukim Sg. Balang, Semerah, Daerah Batu Pahat	19,979	SS	FH	20-Jan-1992	–	4	380
38. Lot 7452, Mukim Plentong, Daerah Johor Bahru	21,780	VL	FH	6-Mar-1991	–	–	795
39. PTD 88326, Mukim Plentong, Daerah Johor Bahru	23,750	SS	FH	18-Jul-1990	–	6	1,069
40. Lot 367, Bandar & Daerah Johor Bahru	29,784	VL	FH	26-Jul-1990	–	–	2,978
41. Lot 24883, Mukim Pulai, Bandar Selesa Jaya, Johor Bahru	34,832	SS	FH	9-Mar-1993	–	8	1,392
42. Lot 23551 (PTD 110910), Mukim Plentong, Daerah Johor Bahru	21,325	SS	FH	24-Aug-1993	–	8	1,406
43. PTD 6717, Mukim Kesang, Daerah Muar	35,005	SS	FH	9-Jan-1996	–	6	858

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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 2006 (RM'000)
44. PTB 17928, Bandar Johor Bahru	30,410	SS	LH	14-Jul-1983	14-Feb-2043	17	3,215
45. PTD 71062, Mukim Pulau, Daerah Johor Bahru	33,540	SS	FH	10-Jun-1998	–	6	6,500
46. PTD 71046, Mukim Pulau, Daerah Johor Bahru	42,690	SS	FH	10-Jun-1998	–	6	5,100
47. PTD 100820 Mukim Pulau, Daerah Johor Bahru	61,673	SS	FH	9-Aug-1999	–	5	4,800
48. Part of Lot 441, 442 & 1504, Mukim Plentong, Daerah Johor Bahru	40,000	SS	FH	28-Jan-1999	–	4	3,000
49. PTB 19195, Bandar Johor Bahru	33,632	VL	LH	15-May-2001	8-Mar-2091	–	1,342
50. PTD 1525, Mukim Gemereh, Daerah Segamat	34,734	SS	FH	19-Feb-2002	–	1	799
51. PTD 85816 (105615), Taman Pelangi Indah, Mukim Tebrau	91,875	SS	FH	28-May-2003	–	3	6,983
52. PTD 95704, Taman Setia Indah, Mukim Tebrau	54,390	SS	FH	15-Oct-2003	–	1	5,167
53. Lot PTB4648 HSD47973, Jln Rahmat, Bandar Penggaram, Batu Pahat, Johor.	45,019	SS	FH	8-Aug-2004	–	2	3,750
54. Lot PTD 105784 HS(D) 361231, Mukim Tebrau, Johor Bahru	52,599	VL	FH	10-Feb-2004	–	–	4,471
55. Lot PTD77623 HS(D)258216, Tmn Nusa Perintis, Mukim Pulau, Johor Bahru	31,416	SS	FH	9-Oct-2003	–	3	2,104
56. Lot PTD95241, Tmn Setia Indah, Mukim Tebrau, Johor Bahru	32,637	VL	FH	28-Apr-2004	–	–	3,104
57. Lot PTD 135636, Tmn Sri Yaakob, Mukim Pulau, Johor Bahru	56,886	SS	FH	11-Oct-2004	–	2	5,857
58. Lot PTD 129028, Kota Masai, Mukim Plentong, Johor Bahru	38,298	SS	FH	11-Jun-2003	–	3	2,718
59. Lot PTD 174174, Bdr Seri Alam, Mukim Plentong, Johor Bahru	43,577	SS	FH	1-Jul-2004	–	2	3,746
60. Lot MLO 8028, Parit Tengah, Mukim Tg. Sembrong, Batu Pahat	70,499	SS	FH	4-Feb-2005	–	1	676
61. Lot PTD127744, Jln Kempas Lama, Mukim Tebrau, Johor Bahru	44,190	SS	FH	26-Jan-2005	–	1	3,300
62. Lot PTD 76295, R&R Skudai (NB) Mk Senai, L/Raya Utara-Selatan, Johor Bahru	120,529	VL	LH	18-Jul-2003	17-Jul-2102	–	11,708
63. Lot PTD173047 HSD353199, Bayu Senibong, Mukim Plentong, Johor Bahru	70,165	SS	LH	8-May-2003	7-May-2102	1	6,194
64. Lot 181563, Mukim Plentong, Tmn Bayu Puteri, Bdr Baru Permas Jaya, Johor Bahru	50,812	SS	LH	21-Sep-2004	21-Jan-2097	1	4,259

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 2006 (RM'000)
65. Plot 4, Bandar Putra, Mukim Senai-Kulai, Daerah Johor Bahru	48,460	VL	FH	22-Mar-2005	–	–	3,559
66. Lot PTD133688, Taman Perling, Mukim Pulai, Daerah Johor Bahru	50,601	VL	FH	23-Mar-2005	–	–	1,120
67. Lot PTD 93016 HSD 329339, Taman Desa Tebrau, Johor Bahru	48,835	VL	FH	25-Oct-2005	–	–	4,318
68. Lot PTD 130265 HSD 395366, Ulu Tiram, MK Tebrau, Daerah Johor Bahru	45,000	VL	FH	3-Oct-2005	–	–	3,446
69. Lot PTB 20846, Jalan Tampoi, Bandar Johor Bahru	41,397	SS	FH	11-Nov-2005	–	1	4,182
70. Lot 1283 (PTD 135891) HSM 1527, MK Pulai, Bt 8, Jalan Skudai, Johor Bahru	40,000	VL	FH	28-Feb-2006	–	–	4,057
71. Lot PDT 104981 Taman Intan, Mukim Tebrau, (Damansara Alif) Johor Bahru	43,562	SS	FH	9-Jun-2004	–	1	2,850
72. Lot P.T. 44208 HSM 6268, Simpang Kanan KM 7, Jalan Keluang, Batu Pahat	43,593	SS	FH	12-Oct-2004	–	1	2,679
73. Lot PTD 166495 (HSD 333428), Taman Bukit Dahlia, Mukim Pelentong, Pasir Gudang, Daerah Johor Bahru	47,467	SS	LH	17-Jan-2005	15-Jun-2101	2	3,148
74. Lot PTD 160926, Taman Cahaya Masai, Mukim Plentong, Johor Bahru	51,911	SS	LH	22-Mar-2005	7-Jul-2102	2	3,543

H NEGERI SEMBILAN DARUL KHUSUS

1. P.T. 1414, Mukim Triang Hilir, Daerah Jelebu	11,926	SS	LH	4-Aug-1990	24-Feb-2090	11	170
2. Lot 268 (P.T. 6086), Mukim Ampangan, Daerah Seremban	16,000	SS	LH	20-Dec-1985	20-Dec-2045	16	211
3. P.T. 999, Mukim Gemas, Daerah Tampin	21,780	SS	LH	22-May-1991	13-Sep-2043	18	58
4. P.T. 278, Mukim Ampangan, Daerah Seremban	25,019	SS	LH	22-May-1991	12-Sep-2075	12	313
5. Lot 10066, Mukim Rasah, Daerah Seremban	14,400	SS	FH	17-Jul-1982	–	15	442
6. Lot 2253, Mukim Si Rusa, Daerah Port Dickson (Coast)	15,781	SS	FH	31-Jan-1991	–	18	423
7. P.T. 489, Mukim Serting Ulu, Daerah Jempol	16,861	SS	FH	16-Apr-1990	–	14	660
8. Lot 448, Mukim Tampin, Daerah Tampin	20,418	SS	FH	31-Jan-1991	–	16	387
9. Lot 5935, Mukim Rantau, Daerah Seremban	17,687	SS	FH	12-Feb-1991	–	2	600

LIST OF PROPERTIES

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10. P.T. 1583 - P.T. 1588 & P.T. 1595 - P.T. 1599, Mukim & Daerah Seremban	24,098	VL	FH	29-Oct-1990	-	-	916
11. P.T. 26/2 - P.T. 26/3 & P.T. 26/6 - 26/11, Pekan Kuala Klawang, Daerah Jelebu	24,550	SS	FH	14-May-1990	-	5	300
12. Lot 527, Bandar Port Dickson, Daerah Port Dickson (Coast)	43,914	SS	FH	8-Apr-1991	-	4	800
13. P.T. 10841 & 10842 HS(D) 98016 & 98017, Mukim Rasah, Daerah Seremban	41,167	SS	FH	11-Mar-1998	-	6	2,200
14. P.T. 2277 HS(D) 16461, Mukim Jimah, Daerah Port Dickson	24,393	SS	FH	12-Mar-1998	-	6	995
15. Lot 13796 HS(D) 49314, Mukim Rantau, Daerah Seremban	17,663	SS	FH	17-Aug-1998	-	5	795
16. P.T. 21419, Mukim Labu, Daerah Seremban	55,006	SS	FH	4-Oct-2000	-	4	2,200
17. P.T. 12874 & 12875, Mukim Labu, Daerah Seremban	26,354	SS	FH	11-Dec-2002	-	4	3,350
18. P.T. 6054, Mukim Seremban, Daerah Seremban	52,140	SS	FH	26-Mar-2002	-	3	2,345
19. P.T. 5890, Bandar Seremban,	63,162	SS	FH	19-Mar-2002	-	3	3,346
20. P.T. 2172, Jln Seremban-Tampin, Daerah Tampin	29,396	SS	FH	28-Feb-2002	-	3	1,530
21. Lot P.T. 4087 HS(D) 154332, Senawang Ampangan, Daerah Seremban	47,303	SS	FH	10-Mar-2004	-	1	2,508
22. Lot P.T. 7931, Jln Jelebu, Seremban	29,590	SS	FH	9-Oct-2004	-	1	1,025
23. Lot PT 1421, Mukim Titian Bintanggor, Daerah Rembau	87,174	VL	LH	28-Jan-2004	3-Dec-2062	-	7,243
24. Lot 2902 & 2903, Pekan Lukut, Port Dickson	42,819	VL	FH	1-Mar-2005	-	-	2,374
25. Lot 726 & 727 HSM 7196, Mukim Ampangan, Seremban	71,799	SS	FH	30-Nov-2004	-	1	1,834
26. Lot P.T. 2244 Lavender Height, Pekan Senawang, Daerah Seremban	43,562	SS	FH	22-Jul-2003	-	2	2,309

I MELAKA

1. P.T. 32 dan Lot 684, Kawasan Bandar XXXVII, Daerah Melaka Tengah	12,176	SS	LH	19-Nov-1996	19-Dec-2075 31-Jul-2090	20	145
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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 2006 (RM'000)
2.	Lot 1072, Mukim Ramuan Cina Kechil, Daerah Alor Gajah	16,770	SS	LH	7-Jul-1985	7-Jul-2084	18	88
3.	Lot 351, Mukim Batu Berendam, Daerah Melaka Tengah	22,400	SS	LH	4-Aug-1994	30-Sep-2084	9	125
4.	P.T. 1, Mukim Cheng, Daerah Melaka Tengah	23,143	SS	LH	14-Jun-1991	28-Jun-2045	21	99
5.	Lot 260, Kampung Klebang, Sek. 11, Daerah Melaka Tengah	23,435	SS	LH	10-Aug-1990	12-Feb-2047	18	408
6.	Lot 271, Bandar Pulau Sebang, Sek. 1, Daerah Alor Gajah	24,154	SS	LH	14-Jun-1991	14-Aug-2044	21	107
7.	Lot 4351, Mukim Bukit Katil, Daerah Melaka Tengah	28,578	SS	LH	14-Jun-1991	16-Jul-2050	22	84
8.	Lot 353, Mukim Tangga Baru, Daerah Melaka Tengah	28,050	SS	FH	1-Sep-1999	–	19	950
9.	P.T. 4175, Mukim Bkt. Baru, Daerah Melaka Tengah	12,066	SS	FH	16-Jun-1982	–	21	309
10.	Lot 347, Bandar Bkt. Baru, Sek. 111, Daerah Melaka Tengah	13,329	SS	FH	22-Oct-1991	–	10	714
11.	P.T. 701, Mukim Selandar, Daerah Jasin	20,599	SS	FH	23-Jan-1992	–	10	300
12.	P.T. 4683, Mukim Bachang, Daerah Melaka Tengah	30,000	SS	FH	9-Feb-1991	–	10	735
13.	Lot 321, Mukim Bukit Baru, Daerah Melaka Tengah	63,162	SS	FH	17-Aug-1990	–	15	1,059
14.	Lot 175 & 1456, Kawasan Bandar XXXVII, Daerah Melaka Tengah	18,649	SS	FH	9-Aug-1989	–	13	522
15.	Lot 311, Bandar Bkt. Baru, Sek. V, Daerah Melaka Tengah	18,741	SS	FH	19-Mar-1985	–	15	412
16.	Lot 142, Kawasan Bandar XXXI, Daerah Melaka Tengah	23,079	SS	FH	23-Aug-1990	–	13	1,269
17.	P.T. 1130, Kawasan Bandar VI, Daerah Melaka Tengah	14,155	VL	LH	21-Sep-1989	15-Nov-2085	–	328
18.	Lot 70, Kawasan Bandar XXIX, Daerah Melaka Tengah	14,322	SS	LH	7-Mar-1991	10-Dec-2051	6	431
19.	Lot 918, Mukim Peringgit, Daerah Melaka Tengah	84,345	VL	FH	19-Dec-1992	–	–	405
20.	Lot 2031, GM MCL 1150, Mukim Air Molek, Daerah Melaka Tengah	19,400	SS	FH	11-Mar-1992	–	6	400
21.	Lot 1375, MCL 360, Mukim Balai Panjang, Daerah Melaka Tengah	20,000	SS	FH	5-Oct-1992	–	4	440
22.	P.T. 851, Mukim Sg. Baru Hulu, Daerah Alor Gajah	20,000	SS	FH	9-Jun-1993	–	4	340
23.	Lot 303, Kawasan Bandar XXIX, Daerah Melaka Tengah	21,351	SS	FH	15-Jan-1991	–	6	726

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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 2006 (RM'000)
24. P.T. 1317 HS(M) 67, Mukim Sungai Udang, Daerah Alor Gajah	27,953	SS	FH	24-Apr-1998	–	5	746
25. 2854 GMM 1094, Jln Air Keroh, Mukim Durian Tunggal, Daerah Alor Gajah	58,704	SS	FH	30-Apr-2004	–	2	3,669
J PERAK DARUL RIDZUAN							
1. P.T. 5309, Mukim Sg. Siput, Daerah Kuala Kangsar	15,110	SS	LH	19-Dec-1990	17-Dec-2089	13	231
2. Lot 5653, Mukim Parit Buntar, Daerah Kerian	17,147	SS	LH	10-May-1991	9-May-2043	21	262
3. Lot 87409, Mukim Hulu Kinta, Daerah Kinta	18,977	SS	LH	31-Jan-1991	31-Dec-2078	22	693
4. Lot 29526, Mukim Setiawan, Daerah Dinding	21,700	SS	LH	1-Jul-1987	22-Nov-2086	20	256
5. P.T. 66101, Bandar Ipoh, Daerah Kinta	26,332	SS	LH	19-Aug-1987	18-Aug-2047	20	208
6. Lot 303, Pekan Sungkai, Daerah Batang Padang	37,200	SS	LH	2-Dec-1992	1-Dec-2052	17	92
7. P.T. 89905, Mukim Hulu Kinta, Daerah Kinta	49,735	SS	LH	23-Aug-1984	10-Apr-2088	14	498
8. Lot 5739 & P.T. No. 3131-3137, Mukim Slim, Daerah Batang Padang	12,404	SS	LH	24-Aug-1984	3-Jun-2083	18	272
9. Lot 14501, Bandar Ipoh, Daerah Kinta	16,975	SS	LH	16-Nov-1985	31-Jul-2052	15	400
10. P.T. No. 64796, Bandar Ipoh, Daerah Kinta	20,000	SS	LH	14-Jun-1991	11-Dec-2044	20	199
11. Lot 1963, Batu 1, Mukim Kampar, Daerah Hilir Kinta	39,761	SS	LH	16-Jan-1983	11-Dec-2044	20	85
12. P.T. 923, Mukim Sg. Raya, Daerah Kinta	17,653	SS	LH	20-May-1992	19-Apr-2083	10	601
13. Lot 43881, Mukim Sg. Terap, Daerah Kinta	11,979	SS	FH	22-Jun-1994	–	18	250
14. P.T. 92889, Mukim Hulu Kinta, Daerah Kinta	12,359	SS	LH	16-Sep-1992	9-Oct-2049	6	452
15. P.T. 131534 HS(D) KA 35310, Mukim Hulu Kinta, Daerah Kinta	43,712	SS	LH	3-Jan-1997	8-Aug-2093	19	995
16. Lot 1454, Mukim Bagan Serai, Daerah Kerian	16,089	SS	FH	16-Jan-1992	–	6	333
17. P.T. 856 HS(M) 3, Mukim Teja, Daerah Kinta	17,146	SS	LH	28-Jan-1997	28-Dec-2096	5	741
18. P.T. 154712 HS(D) KA 70460, Mukim Batu, Daerah Kinta	44,734	SS	LH	24-Mar-1998	22-Apr-2097	6	1,103
19. P.T. 8621, Mukim Lumut, Daerah Manjung	45,805	SS	LH	14-Oct-1999	15-Dec-2098	6	1,407

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 2006 (RM'000)
20. P.T. 1341, Mukim Simpang, Daerah Larut & Matang	32,130	SS	FH	24-Sep-1992	–	6	610
21. Lot 92912, Jalan Lahat, Mukim Hulu Kinta, Daerah Kinta	48,395	SS	LH	29-Nov-2000	8-Jan-2110	4	1,858
22. Lot P.T. 10158, Taman Saujana, Batu Gajah, Mukim Sg Terap, Daerah Kinta	30,887	SS	LH	24-Sep-2001	26-Jan-2098	3	939
23. Lot 191515, Jalan Kuala Kangsar, Mukim Kinta, Ipoh	16,523	SS	LH	14-Mar-2002	11-May-2102	2	1,173
24. Lot HS(D) 91349 P.T. 15613, Mukim Terap, Daerah Kinta	41,499	SS	FH	31-Dec-2002	–	3	1,743
25. Lot P.T. 187383, Jln Bercham- Tg Rambutan, Mukim Hulu Kinta	34,016	SS	FH	7-Dec-2004	–	1	1,626
26. Lot P.T. 3491, Kg Kedah, Mukim Parit Buntar, Daerah Kerian	43,588	VL	FH	18-Oct-2004	–	–	1,000
27. Lot P.T. 15978/HSD131903, Mukim Sg Raya, Kinta	65,393	VL	LH	28-Apr-2004	27-Apr-2013	–	2,449
28. Lot P.T. 191532, Tmn Pengkalan Utama, Mukim Hulu Kinta, Daerah Kinta	65,415	VL	LH	19-Jun-2003	18-Jun-2102	–	2,836
29. Lot P.T. 3137, Mukim Sg Raya, Daerah Kinta, Jalan Ipoh-Kampar, Gopeng	94,144	SS	LH	31-Mar-1997	30-Mar-2096	1	2,369
30. Lot 3553, Simpang Lima, Mukim Parit Buntar, Daerah Kerian, Perak.	45,090	VL	FH	11-Mar-2005	–	–	1,572
31. Lot 115478 & 131710, Tanjung Rambutan, Hulu Kinta	14,000	SS	LH	11-Jun-2004	28-Nov-2054 27-Dec-2052	11	972
32. Lot 126025, Taman Bandar Baru Kampar, Mukim Kampar, Daerah Kinta	45,230	SS	LH	20-Oct-2004	31-Jan-2083	2	2,129
33. Lot 8123 & 8124, Mukim Bota, Daerah Perak Tengah	47,124	SS	LH	22-Dec-2004	7-Apr-2102	3	1,973
K SELANGOR DARUL EHSAN							
1. P.T.3164, Mukim & Daerah Petaling	17,702	SS	LH	20-Apr-1989	18-Nov-2087	12	665
2. Lot 1891, Mukim Sungai Buloh, Daerah Petaling	15,314	SS	LH	31-Jan-1991	20-Mar-2011	24	64
3. P.T. 6972, Mukim & Daerah Petaling	32,658	SS	LH	19-Feb-1992	24-Nov-2085	22	683
4. Lot 1890, Mukim Sungai Buloh, Daerah Petaling	18,200	SS	LH	31-Jan-1991	20-Mar-2011	22	75
5. P.T. 4684, Mukim & Daerah Petaling	26,136	SS	LH	28-Jun-1991	22-Aug-2092	12	950
6. P.T. Utama, P.T. 1985 (Plot 749), Mukim Batu, Daerah Gombak	13,606	SS	LH	29-Mar-1990	6-Dec-2076	12	710

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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 2006 (RM'000)
7. P.T. 45, Seksyen 15, Bandar Shah Alam, Daerah Petaling	61,946	SS	LH	14-Mar-1989	12-Jan-2086	11	922
8. P.T. 119, Seksyen 1, Mukim Damansara, Daerah Petaling	16,731	SS	LH	5-Jan-1990	2-Dec-2019	13	238
9. P.T. 435, Seksyen 6, Bandar Shah Alam, Daerah Petaling	26,275	SS	LH	14-Jun-1991	5-Feb-2018	21	322
10. P.T. No. 476 & 484, Mukim Ampang, Daerah Ulu Langat	9,600	SS	LH	2-Aug-1990	30-Jul-2074	14	409
11. P.T. 22521, Mukim Kajang, Daerah Ulu Langat	26,144	SS	LH	4-Jun-1991	9-May-2021	12	414
12. P.T. 318, Mukim Ampang, Daerah Gombak	11,400	SS	LH	25-Jun-1987	21-Jan-2073	18	529
13. P.T. 436, Mukim Batu, Daerah Kuala Langat	9,320	SS	LH	4-Aug-1994	22-Nov-2014	19	4
14. P.T. 31182, Mukim & Daerah Kelang	17,058	SS	LH	19-Sep-1990	17-Sep-2050	13	865
15. P.T. 9995, Mukim & Daerah Kelang	43,560	SS	LH	21-May-1985	20-Mar-2015	19	17
16. P.T. 669, Mukim Ampang Pechah, Daerah Ulu Selangor	14,850	SS	LH	4-Aug-1994	30-Sep-2015	21	10
17. P.T. 5162, Mukim Setapak, Daerah Gombak	18,209	SS	LH	28-Sep-1990	12-Feb-2067	12	632
18. Lot 1859, Mukim Ampang, Daerah Hulu Langat	20,192	SS	LH	31-Jan-1991	25-Sep-2011	20	137
19. P.T. 27361 & Lot No. 15 & 16, Seksyen 5, Pekan Ampang	18,700	SS	LH	17-Mar-1992	3-Jan-2090	10	1,059
20. P.T. No. 29071 & 29072, Mukim Batu, Daerah Gombak	51,646	SS	LH	19-Sep-1991	16-Oct-2091	9	2,899
21. P.T. 2059, Mukim Serendah, Daerah Ulu Selangor	34,092	SS	LH	11-Dec-1991	21-Nov-2090	10	516
22. P.T. 1466 (Lot 7380) & P.T. 1467 (Lot 7381), Mukim Damansara, Daerah Petaling	24,038	SS	FH	22-May-1991	–	23	314
23. P.T. 3585, Mukim Kapar, Daerah Kelang	10,417	SS	FH	23-Mar-1992	–	17	625
24. P.T. 2781, Mukim Damansara, Daerah Petaling	16,687	SS	FH	14-Aug-1989	–	14	751
25. P.T. 11854, Mukim & Daerah Kelang	12,985	SS	FH	18-Jun-1990	–	13	835
26. Sebahagian dari Lot 2883, Mukim Tanjong Duabelas, Daerah Kuala Langat	20,000	SS	FH	6-Aug-1990	–	14	385
27. P.T. 12842, Mukim Kajang, Daerah Ulu Langat	26,639	SS	FH	4-Feb-1989	–	22	1,066
28. Lot 44, 45 & 46, Seksyen 25, Bandaraya & Daerah Kelang	28,670	SS	FH	12-Oct-1990	–	12	920

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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 2006 (RM'000)
29. P.T. 12911, Mukim Kapar, Daerah Kelang	30,685	SS	FH	27-Mar-1990	–	23	1,420
30. Lot 136 – 140, Kampung Salak, Daerah Sepang	10,145	SS	FH	7-Jun-1990	–	15	195
31. Sebahagian dari Lot P.T. 32, Mukim & Daerah Petaling	30,000	VL	FH	25-Aug-1990	14-Jun-2066	–	730
32. L.O. 15, Sek.6, Bandar Petaling, Daerah Kuala Lumpur	17,160	VL	LH	8-Aug-1988	12-Nov-2062	–	532
33. P.T. 19163, Mukim & Daerah Petaling	19,795	VL	LH	21-Jan-1992	7-Mar-2092	–	798
34. P.T. 28938, Mukim Ampang, Daerah Ulu Langat	19,533	SS	LH	2-Oct-1991	27-Apr-2092	10	913
35. P.T. 32008, Mukim Batu, Daerah Gombak	27,695	SS	LH	2-Oct-1991	20-Jul-2073	10	908
36. Lot 13697, Mukim Sungai Buloh, Daerah Petaling	32,496	VL	LH	30-May-1990	1-Feb-2079	–	1,220
37. Lot 4029, Mukim Sungai Buloh, Daerah Petaling	41,382	SS	LH	11-Sep-1990	21-Feb-2029	5	793
38. Sebahagian dari P.T. 10295, Mukim Rawang, Daerah Gombak	18,310	SS	LH	20-Apr-1989	13-Jul-2024	1	343
39. P.T. 9260, Mukim Damansara, Daerah Petaling	15,000	VL	LH	14-Jan-1991	2-Jul-2051	–	729
40. P.T. 19197, Mukim Kapar, Daerah Kelang	14,283	VL	FH	17-Jun-1991	–	–	1,000
41. P.T. 43361, (Lot Pertama) Mukim & Daerah Kelang	23,000	VL	FH	19-Mar-1990	–	–	1,137
42. P.T. 43362 (Lot ke-2), Mukim & Daerah Kelang	23,000	VL	FH	24-Sep-1991	–	–	1,041
43. Lot 4437, Mukim Kuala Lumpur, Daerah Petaling	23,207	SS	FH	7-Mar-1991	–	5	1,184
44. Lot 3441 HS(D) 1608, Mukim Batang Berjuntai, Daerah Kuala Selangor	13,769	VL	FH	18-Nov-1991	–	–	509
45. P.T. 5052 HS(D) 44113, Seksyen 28, Bandar Shah Alam	25,950	SS	FH	2-Jan-1992	–	5	1,427
46. P.T. No. 739 & 740, Mukim Serendah, Daerah Hulu Selangor	25,693	SS	FH	25-Jun-1991	–	5	607
47. P.T. 16292, HS(D) 27931, Mukim Cheras, Daerah Kuala Langat	19,361	SS	FH	10-Oct-1997	–	6	1,400
48. Lot 4042 HS(M) 5694, Mukim Tg Duabelas, Daerah Kuala Langat	21,790	SS	LH	9-Dec-1997	26-Sep-2087	6	1,037
49. P.T. 32710 HS(M) 32875, Mukim Ampang, Daerah Hulu Langat	31,720	SS	LH	28-Aug-1998	2-Aug-2094	6	1,844
50. P.T. 63, Mukim Damansara, Daerah Petaling	78,410	TCSS	FH	30-Dec-1985	–	11	1,423

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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 2006 (RM'000)
51. P.T. 1442, Mukim Dengkil, Daerah Putrajaya	40,935	SS	FH	5-May-1999	–	6	5,118
52. P.T. 3870, Mukim Damansara, Daerah Petaling	17,367	SS	FH	14-Aug-1989	–	11	782
53. P.T. 7003, Mukim Damansara, Daerah Petaling	16,250	SS	FH	14-Aug-1989	–	11	731
54. P.T. 14026, Mukim Damansara, Daerah Petaling	11,025	VL	FH	14-Aug-1989	–	–	634
55. P.T. 10444, Mukim Damansara, Daerah Petaling	16,970	SS	FH	14-Aug-1989	–	10	764
56. P.T. 38352, Mukim & Daerah Klang	25,000	SS	FH	23-Apr-1991	–	6	1,063
57. P.T. 26061, Mukim & Daerah Klang	20,764	SS	FH	31-Oct-1990	–	6	831
58. Lot 1253, Mukim Rawang, Daerah Gombak	30,492	SS	FH	2-Dec-1991	–	6	1,265
59. P.T. 23990, Mukim Kapar, Daerah Klang	26,000	SS	FH	24-Feb-1992	–	6	1,663
60. P.T. 13173, Mukim & Daerah Petaling	23,207	SS	FH	7-Mar-1991	–	3	1,184
61. Lot 219, Mukim Cheras, Daerah Ulu Langat	51,009	SS	FH	18-Mar-1993	–	4	1,999
62. PT 588, Mukim Damansara, Daerah Petaling	23,487	SS	FH	7-Nov-1993	–	14	1,174
63. No. 204, Sek 25, Mk Daerah Klang	48,007	SS	FH	28-Aug-1998	–	6	3,360
64. Lot 5006, Mukim Dengkil, Daerah Sepang	4,808,672	KVDT	FH	3-Aug-1995	–	9	7,382
65. P.T. 11887, Mukim Rawang	48,394	SS	LH	6-Mar-2000	9-Feb-2094	4	3,315
66. P.T. 75235A, Mukim Kelang, Daerah Kelang	42,558	SS	FH	8-Mar-2001	–	4	4,700
67. P.T. 75237A, Mukim Kelang, Daerah Kelang	43,594	VL	FH	8-Mar-2001	–	–	2,300
68. P.T. 37331, Seksyen 5, Bandar Kinrara, Daerah Petaling	22,387	SS	FH	7-Jan-2003	–	4	2,800
69. Lot PT 70, Pekan Bukit Kemuning, Mukim Klang	52,226	VL	FH	30-Oct-2003	–	–	4,182
70. Lot 52548, 52549 & 52550, Jalan Batu Tiga - Puchong, Mukim Damansara	71,548	SS	LH	28-Feb-2001	3-Aug-2068	3	5,057
71. Lot P.T. 27423, Taman Dato Ahmad Razali, Jalan Kolam Air Lama, Ampang, Daerah Hulu Langat,	161,222	SS	LH	3-Jun-1991	2-Jun-2090	1	19,268
72. Lot P.T. 35256, Bdr Baru Selayang, Mukim Batu, Daerah Gombak	38,613	SS	LH	3-Aug-2001	2-Aug-2100	3	1,582
73. Lot P.T. 10702, Puncak Alam, Mukim Ijok, Kuala Selangor.	56,649	VL	LH	7-Apr-2004	6-Apr-2103	–	3,274

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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 2006 (RM'000)
74. Lot P.T. 10659, Puncak Alam, Mukim Ijok, Kuala Selangor.	43,576	SS	LH	18-Sep-2003	17-Sep-2102	3	2,630
75. Lot P.T. 7741, Bt 9. Mukim Teluk Panglima Garang, Kuala Langat	37,246	SS	LH	13-Aug-2002	13-Aug-2101	4	2,183
76. Lot P.T. 3429 HS(D)17325, Mukim Hulu Kelang, Daerah Gombak, Bkt Antarabangsa	66,958	SS	FH	30-Jan-2004	–	3	8,328
77. Lot P.T. 25433, Bdr Tun Hussein Onn, Mukim Cheras, Daerah Ulu Langat	18,478	SS	FH	23-May-2003	–	2	1,201
78. Lot P.T.30965 HS(D)69867, Bdr Baru Damai Perdana, Cheras	43,577	SS	FH	25-Nov-2002	–	2	5,000
79. Lot P.T. 1545 HSD 43089, Kepong Industrial Park, Daerah Gombak	24,002	SS	FH	4-Jun-2003	–	2	1,607
80. Lot P.T.44579,Mutiara Damansara, Mukim Sungai Buloh, Daerah Petaling	56,940	SS	FH	15-Jan-2004	–	2	9,392
81. Lot P.T. 1161, Pekan Puchong, Daerah Petaling	33,573	SS	FH	14-Apr-2003	–	2	3,959
82. Lot P.T. 24766, Guthrie Corridor Expressway, Bukit Jelutong, Mk Damansara, Daerah Petaling	44,306	VL	FH	2-Aug-2004	–	–	6,780
83. Lot LT P.T. 6273, Tmn Meranti Jaya, Mukim Dengkil, Daerah Sepang	70,185	SS	FH	23-Dec-2004	–	1	5,005
84. Lot P.T. 30147, Bkt Jelutong, Mukim Damansara, Daerah Petaling	33,951	VL	FH	16-Sep-2004	–	–	5,081
85. Lot 83230, Bandar Bukit Tinggi, Klang	43,559	SS	FH	8-May-2003	–	4	5,801
86. Lot 75237A, Bandar Bukit Ringgi, Klang	43,602	SS	FH	24-Jul-2002	–	2	2,829
87. Lot P.T.39138, Bandar Seri Putera, Bangi, Mukim Kajang, Daerah Hulu Langat	54,153	VL	FH	12-Jul-2005	–	–	2,813
88. Lot 14387 HSM 6834, LDP Sungai Penaga, Mukim Damansara, Daerah Petaling	35,715	VL	FH	12-Sep-2005	–	–	5,260
89. Lot P.T. 25 HSM 2948, Mukim Hujung Permatang, Sg Gawar, Daerah Kuala Selangor	43,562	VL	FH	6-Apr-2004	–	–	741
90. Lot 58764 HM 339, Kg Bharu Serdang, Mukim Petaling, Seri Kembangan, Selangor	38,395	SS	FH	23-Jul-2004	–	4	1,848

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 2006 (RM'000)
91. Lot P.T. 1536, Jalan Semenyih, Mukim Semenyih, Daerah Hulu Langat	72,789	VL	FH	23-Jan-2006	–	–	5,708
92. Lot P.T. 52587, Taman Prima Saujana, Daerah Ulu Langat, Mukim Kajang Selangor	43,621	VL	FH	23-Jan-2006	–	–	3,944
93. Lot P.T. 52322, Taman Prima Saujana, Daerah Ulu Langat, Mukim Kajang Selangor	42,700	VL	FH	23-Jan-2006	–	–	3,944
94. Lot P.T. 29771, Fasa A1 Cyberjaya, Daerah Sepang, Mukim Dengkil	65,498	VL	FH	28-Dec-2005	–	–	7,058
95. Lot P.T. 11509 HSD 57278, Bukit Subang, Mukim Bukit Raja, Daerah Petaling	47,663	VL	FH	16-Jul-2004	–	–	5,955
96. Lot P.T. 1278, NKVE Arah Damansara, Mukim Pekan Cempaka, Petaling	92,397	SS	FH	1-Jan-2005	–	1	9,858
97. Lot P.T. 621, Taman Desa Mentari, Mukim Damansara	45,004	SS	LH	26-Dec-2003	11-Apr-2101	4	3,339
98. Lot P.T. 50147, Site A, Jalan Pekeliling Section 15, Bandar Baru Bangi	43,961	SS	LH	3-May-2004	25-Apr-2102	2	3,749
99. Lot P.T. 2661 HSD 3142, Sg Buloh Country Resort, Ijuk, Kuala Selangor	35,596	VL	LH	15-Apr-2004	24-Mar-2095	–	1,828
100. Lot 37310-11, Subang Bestari, Jalan Subang-Sg Buloh, Mukim Sungai Buloh	45,445	VL	LH	29-Jun-2005	1-Dec-2095	–	3,886
101. Lot P.T. 166, Section 15, KM 12.3, Federal Highway (Klang Bound), Shah Alam	54,939	VL	LH	31-Jan-2005	18-Apr-2103	–	6,663
102. Lot P.T. 1560 HSD 54927, Taman Bersatu, Bandar Kundang, Daerah Gombak	50,117	SS	LH	27-Oct-2005	26-Apr-2104	1	4,188
103. Lot P.T. 1, Seksyen 33(51A), Jalan 222, Petaling Jaya	22,000	SS	LH	20-Jul-2005	19-Jul-2104	17	2,285
104. Lot P.T. 111 Section 40, Mukim Damansara, Daerah Petaling	43,551	SS	LH	15-Mar-2005	28-Sep-2103	1	7,912

L WILAYAH PERSEKUTUAN

1. Lot 44489 (P.T. 3), Mukim Kuala Lumpur, Daerah Wilayah Persekutuan	21,780	SS	LH	18-Jul-1990	8-Aug-2073	13	942
2. P.T. 9614, Mukim Batu, Daerah Wilayah Persekutuan	17,773	SS	LH	22-Aug-1990	22-Jul-2072	13	1,158

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 2006 (RM'000)
3.	Lot No. 29395 & 29396, Mukim Kuala Lumpur, Daerah Wilayah Persekutuan	32,081	SS	LH	21-Dec-1977	21-Jan-2011	24	168
4.	Lot 6209, Mukim Batu, Daerah Wilayah Persekutuan	23,250	SS	LH	14-Jun-1991	17-Nov-2043	21	22
5.	P.T. 39732, Mukim Kuala Lumpur, Daerah Wilayah Persekutuan	22,853	SS	LH	10-Sep-1984	10-Feb-2077	19	839
6.	Lot 48523 (P.T. No. 7489), Mukim Batu, Daerah Wilayah Persekutuan	36,210	SS	LH	12-Sep-1987	24-Jun-2017	17	98
7.	Lot 136, Seksyen 90, Bandaraya Kuala Lumpur	10,753	SS	LH	4-Aug-1994	4-May-2047	19	250
8.	Lot 12134, Mukim Batu, Daerah Wilayah Persekutuan	30,837	SS	LH	25-Jan-1991	28-Jun-2066	13	1,526
9.	P.T. 2956, Mukim Kuala Lumpur, Daerah Wilayah Persekutuan	27,341	SS	FH	25-Jul-1989	–	16	1,300
10.	Lot 48653, Mukim Kuala Lumpur, Daerah Wilayah Persekutuan	23,714	SS	FH	16-Nov-1989	–	14	996
11.	Lot 20272, Mukim Setapak, Daerah Wilayah Persekutuan	25,529	SS	FH	31-Dec-1987	–	15	869
12.	Lot 232, Seksyen 96, P.T. No. 232 & 233, Bandaraya Kuala Lumpur	17,212	SS	FH	31-Mar-1990	–	13	2,250
13.	P.T. 3644, Mukim Setapak, Daerah Wilayah Persekutuan	31,300	SS	FH	1-Jun-1990	–	23	889
14.	Lot 16794, Mukim Batu, Daerah Wilayah Persekutuan	16,351	SS	FH	25-Sep-1987	–	15	817
15.	Lot 59, Seksyen 88, Bandaraya Kuala Lumpur	19,785	SS	FH	22-May-1981	–	22	2,477
16.	Lot No. 4295 & 4310, Mukim Ampang, Bandaraya Kuala Lumpur	12,626	SS	FH	22-May-1981	–	19	931
17.	Lot 2343 (Lot 1653), Seksyen 41, Bandaraya Kuala Lumpur	13,638	SS	FH	24-Mar-1988	–	16	770
18.	Lot No. 545-552, Seksyen 55, Bandaraya Kuala Lumpur	9,741	SS	FH	13-Mar-1990	–	14	1,800
19.	P.T. 2381, Mukim Setapak, Daerah Wilayah Persekutuan	21,052	SS	LH	15-Jul-1991	20-Sep-2086	8	1,480
20.	Lot 353, Seksyen 91A, Bandaraya Kuala Lumpur	13,164	SS	LH	14-Jun-1991	11-Jan-2043	8	94
21.	Lot 9524, Mukim Batu, Daerah Wilayah Persekutuan	32,343	SS	FH	28-Jul-1992	–	8	3,260
22.	Sebahagian dari Lot 33495 (P.T. 2197), Mukim Petaling, Daerah Wilayah Persekutuan	24,427	VL	LH	20-Dec-1990	19-Dec-2089	–	1,216
23.	P.T. 1035, Mukim Petaling, Daerah Wilayah Persekutuan	17,250	VL	LH	12-Aug-1991	23-Oct-2085	–	714
24.	Sebahagian dari Lot 33492 (P.T. 2194), Mukim Petaling, Daerah Wilayah Persekutuan	24,925	VL	LH	15-Jul-1991	27-Apr-2086	–	786

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 2006 (RM'000)
25. P.T. 737, Mukim Petaling, Daerah Wilayah Persekutuan	32,947	SS	LH	15-Dec-1989	17-Aug-2085	15	903
26. Sebahagian dari P.T. 899, Mukim Petaling, Daerah Wilayah Persekutuan	27,439	SS	LH	1-Mar-1991	19-Aug-2084	4	941
27. P.T. 7082, Mukim Batu, Daerah Wilayah Persekutuan	26,530	VL	LH	6-Aug-1990	11-Jan-2087	–	1,671
28. P.T. 2686, Mukim Setapak, Daerah Wilayah Persekutuan	17,912	SS	LH	14-Aug-1991	10-Nov-2089	13	984
29. Lot 25, Seksyen 87, Bandaraya Kuala Lumpur	20,010	VL	FH	24-Jul-1990	–	–	2,801
30. Sebahagian dari Lot 847, Mukim Kuala Lumpur, Daerah Wilayah Persekutuan	20,518	VL	FH	25-Sep-1991	–	–	1,128
31. Lot 788, Mukim Setapak, Daerah Wilayah Persekutuan	57,173	VL	FH	25-Jul-1991	–	–	1,800
32. Lot 522, Mukim Petaling, Daerah Wilayah Persekutuan	169,884	LPGSB	LH	14-Jun-1991	31-Mar-2011	25	123
33. Lot 836, Precint 9, Wilayah Persekutuan Putrajaya	43,154	SS	FH	22-Apr-2003	–	3	4,315
34. Lot 3352 Precint 11, Wilayah Persekutuan Putrajaya	36,500	SS	FH	22-Apr-2003	–	1	4,510
35. Lot 2495 Precint 16, Wilayah Persekutuan Putrajaya	43,640	SS	FH	22-Apr-2003	–	1	4,364
36. Lot P.T. 7667, Tmn Setiawangsa, Setapak, Kuala Lumpur	63,140	SS	FH	24-Jul-2003	–	3	7,602
M SABAH AND WILAYAH PERSEKUTUAN LABUAN							
1. TL 147501764, Daerah Tambunan	24,750	SS	LH	14-Jun-1991	31-Dec-2011	19	9
2. CL 175310595 (Lot 136), Daerah Beaufort	24,750	SS	LH	4-Oct-1983	31-Dec-2901	19	593
3. CL 025331631, Jalan Papar-Kimanis, Daerah Papar	24,750	SS	LH	22-Jan-1990	10-Sep-2913	13	107
4. CL 015414490, Jalan Reservoir, Daerah Kota Kinabalu	18,280	SS	LH	14-Jun-1991	31-Dec-2012	22	76
5. TL 227500816, Daerah Kota Marudu	21,650	SS	LH	14-Jun-1991	31-Dec-2011	19	5
6. CL 10542613, CL 10542622 & CL 105542631, Daerah Tawau	22,450	SS	LH	11-Apr-1990	17-Jan-2914	13	404
7. TL 207527044, Jalan Saguking, Daerah Labuan	30,502	SS	LH	14-Jun-1991	31-Dec-2011	22	18
8. CL 28409 & CL 284410, Jalan Mat Salleh, Daerah Kota Kinabalu	21,344	SS	LH	18-Jan-1984	4-May-2913	20	480
9. CL 075326082, Jalan Utara, Daerah Sandakan	14,750	SS	LH	13-Jan-1991	9-Jul-2887	24	191
10. CL 105316630, Daerah Tawau	23,820	SS	LH	17-Oct-1991	20-Jun-2055	13	348

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 2006 (RM'000)
11. CL 015433379, CL 015433388, CL 013433404, CL 015433360 Jalan Swamp, Daerah Kota Kinabalu	29,927	SS	LH	15-Jan-1990	31-Dec-2930	14	519
12. TL 057504688, Pekan Kudat, Daerah Kudat	28,300	SS	LH	31-Dec-1991	31-Dec-2009	11	114
13. CL 10546680 (CL 105311500), KM 7, Jalan Apas, Daerah Tawau	21,780	SS	LH	23-Mar-1995	23-Feb-2025	10	335
14. TL 107525986, LA 81110053, Jalan Mawar, Daerah Tawau	25,000	SS	LH	14-Jun-1991	31-Dec-2011	15	16
15. (Lot 1), CL 105139580, Jalan Kuhara, Daerah Tawau	19,249	SS	LH	13-Jun-1991	30-Oct-2055	11	343
16. Sebahagian dari CL 105244326, Jalan Apas, Daerah Tawau	25,968	SS	LH	27-Oct-1991	24-Oct-2916	8	598
17. CL 1153799989, Jalan Silam, Daerah Lahad Datu	21,279	SS	LH	22-Jan-1994	31-Dec-2069	3	275
18. CL 165005569, Daerah Tenom	12,000	SS	LH	9-Oct-1985	30-Dec-2014	3	22
19. CL 075203413, Jalan Labuk, Daerah Sandakan	20,000	VL	LH	1-Apr-1993	1-Jul-2882	-	649
20. CL 025337722, Kg. Kinarut, Daerah Papar	39,639	SS	LH	18-Jun-1993	31-Dec-2084	6	302
21. TL 247501177, Daerah Kunak	13,930	SS	LH	18-Nov-1997	31-Dec-2088	6	533
22. CL 156466699 KM 7, Jalan Apas, Daerah Tawau	79,598	SS	LH	30-Apr-1998	23-Feb-2925	11	190
23. CL 105430868, Lot 82100054, Tanjong Batu, Daerah Tawau	435,600	BD	LH	14-Jun-1991	31-Dec-2042	10	126
24. RSP No. 90019022, Sepangar Bay, Kota Kinabalu	522,720	BD	LH	29-Dec-1994	28-Dec-2045	13	6,589
25. TL 207532465, Jalan Mustapha, Wilayah Persekutuan Labuan	23,123	OSS	LH	22-Oct-1993	23-Mar-2919	12	61
26. CL 207901933, Tanjong Kubong, Labuan	23,096	SS	FH	29-Jul-1992	-	11	342
27. CL 015580186, Daerah Kota Kinabalu, Luyang 2	8,503	SS	LH	23-Dec-2002	31-Dec-2906	14	986
28. CL 015500893, Daerah Kota Kinabalu, Likas	30,158	SS	LH	23-Dec-2002	23-Dec-2083	16	869
29. CL 01578533, Daerah Kota Kinabalu, Jalan Inanam	20,575	SS	LH	23-Dec-2002	14-May-2076	21	727
30. CL 015474012, Daerah Kota Kinabalu, Penampang	28,353	SS	LH	23-Mar-2003	31-Dec-2076	19	823
31. CL 215386851, Daerah Penampang, Kg Nosoob	27,007	SS	LH	23-Dec-2002	8-Dec-2062	16	951

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 2006 (RM'000)
32. CL 21539539, Daerah Penampang, Kasigui	29,063	VL	LH	23-Dec-2002	31-Dec-2904	–	722
33. Lot TL 077544186, KM 6 Jln Batu Sapi, Karamunting, Sandakan	85,813	SS	LH	21-Oct-2003	14-Nov-2883	2	698
N SARAWAK							
1. Lot 5185, Seksyen 64, Daerah Bandar Kuching	21,388	SS	LH	10-Nov-1987	23-Sep-2048	14	392
2. Lot 1392, Blok 11, Daerah Muara Tebas	12,325	SS	LH	31-Jan-1991	31-Dec-2069	10	242
3. Lot 7933, Seksyen 64, Daerah Bandar Kuching	12,884	SS	LH	31-Jan-1991	23-Jan-2777	18	365
4. Lot 721, Blok 31, Daerah Kemena	46,392	SS	LH	14-Jun-1991	11-Mar-2051	22	271
5. Lot 2974, Seksyen 65, Daerah Bandar Kuching	35,865	SS	LH	1-Nov-1985	23-Oct-2045	16	502
6. Lot 397, Blok 9, Daerah Konsesi Miri	63,733	SS	LH	14-Jun-1991	18-Jan-2042	20	102
7. Lot 425, Blok 2, Daerah Sibu	15,069	SS	LH	14-Jun-1991	31-Jan-2042	11	254
8. Lot 4772, Blok 16, Daerah Kuching Tengah	60,762	SS	LH	10-May-1990	2-May-2050	23	104
9. Lot 402, Daerah Serian	11,270	SS	LH	6-Oct-1997	26-Dec-2045	17	28
10. Lot 299, Sek. 5, Daerah Bandar Kuching	16,512	SS	LH	22-May-1989	30-Mar-2049	23	42
11. Lot 1804, Daerah Limbang	18,094	SS	LH	22-Jan-1992	21-Jan-2052	10	120
12. Lot 2156, Blok 16, Daerah Kuching Tengah	36,372	SS	LH	14-Mar-1991	9-Feb-2041	13	687
13. Lot 2065, Blok 1, Daerah Lambir	38,179	SS	LH	8-Dec-1992	7-Dec-2052	10	187
14. Lot 419, Blok 26, Daerah Kemena	22,432	SS	LH	15-Aug-1994	14-Aug-2054	15	103
15. Lot 650, Blok 3, Daerah Sentah-Segu	18,546	SS	LH	3-Apr-1991	27-May-2052	11	355
16. Lot 284, Blok 16, Daerah Kuching Tengah	35,370	SS	LH	8-Jan-1992	31-Dec-2025	17	696
17. Sublot 131 & Lot 2400, Blok 4, Daerah Sungai Merah	23,034	SS	LH	12-Dec-1995	13-Oct-2057	8	906
18. Lot 486, Block 4, Daerah Bandar Sungai Merah	22,657	SS	LH	15-Apr-1996	31-Dec-2019	8	755
19. Sublot 102, Blok 5, Daerah Sentah-Segu	22,012	VL	LH	23-Aug-1994	16-Feb-2056	–	640
20. Lot 1144, Blok 6, Daerah Seduan	22,423	SS	LH	6-Apr-1994	14-Jul-2053	7	225
21. Lot 251, Daerah Muara Tebas	35,198	SS	LH	29-Nov-1995	28-Nov-2055	5	638
22. Lot 1176, Block 14, Daerah Seduan	11,169	VL	LH	3-Sep-1996	9-Feb-2056	–	70
23. Lot 570, Blok 16, Daerah Bandar Seduan	16,102	W	LH	30-Aug-1984	20-Jun-2038	13	55
24. Lot 123, 124, 125 & 126, Daerah Bandar Seduan	301,004	BD	LH	8-Jul-1989	20-May-2018	12	889

Property	Land Area (Sq. Ft.)	Description	Tenure	Date of Acquisition	Expiry Date	Age of Building (Years)	Net Book Value as at 31 March 2006 (RM'000)
25. Lot 1415, Sek. 66, Daerah Bandar Kuching	472,956	BD	LH	14-Jun-1981	17-Feb-2042	24	340
26. Lot 94, Block 217, Daerah Batu Kawah	22,703	SS	LH	20-Mar-2000	27-Aug-2058	4	1,190
27. Lot 121, Block 217, Daerah Bukit Kisi	22,388	SS	LH	5-Apr-1999	12-Apr-2056	4	199
28. Lot 1106, Block 5, Kuala Baram Land District, Daerah Miri	36,867	VL	FH	31-Dec-2002	–	–	1,125
29. Lot 1050, Blk 7, Jln Bulan Sabit, Miri	79,639	SS	LH	27-Jun-2002	13-Dec-2054	3	3,940

O LAND FOR PIPELINE

1. Pipeline 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 KVDT, Sepang, Selangor, 3 km from KVDT, Sepang to KLIA, Selangor and 1 km from Port Dickson Refinery to main pipeline.	36,603,280	MPP	FH	20-Jul-1995 (Negeri Sembilan & Melaka) 3-Aug-1995 (Selangor)	–	–	31,951
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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
KVDT	– Klang Valley Distribution Terminal

TENURE

FH	– Freehold
LH	– Leasehold

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Twenty-Fourth Annual General Meeting of PETRONAS Dagangan Berhad (the Company) will be held on Thursday, 27 July 2006 at 10.00 a.m. at the Ballroom 1, 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 2006 together with the Reports of the Directors and Auditors thereon. **(Resolution 1)**
2. To approve the payment of final dividend of 15% per ordinary share less income tax at 28% in respect of the year ended 31 March 2006. **(Resolution 2)**
3. To re-elect the following Directors pursuant to:-
 - (i) Article 93 of the Company's Articles of Association:-
 - (a) Dato' Chew Kong Seng **(Resolution 3)**
 - (b) Dr. R. Thillainathan **(Resolution 4)**
 - (ii) Article 96 of the Company's Articles of Association:-
 - (a) Mohammad Medan bin Abdullah **(Resolution 5)**
4. To approve the payment of Directors' fees in respect of the year ended 31 March 2006. **(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 DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of members at the Twenty-Fourth Annual General Meeting to be held on 27 July 2006, a final dividend of 15% per ordinary share less income tax at 28%, will be paid on 8 September 2006 to shareholders whose names appear in the register of Depositors on 18 August 2006.

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

- (a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 18 August 2006 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

30 June 2006

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., 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-Fourth Annual General Meeting of the Company which will be held at Ballroom 1, Level 2, Hotel Nikko Kuala Lumpur, 165, Jalan Ampang, 50450 Kuala Lumpur on Thursday, 27 July 2006 at 10.00 a.m. are:-

- (a) Dato' Chew Kong Seng
- (b) Dr. R. Thillainathan
- (c) Mohammad Medan bin Abdullah

DETAILS OF DIRECTORS STANDING FOR RE-ELECTION AS IN AGENDA 3 OF THE NOTICE OF ANNUAL GENERAL MEETING

	Dato' Chew Kong Seng
Age	68
Nationality	Malaysian
Qualification	<ul style="list-style-type: none"> • Fellow of the Institute of Chartered Accountants in England and Wales. • Member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.
Position in the Company	Independent Non-Executive Director
Date first appointed to the Board	25.03.1994
Membership of the Board Committees	<ul style="list-style-type: none"> • Board of Directors • Chairman Of Board Audit Committee
Number of board meetings attended during the financial year 2005/2006	4/4
Working experience	<ul style="list-style-type: none"> • Tax Officer in the United Kingdom with Inland Revenue Department and Stoy Hayward & Co, United Kingdom from 1964 to 1970. • Returned to Malaysia in 1970 to join Turquand Young & Co. • Manager-in-Charge and later Partner-in-Charge of Ernst & Young in Sarawak from 1973 to 1990. • Managing Partner of Ernst & Young from 1990 before he retired from the professional practice in 1996.
Directorships in other public companies	<ul style="list-style-type: none"> • PETRONAS Gas Berhad • Industrial Concrete Products Berhad • AEON Co. (M) Bhd • PBA Holding Berhad • Great Wall Plastic Industrial Berhad • GuocoLand (Malaysia) Berhad • Encorp Berhad • Bank of America Malaysia Berhad
Securities holdings in the Company	Nil
Family relationships with any directors and/or major shareholders of the Company	Nil
Conflict of interest with the Company	Nil
List of conviction for offences within the past 10 years other than traffic offences	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)

	Dr. R. Thillainathan
Age	61
Nationality	Malaysian
Qualification	<ul style="list-style-type: none">• Class 1 Honours in Bachelor of Arts (Economics), University Malaya.• Master and PhD in Economics from the London School of Economics.• Fellow of the Institute of Bankers, Malaysia.
Position in the Company	Independent Non-Executive Director
Date first appointed to the Board	24.03.1994
Membership of the Board Committees	<ul style="list-style-type: none">• Board of Directors• Board Audit Committee
Number of board meetings attended during the financial year 2005/2006	4/4
Working experience	<ul style="list-style-type: none">• Director of Finance for Genting Berhad.• Board member Bursa Malaysia Berhad• Member of Malaysian Accounting Standards Board and Taxation Committee in the Malaysian International Chamber of Commerce & Industry.
Directorships in other public companies	<ul style="list-style-type: none">• Genting Berhad• Bursa Malaysia Berhad
Securities holdings in the Company	Nil
Family relationships with any directors and/or major shareholders of the Company	Nil
Conflict of interest with the Company	Nil
List of conviction for offences within the past 10 years other than traffic offences	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)

	Mohammad Medan Bin Abdullah
Age	48
Nationality	Malaysian
Qualification	<ul style="list-style-type: none"> • Bachelor of Laws from Universiti Malaya.
Position in the Company	Non-Independent Non-Executive Director
Date first appointed to the Board	20.02.2006
Membership of the Board Committees	<ul style="list-style-type: none"> • Board of Directors • Board Audit Committee
Number of board meetings attended during the financial year 2005/2006	1/1 (There was one Board Meeting from his appointment date to the end of this financial year)
Working experience	<ul style="list-style-type: none"> • Joined Petroliam Nasional Berhad (PETRONAS) in 1982 and has held various senior managerial positions in PETRONAS. • Senior General Manager, Corporate Services Division, PETRONAS Carigali Sdn Bhd since 1 April 2006 to date.
Directorships in other public companies	Nil
Securities holdings in the Company	Nil
Family relationships with any directors and/or major shareholders of the Company	Nil
Conflict of interest with the Company	Nil
List of conviction for offences within the past 10 years other than traffic offences	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, Level 2, Hotel Nikko Kuala Lumpur, 165, Jalan Ampang, 50450 Kuala Lumpur** on **Thursday, 27 July 2006** 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' Chew Kong Seng		
4. To re-elect Director under Article 93 : Dr. R. Thillainathan		
5. To re-elect Director under Article 96 : Mohammad Medan bin Abdullah		
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:

- This proxy form, duly signed must be deposited at the office of Company's Share Registrars, **Symphony Share Registrars 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.
- 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.
- Unless voting instructions are indicated in the spaces provided above, the proxy may vote as he thinks fit.

First fold here

Affix
Stamp

Symphony Share Registrars Sdn. Bhd.

Level 26, Menara Multi Purpose

Capital Square

No. 8, Jalan Munshi Abdullah

50100 Kuala Lumpur

Second fold here