

# PETRONAS GAS BHD

WVB NO : 30273FM

STATUS : ACTIVE

COUNTRY : Malaysia

SIC CODE : NATURAL GAS TRANSMIS & DISTR (4923)

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## WVB Dossier

### PROFILE NOTE

The Group is engaged in a wide spectrum of petroleum activities, including upstream exploration and production of oil and gas to downstream oil refining; marketing and distribution of petroleum products; trading; gas processing and liquefaction; gas transmission pipeline network operations; marketing of liquefied natural gas; petrochemical manufacturing and marketing; shipping; automotive engineering; and property investment.

DIRECTORS/ADVISORS		ADVISORS	
CHAIRMAN	MOHD HASSAN BIN MARICAN	AUDITOR	KPMG DESA MEGAT & CO
CEO/MD/President	SAMSUDIN BIN MISKON	BANKER	CIMB BANK BERHAD
CFO		REGISTRAR	SYMPHONY SHARE REGISTRARS SDN. BHD.
SECRETARY	NORYATI MOHD NOOR	SOLICITOR	ZUL RAFIQUE & PARTNERS
BUSINESS AREA SALES		31-MAR-06	31-MAR-07

THROUGHPUT SERVICES	2,347,463	2,404,357
UTILITIES	491,835	577,990
TOTAL	2,839,298	2,982,347
GEOGRAPHIC AREA SALES	31-MAR-06	31-MAR-07
	MYR ('000)	MYR ('000)
MALAYSIA	2,839,298	2,982,347

MAJOR SHAREHOLDERS	% of Capital	No of Shares ('000)	% of Votes
KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	14.83	293,400	14.83
EMPLOYEES PROVIDENT FUND BOARD	12.21	241,601	12.21
SKIM AMANAH SAHAM BUMIPUTERA	2.75	54,378	2.75
SHARES OUTSTANDING	Nominal Value	Shares Outstanding ('000)	
ORDINARY SHARES MYR1.00	1	1,978,732	

INTERIM DATA	30-JUN-06	30-SEP-06	31-DEC-06	30-JUN-07
Currency	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)
Report Type	CQ	CQ	CQ	CQ
Sales	717,013	1,466,384	2,219,239	775,890
Net profit	291,319	551,287	908,701	292,774

INCOME STATEMENT	31-MAR-98	31-MAR-99	31-MAR-00	31-MAR-01	31-MAR-02	31-MAR-03	31-MAR-04	31-MAR-05	31-MAR-06	31-MAR-07
Currency	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)
Report Type	C	C	C	C	C	C	C	C	C	C
Gross Sales	1,465,006	1,605,723	1,853,478	1,772,355	1,949,575	2,235,684	2,230,206	2,307,278	2,839,298	2,982,347

Adjustments/Excise Tax	0	0	0	0	0	0	0	0	0	0
Net Sales	1,465,006	1,605,723	1,853,478	1,772,355	1,949,575	2,235,684	2,230,206	2,307,278	2,839,298	2,982,347
Other Revenues	0	0	0	0	136	28,578	1,548	19,758	7,466	31,802
Total Revenues	1,465,006	1,605,723	1,853,478	1,772,355	1,949,711	2,264,262	2,231,754	2,327,036	2,846,764	3,014,149
Costs of Goods & Services / Total Expenses	-215,095	-276,687	-349,842	-502,932	-617,354	-781,378	-757,790	-712,157	-1,106,708	-1,097,872
Operating Income						1,482,884	1,473,964	1,614,879	1,740,056	1,916,277
Selling, general & administrative costs						0	-30,604	-39,340	-40,806	-48,543
R & D Expense						0	0	0	0	0
Related & Associated Companies	0	0	0	0	0	0	0	0	0	26,741
Earning Before Interest, Tax & Depreciation	1,249,911	1,329,036	1,503,636	1,269,423	1,332,357	1,482,884	1,443,360	1,575,539	1,699,250	1,894,475
Depreciation & Depletion	-262,236	-286,784	-379,442	-510,242	-592,415	-615,146	-628,695	-634,785	-658,035	-622,643
Amortization	-1,920	0	0	0	0	0	0	0	0	0
Total Depreciation, Depletion & Amortization	-264,156	-286,784	-379,442	-510,242	-592,415	-615,146	-628,695	-634,785	-658,035	-622,643
Operating Income After Depr. & Amort.	985,755	1,042,252	1,124,194	759,181	739,942	867,738	814,665	940,754	1,041,215	1,271,832
Unusual/Exceptional Items	108	-28	99	163	-8,198	479	216	42	325	202
Earnings Before Interest & Tax	985,863	1,042,224	1,124,293	759,344	731,744	868,217	814,881	940,796	1,041,540	1,272,034
Interest Income	55,492	26,654	10,375	7,887	8,636	7,173	6,734	6,901	18,291	33,258
Interest Expense	-81,916	-83,129	-85,754	-101,395	-151,489	-96,302	-80,763	-55,084	-34,847	-24,426
Net Interest	-26,424	-56,475	-75,379	-93,508	-142,853	-89,129	-74,029	-48,183	-16,556	8,832
Other Financial Income & Expenses	-1,337	0	-1,671	-1,938	-2,093	0	0	695	-78	313

Earnings Before Tax	958,102	985,749	1,047,243	663,898	586,798	779,088	740,852	893,308	1,024,906	1,281,179
Income Taxes	-15,538	-47,273	-230,500	-189,500	-110,100	-122,287	-98,949	-70,082	-53,868	-34,200
Earnings After Tax	942,564	938,476	816,743	474,398	476,698	656,801	641,903	823,226	971,038	1,246,979
Minority Interest	0	0	0	0	0	0	0	0	0	0
Preacquisition Profit						0	0	0	0	0
Other After Tax Adjustments	0	0	0	0	0					
Extraordinary Items After Tax	0	0	0	0	0	0	0	0	0	0
Preferred Dividends	0	0	0	0	0	0	0	0	0	0
Net Profit	942,564	938,476	816,743	474,398	476,698	656,801	641,903	823,226	971,038	1,246,979
Ordinary Dividends	-271,839	-327,377	-364,270	-411,487	-284,938	-340,342	-593,619	-593,619	-609,449	-753,897
<b>ASSETS</b>	<b>31-MAR-98</b>	<b>31-MAR-99</b>	<b>31-MAR-00</b>	<b>31-MAR-01</b>	<b>31-MAR-02</b>	<b>31-MAR-03</b>	<b>31-MAR-04</b>	<b>31-MAR-05</b>	<b>31-MAR-06</b>	<b>31-MAR-07</b>
Currency	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)
Report Type	C	C	C	C	C	C	C	C	C	C
Cash & Equivalent	356,974	122,237	193,295	274,464	169,390	394,450	191,015	632,707	879,714	1,073,384
Short-term Investments	0	0	0	0	0	0	0	0	0	0
Accounts Receivable	90,170	22,291	1,063	7,554	34,485	29,527	48,089	66,858	27,484	62,786
Inventories	42,576	73,599	110,226	113,983	121,746	124,424	143,285	118,433	135,407	139,039
Prepayments & Advances	0	0	0	0	4,812	0	0	0	0	6,493
Other Current Assets	25,788	0	134,602	138,623	181,066	180,018	147,641	115,057	177,462	168,393
Current Assets	515,508	218,127	439,186	534,624	511,499	728,419	530,030	933,055	1,220,067	1,450,095
Property, Plant & Equipment at Cost	8,152,551	10,199,472	11,742,259	12,491,462	12,724,496	12,974,094	13,275,596	13,578,542	13,855,008	14,189,389
Net Revaluation / Impairment of PPE	0	0	0	0	0	0	0	0	0	0

Accumulated Depreciation	-1,395,016	-1,678,418	-2,056,007	-2,565,709	-3,155,543	-3,765,733	-4,391,422	-5,022,790	-5,678,908	-6,297,945
Net Property, Plant & Equipment	6,757,535	8,521,054	9,686,252	9,925,753	9,568,953	9,208,361	8,884,174	8,555,752	8,176,100	7,891,444
Goodwill	0	0	0	0	0	0	0	0	0	0
Other Intangibles	0	0	0	0	0	0	0	0	0	0
Goodwill & Intangibles	0	0	0	0	0	0	0	0	0	0
Leasing and Investment Properties	0	0	0	0	0	0	0	0	0	0
Long Term Investments	0	0	0	0	0	0	0	1,000	1,000	151,583
Other Long Term Assets	5,968	0	0	0	0	0	0	0	0	0
Total Assets	7,279,011	8,739,181	10,125,438	10,460,377	10,080,452	9,936,780	9,414,204	9,489,807	9,397,167	9,493,122
<b>LIABILITIES</b>	<b>31-MAR-98</b>	<b>31-MAR-99</b>	<b>31-MAR-00</b>	<b>31-MAR-01</b>	<b>31-MAR-02</b>	<b>31-MAR-03</b>	<b>31-MAR-04</b>	<b>31-MAR-05</b>	<b>31-MAR-06</b>	<b>31-MAR-07</b>
Currency	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)	MYR ('000)
Report Type	C	C	C	C	C	C	C	C	C	C
Accounts Payable	0	0	0	722	1,600	862	0	20	512	0
Short Term Debt	0	0	0	0	0	200,000	850,000	400,000	312,195	0
Current Portion of Long Term Debt	0	0	0	0	312,195	0	0	0	0	0
Taxes Payable	43,645	28,489	22,720	5,924	0	773	0	1,216	15,020	39,399
Other Current Liabilities	636,831	1,400,404	1,326,094	1,018,820	285,363	189,536	158,962	198,380	172,203	151,767
Total Current Liabilities	680,476	1,428,893	1,348,814	1,025,466	599,158	391,171	1,008,962	599,616	499,930	191,166
Long Term Debt	2,388,490	2,388,490	3,188,490	2,748,490	2,486,295	2,016,295	766,295	766,295	454,100	454,100
Long Term Convertible Debt	0	0	0	0	0	0	0	0	0	0
Lease Obligation	0	0	0	0	0	0	0	0	0	0
Total Long Term Interest Bearing Debt	2,388,490	2,388,490	3,188,490	2,748,490	2,486,295	2,016,295	766,295	766,295	454,100	454,100

Minority Interest	0	0	0	0	0	0	0	0	0	0
Deferred Taxes	0	0	255,500	445,000	543,000	1,346,678	1,408,000	1,421,000	1,368,000	1,238,000
Provisions	18,952	82,050	39,973	51,592	70,410	0	0	0	0	0
Other Long Term Liabilities	0	0	0	0	0	0	0	16,767	27,419	23,545
<b>Total Liabilities &amp; Debt</b>	<b>3,087,918</b>	<b>3,899,433</b>	<b>4,832,777</b>	<b>4,270,548</b>	<b>3,698,863</b>	<b>3,754,144</b>	<b>3,183,257</b>	<b>2,803,678</b>	<b>2,349,449</b>	<b>1,906,811</b>
Redeemable Preferred Shares	0	0	0	0	0	0	0	0	0	0
Preferred Shares	0	0	0	0	0	0	0	0	0	0
Common Stock/Shares	1,814,156	1,821,242	1,821,325	1,978,732	1,978,732	1,978,732	1,978,732	1,978,732	1,978,732	1,978,732
Participation Shares	0	0	0	0	0	0	0	0	0	0
Share Capital	1,814,156	1,821,242	1,821,325	1,978,732	1,978,732	1,978,732	1,978,732	1,978,732	1,978,732	1,978,732
Addition Paid In Capital	478,795	509,265	509,622	1,186,472	1,186,472	1,186,472	1,186,472	1,186,472	1,186,472	1,186,472
Legal/Untaxed/Special Reserves	0	0	0	0	0	0	0	0	0	0
Shareholders Reserve	0	0	0	0	0	0	0	0	0	0
Retained Earnings	1,898,142	2,509,241	2,961,714	3,024,625	3,216,385	3,017,432	3,065,743	3,520,925	3,882,514	4,421,107
Treasury Stock	0	0	0	0	0	0	0	0	0	0
Other Equity	0	0	0	0	0	0	0	0	0	0
<b>Total Shareholders Equity</b>	<b>4,191,093</b>	<b>4,839,748</b>	<b>5,292,661</b>	<b>6,189,829</b>	<b>6,381,589</b>	<b>6,182,636</b>	<b>6,230,947</b>	<b>6,686,129</b>	<b>7,047,718</b>	<b>7,586,311</b>
<b>Total Liabilities &amp; Equity</b>	<b>7,279,011</b>	<b>8,739,181</b>	<b>10,125,438</b>	<b>10,460,377</b>	<b>10,080,452</b>	<b>9,936,780</b>	<b>9,414,204</b>	<b>9,489,807</b>	<b>9,397,167</b>	<b>9,493,122</b>
<b>CASHFLOW</b>	<b>31-MAR-98</b>	<b>31-MAR-99</b>	<b>31-MAR-00</b>	<b>31-MAR-01</b>	<b>31-MAR-02</b>	<b>31-MAR-03</b>	<b>31-MAR-04</b>	<b>31-MAR-05</b>	<b>31-MAR-06</b>	<b>31-MAR-07</b>
<b>Currency</b>	<b>MYR ('000)</b>	<b>MYR ('000)</b>	<b>MYR ('000)</b>	<b>MYR ('000)</b>	<b>MYR ('000)</b>	<b>MYR ('000)</b>	<b>MYR ('000)</b>	<b>MYR ('000)</b>	<b>MYR ('000)</b>	<b>MYR ('000)</b>
<b>Report Type</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>
Net Income	942,564	938,476	816,743	474,398	476,698	656,801	641,903	823,226	971,038	1,246,979

Depreciation, Depletion & Amortization	264,156	286,784	379,442	510,242	592,415	615,146	628,695	634,785	658,035	622,643
Depreciation & Depletion	262,236	286,784	379,442	510,242	592,415	615,146	628,695	634,785	658,035	622,643
Amortization of Intangible Assets	1,920	0	0	0	0	0	0	0	0	0
Deferred Inc. Tax & Invest. Tax Credit	0	0	255,500	189,500	98,000	803,678	61,322	13,000	-53,000	-130,000
Other Non-Cash Items	14,265	4,178	-80,823	-36,138	142,786	-646,182	-256,256	222,158	-17,747	-102,543
Funds from Operations Before WC Charges & Extra	1,220,985	1,229,438	1,370,862	1,138,002	1,309,899	1,429,443	1,075,664	1,693,169	1,558,326	1,637,079
Funds from Other Operating Activities	366,437	811,061	-230,080	-337,617	-820,452	-87,652	-37,255	96,088	-41,234	-36,801
Decrease/Increase in Receivables	97,702	67,879	21,228	-6,491	-26,931	4,958	-18,562	-18,769	39,374	-35,302
Decrease/Increase in Inventories	-1,525	-31,023	-36,627	-3,757	-7,763	-2,678	-18,861	24,852	-16,974	-3,632
Increase/Decrease in Accts. Payable	0	0	0	722	878	-738	-862	20	492	-512
Increase/Decrease in Other Accruals	-18	-15,156	-5,769	-16,796	-10,736	5,585	-773	1,216	13,804	17,886
Decrease/Increase in Other Assets/Liabilities	270,278	789,361	-208,912	-311,295	-775,900	-94,779	1,803	88,769	-77,930	-15,241
Net Cash Flow - Operating Activities	1,587,422	2,040,499	1,140,782	800,385	489,447	1,341,791	1,038,409	1,789,257	1,517,092	1,600,278
Capital Expenditure, Reval, Disp Incl Intangibles	-1,937,359	-2,046,921	-1,542,787	-749,203	-233,034	-249,598	-301,502	-302,946	-276,466	-334,381
Increase/Decrease in Other Assets	-1,520	5,968	0	0	0	0	0	0	0	0
Increase/Decrease in Investments	0	0	0	0	0	0	0	-1,000	0	-150,583
Net Cash Flow - Invest. Activities	-1,938,879	-2,040,953	-1,542,787	-749,203	-233,034	-249,598	-301,502	-303,946	-276,466	-484,964
Increase/Decrease in Short Term Borrowing	-64,433	0	0	0	312,195	-112,195	650,000	-450,000	-87,805	-312,195
Increase/Decrease in Long Term Borrowing	79,774	0	800,000	-440,000	-262,195	-470,000	-1,250,000	0	-312,195	0

Net Proceeds from Sale/Issue of Common & Preferred Stock	65,327	37,556	440	834,257	0	0	0	0	0	0
Common/Preferred Purchase, Ret, Conv, Redeem	0	0	0	0	0	0	0	0	0	0
Cash Dividends Paid - Total	-270,457	-271,839	-327,377	-364,270	-411,487	-284,938	-340,342	-593,619	-593,619	-609,449
Common Dividends (Cash)	-270,457	-271,839	-327,377	-364,270	-411,487	-284,938	-340,342	-593,619	-593,619	-609,449
Preferred Dividends (Cash)	0	0	0	0	0	0	0	0	0	0
Other Source/Use - Financing	0	0	0	0	0	0	0	0	0	0
Net Cash Flow - Financing	-189,789	-234,283	473,063	29,987	-361,487	-867,133	-940,342	-1,043,619	-993,619	-921,644
Effect of Exchange on Cash	0	0	0	0	0	0	0	0	0	0
Increase/Decrease in Cash & Short Term Investments	-541,246	-234,737	71,058	81,169	-105,074	225,060	-203,435	441,692	247,007	193,670
Cash & Equivalents at Beginning of Year	898,220	356,974	122,237	193,295	274,464	169,390	394,450	191,015	632,707	879,714
Cash & Equivalents at End of Year	356,974	122,237	193,295	274,464	169,390	394,450	191,015	632,707	879,714	1,073,384

### KEY RATIOS

PROFITABILITY RATIOS	31-MAR-98	31-MAR-99	31-MAR-00	31-MAR-01	31-MAR-02	31-MAR-03	31-MAR-04	31-MAR-05	31-MAR-06	31-MAR-07
Return on Assets (ROA)	13.88	11.72	8.66	4.61	4.64	6.56	6.63	8.71	10.28	13.2
Return on Net Assets (RONA)	15.92	12.28	8.97	4.84	4.89	7	7.1	9.44	11.61	15.52
Return on Gross Assets (ROGA)	13.12	10.23	7.44	3.92	3.78	5.11	4.89	6.13	7.08	8.89
Return on Gross Investment (ROGI)	99.22	80.05	62.25	39.75	70.17	126.21	546.96	-272.78	-259.6	-330.01
Return on Equity (ROE)	24.65	20.78	16.12	8.26	7.58	10.46	10.34	12.75	14.14	17.04
Return on Invested	15.76	14.42	14.63	8.71	8.17	18.15	10.23	12.23	12.5	14.39

Capital (ROIC)										
Operating Margin (%)	70.99	66.57	61.13	43.18	37.87	39.16	36.84	41.1	37.32	43.78
COGS/Sales (%)	14.68	17.23	18.87	28.38	31.67	34.95	33.98	30.87	38.98	36.81
Depreciation/Sales (%)	17.9	17.86	20.47	28.79	30.39	27.51	28.19	27.51	23.18	20.88
SG&A/Sales (%)	0	0	0	0	0	0	1.37	1.71	1.44	1.63
Net Profit Margin (%)	64.34	58.45	44.07	26.77	24.45	29.38	28.78	35.68	34.2	41.81
<b>ASSET UTILISATION</b>	<b>31-MAR-98</b>	<b>31-MAR-99</b>	<b>31-MAR-00</b>	<b>31-MAR-01</b>	<b>31-MAR-02</b>	<b>31-MAR-03</b>	<b>31-MAR-04</b>	<b>31-MAR-05</b>	<b>31-MAR-06</b>	<b>31-MAR-07</b>
R&D/Sales (%)	0	0	0	0	0	0	0	0	0	0
Sales to Cash (%)	2.33	6.7	11.75	7.58	8.78	7.93	7.62	5.6	3.75	3.05
Sales to Accts Receivable (%)	10.54	28.56	158.73	411.36	92.75	69.85	57.47	40.15	60.19	66.08
Sales to Inventories (%)	35.04	27.64	20.17	15.81	16.54	18.16	16.66	17.63	22.37	21.73
Sales to Working Capital (%)	5.71	-2.33	-1.75	-2.53	-6.74	17.91	-31.48	-31.72	5.39	3.01
Sales to Fixed Assets (%)	0.25	0.21	0.2	0.18	0.2	0.24	0.25	0.26	0.34	0.37
Sales to Total Assets (%)	0.22	0.2	0.2	0.17	0.19	0.22	0.23	0.24	0.3	0.32
<b>LIQUIDITY RATIOS</b>	<b>31-MAR-98</b>	<b>31-MAR-99</b>	<b>31-MAR-00</b>	<b>31-MAR-01</b>	<b>31-MAR-02</b>	<b>31-MAR-03</b>	<b>31-MAR-04</b>	<b>31-MAR-05</b>	<b>31-MAR-06</b>	<b>31-MAR-07</b>
Quick Ratio (equivalent to Acid Ratio)	0.66	0.1	0.14	0.28	0.34	1.08	0.24	1.17	1.81	5.94
Cash Ratio	0.52	0.09	0.14	0.27	0.28	1.01	0.19	1.06	1.76	5.61
Current Ratio	0.76	0.15	0.33	0.52	0.85	1.86	0.53	1.56	2.44	7.59
Gross Cash Flow to Current Liabilities	2.22	1.13	1.4	1.74	3.21	5.36	2.05	3.69	4.72	13.17
Free Cash Flow to Current Liabilities	0.27	0.42	0.2	0.98	2.24	4.19	2.28	4.32	5.46	15.18
Interest Coverage	-12.04	-12.54	-13.11	-7.49	-4.83	-9.02	-10.09	-17.08	-29.89	-52.08

Funded Capital Ratio	-0.14	-0.39	-0.44	-0.31	-0.14	0.04	0.12	0.18	0.21	0.37
Days in Inventory	10.61	16.73	21.71	23.47	22.79	20.31	23.45	18.74	17.41	17.02
Days in Accts Payable	0	0	0	0.15	0.3	0.14	0	0	0.07	0
Days in Cash	88.94	27.79	38.07	56.52	31.71	64.4	31.26	100.09	113.09	131.37
Days in Receivables	22.47	5.07	0.21	1.56	6.46	4.82	7.87	10.58	3.53	7.68
<b>CAPITAL STRUCTURE</b>	<b>31-MAR-98</b>	<b>31-MAR-99</b>	<b>31-MAR-00</b>	<b>31-MAR-01</b>	<b>31-MAR-02</b>	<b>31-MAR-03</b>	<b>31-MAR-04</b>	<b>31-MAR-05</b>	<b>31-MAR-06</b>	<b>31-MAR-07</b>
Financial Leverage	56.99	49.35	60.24	44.4	43.85	35.85	25.94	17.44	10.87	5.99
Debt to Capital at Book	0.33	0.27	0.31	0.26	0.28	0.22	0.17	0.12	0.08	0.05
Payout Ratio	0.29	0.35	0.45	0.87	0.6	0.52	0.92	0.72	0.63	0.6
Retention Ratio	0.71	0.65	0.55	0.13	0.4	0.48	0.08	0.28	0.37	0.4
Z-Score	1.8	1.56	1.51	1.63	1.91	1.97	2.09	2.56	3.14	3.95
<b>1 YR GROWTH RATES (%)</b>	<b>31-MAR-98</b>	<b>31-MAR-99</b>	<b>31-MAR-00</b>	<b>31-MAR-01</b>	<b>31-MAR-02</b>	<b>31-MAR-03</b>	<b>31-MAR-04</b>	<b>31-MAR-05</b>	<b>31-MAR-06</b>	<b>31-MAR-07</b>
Net Sales Growth Rate	15.81	9.61	15.43	-4.38	10	14.68	-0.25	3.46	23.06	5.04
Sustainable Growth Rate	17.54	13.53	8.93	1.1	3.05	5.04	0.78	3.56	5.27	6.74
Growth in Total Assets	15.46	20.06	15.86	3.31	-3.63	-1.43	-5.26	0.8	-0.98	1.02
Growth in Gross Fixed Assets	31.17	25.11	15.13	6.38	1.87	1.96	2.32	2.28	2.04	2.41
Growth in Fixed Assets	33	26.1	13.67	2.47	-3.59	-3.77	-3.52	-3.7	-4.44	-3.48
Growth in Current Assets	-57.7	-57.69	101.34	21.73	-4.33	42.41	-27.24	76.04	30.76	18.85
Growth in Operating Current Assets	-50.55	-39.51	156.43	5.8	31.5	-2.38	1.51	-11.41	13.32	10.68
Growth in Working Capital	-124.32	633.94	-24.87	-46.04	-82.14	-484.73	-242.01	-169.62	115.97	74.82
Growth in Operating Working Capital	235.64	155.39	-17.26	-30.61	-107.21	158.95	26.09	-44.05	51.51	21.57
Growth in Gross Investment	132.81	-23.59	58.41	-51.62	-25.41	-20.7	-149.01	67.54	-2.08	4.18

Growth in Total Debt	0.65	0	33.49	-13.8	1.82	-20.8	-27.07	-27.84	-34.3	-40.74
Growth in Net Turnover	15.81	9.61	15.43	-4.38	10	14.68	-0.25	3.46	23.06	5.04
Growth in Cash Flow	-76.18	227.79	-54.29	264.98	34.24	21.83	40.3	12.65	5.37	6.43
Growth in EBITDA	13.7	6.33	13.14	-15.58	4.96	11.3	-2.67	9.16	7.85	11.49
Growth in EBIT	14.62	5.72	7.87	-32.46	-3.63	18.65	-6.14	15.45	10.71	22.13
Growth in Net Profit	13.08	-0.43	-12.97	-41.92	0.48	37.78	-2.27	28.25	17.96	28.42
Growth in NOPLAT	16.84	2.35	15.46	-33.96	-4.11	112.95	-49.84	13.73	5.73	18.55
Growth in Shareholder's Equity	21.3	15.48	9.36	16.95	3.1	-3.12	0.78	7.31	5.41	7.64
<b>3 YR GROWTH RATES</b>	<b>31-MAR-98</b>	<b>31-MAR-99</b>	<b>31-MAR-00</b>	<b>31-MAR-01</b>	<b>31-MAR-02</b>	<b>31-MAR-03</b>	<b>31-MAR-04</b>	<b>31-MAR-05</b>	<b>31-MAR-06</b>	<b>31-MAR-07</b>
3 yr Net Sales Growth Rate	11.4	11.1	12.92	1.63	4.9	12.58	4.29	2.19	15.47	10.06
3 yr Sustainable Growth Rate	-58.35	-63.42	-68.46	-92.46	-57.17	-40.41	-88.61	-40.87	-42.01	-48.91
3 yr Growth in Total Assets	12.42	17.45	16.19	7.01	-1.39	-2.19	-4.04	-1.29	-0.39	0.35
3 yr Growth in Gross Fixed Assets	24.34	24.55	17.05	8.83	3.29	1.92	2.19	2.28	2.1	2.27
3 yr Growth in Fixed Assets	24.79	25.56	16.4	5.84	-1.62	-3.76	-3.65	-3.68	-4.25	-3.85
3 yr Growth in Current Assets	-51.18	-66.48	12.34	34.56	3.31	23.14	-10.16	27.73	36.41	20.73
3 yr Growth in Operating Current Assets	-37.22	-49.97	47.44	29.66	21.01	7.01	0.19	-7.43	4.22	11.08
3 yr Growth in Working Capital	-131.9	420.8	19.41	-43.61	-82.33	-519.37	526.48	421.66	275.96	63.32
3 yr Growth in Operating Working Capital	114.48	98.91	11.86	-28.28	-109.12	-175.51	42.9	-28.66	5.64	26.83
3 yr Growth in Gross Investment	28.33	4.5	22.08	-31.38	-41.32	-24.08	-183.03	691.53	14.03	2.04
3 yr Growth in Total Debt	-3.03	0.21	20.09	-0.96	-3.89	-14.35	-26.88	-30.01	-35.22	-42.92

3 yr Growth in Net Turnover	11.4	11.1	12.92	1.63	4.9	12.58	4.29	2.19	15.47	10.06
3 yr Growth in Cash Flow	-45.02	16.01	-22.18	60.14	53.92	23.34	30.56	19.03	7.47	5.96
3 yr Growth in EBITDA	11.07	8.4	10.49	-7.16	-2.64	8.91	1.68	4.99	8.05	9.95
3 yr Growth in EBIT	11.81	8.26	6.99	-22.14	-16.06	10.4	1.23	7.56	11.7	17.26
3 yr Growth in Net Profit	12.75	3.72	-9.18	-36.17	-19.1	22.55	8.47	16.39	19.58	23.01
3 yr Growth in NOPLAT	12.75	6.64	10.61	-21.59	-17.18	53.12	-23.66	-17.41	8.01	13.58
3 yr Growth in Shareholder's Equity	19.42	16.29	10.85	13.77	7.17	-1.1	-0.54	5.02	5.9	6.75
<b>5 YR GROWTH RATES</b>	<b>31-MAR-98</b>	<b>31-MAR-99</b>	<b>31-MAR-00</b>	<b>31-MAR-01</b>	<b>31-MAR-02</b>	<b>31-MAR-03</b>	<b>31-MAR-04</b>	<b>31-MAR-05</b>	<b>31-MAR-06</b>	<b>31-MAR-07</b>
5 yr Net Sales Growth Rate	50.9	24.29	25.16	11.31	12.74	18.71	11.05	9.92	22.79	18.4
5 yr Sustainable Growth Rate	-5.13	-36.16	-42.9	-90.69	-65.45	-20.42	-79.41	31.5	48.86	57.63
5 yr Growth in Total Assets	51.07	33.09	32.22	21.89	7.96	0.69	-5.89	-3.91	-2.76	-0.56
5 yr Growth in Gross Fixed Assets	66.11	46.8	41.1	27.98	15.03	7.88	5.02	4.38	4.32	4.53
5 yr Growth in Fixed Assets	65.24	47.08	40.57	24.16	7.61	-1.85	-6.03	-7.29	-7.91	-7.63
5 yr Growth in Current Assets	-29.07	-71.69	-42.59	-8.65	15.26	49.77	-3.41	44.1	55.5	49.14
5 yr Growth Operating Current Assets	-5.82	-48.86	11.84	20.33	55.14	30.66	11.43	-4.69	2.78	11.43
5 yr Growth in Working Capital	-201.16	1,431.06	699.41	16.98	-84.7	-171.4	46.93	-531.08	336.85	189.97
5 yr Growth in Operating Capital	46.3	113.84	74.18	-1.34	-107.52	-123.77	-160.41	-275.75	20.87	21.79
5 yr Growth in Gross Investment	6.24	-30.16	40.35	-26.61	-45.36	-48.2	-135.23	-255.49	-2,858.01	114.47
5yr Growth in Total Debt	28.67	2.34	22.95	5.01	3.55	-16.93	-35.7	-44.7	-55.26	-63.49
5 yr Growth in Net Turnover	50.9	24.29	25.16	11.31	12.74	18.71	11.05	9.92	22.79	18.4
5 yr Growth in Cash	-176.14	-598.28	-26.79	77.05	97.49	68.55	75.25	45.91	28.71	19.42

Flow										
5 yr Growth in EBITDA	51.65	21.93	21.09	-1.62	-0.34	7.19	2.63	10.9	12.78	17.01
5 yr Growth in EBIT	54.56	23.15	16.83	-20.44	-21.21	-4.08	-5.21	14.31	18.43	28.81
5 yr Growth in Net Profit	60.93	21.34	-4.21	-40.78	-34.68	-2.35	4.66	33.94	36.01	43.66
5 yr Growth in NOPLAT	55.26	20.58	21.43	-19.41	-20.96	49.56	-21.69	-5.91	-4.1	5.45
5 yr Growth in Shareholder's Equity	72.24	42.3	28.08	29.12	18.64	7.02	2.9	5.56	8.33	12.44
<b>STRATEGIC RISK ITEMS &amp; RATIOS(%)</b>	<b>31-MAR-98</b>	<b>31-MAR-99</b>	<b>31-MAR-00</b>	<b>31-MAR-01</b>	<b>31-MAR-02</b>	<b>31-MAR-03</b>	<b>31-MAR-04</b>	<b>31-MAR-05</b>	<b>31-MAR-06</b>	<b>31-MAR-07</b>
Capital (CAP)	6,579,583	7,228,238	8,481,151	8,938,319	9,180,079	8,398,931	7,847,242	7,869,191	7,841,432	8,063,956
Net Operating Profit Before Tax (NOPBT)	984,426.53	1,038,265.43	1,105,319.4	730,239.28	711,518.35	852,622.27	803,878.21	936,432.54	1,039,383.48	1,271,179.97
Net Operating Profit After Tax (NOPAT)	968,888.53	990,992.43	874,819.4	540,739.28	601,418.35	730,335.27	704,929.21	866,350.54	985,515.48	1,236,979.97
Cash Operating Profit After Tax (COPAT)	1,233,044.53	1,277,776.43	1,254,261.4	1,050,981.28	1,193,833.35	1,345,481.27	1,333,624.21	1,501,135.54	1,643,550.48	1,859,622.97
Total Gross Capital (TGC)	6,843,739	7,515,022	8,860,593	9,448,561	9,772,494	9,014,077	8,475,937	8,503,976	8,499,467	8,686,599
3 yr CAP Average	5,972,541	6,545,337	7,429,657.33	8,215,902.67	8,866,516.33	8,839,109.67	8,475,417.33	8,038,454.67	7,852,621.67	7,924,859.67
3 yr NOPBT Average	879,151.9	959,627.08	1,042,670.45	957,941.37	849,025.68	764,793.3	789,339.61	864,311	926,564.74	1,082,331.99
3 yr NOPAT Average	859,409.9	929,688.75	944,900.12	802,183.7	672,325.68	624,164.3	678,894.28	767,205	852,265.07	1,029,615.33
3 yr COPAT Average	1,103,432.57	1,193,448.75	1,255,027.45	1,194,339.7	1,166,358.68	1,196,765.3	1,290,979.61	1,393,413.67	1,492,770.07	1,668,102.99
3 yr TGC Average	6,216,563.67	6,809,097	7,739,784.67	8,608,058.67	9,360,549.33	9,411,710.67	9,087,502.67	8,664,663.33	8,493,126.67	8,563,347.33
3 yr Average Pre-Tax Return Risk	0.15	0.15	0.14	0.12	0.1	0.09	0.09	0.11	0.12	0.14
3 yr Average After-Tax Return Risk	0.14	0.14	0.13	0.1	0.08	0.07	0.08	0.1	0.11	0.13
3 yr Average Total Gross Return Risk	0.18	0.18	0.16	0.14	0.12	0.13	0.14	0.16	0.18	0.19
5 yr CAP Average	4,289,467.4	5,735,115	6,725,402.4	7,411,096.2	8,081,474	8,445,343.6	8,569,144.4	8,446,752.4	8,227,375	8,004,150.4
5 yr NOPBT Average	636,311.54	843,964.63	956,208.11	942,887.98	913,953.8	887,592.95	840,715.5	806,938.13	868,766.97	980,699.29

5 yr NOPAT Average	624,466.34	822,664.83	888,808.31	840,924.98	795,371.6	747,660.95	690,448.3	688,754.53	777,709.77	904,822.09
5 yr COPAT Average	811,055.14	1,066,610.43	1,168,467.11	1,177,117.78	1,201,979.4	1,224,466.75	1,235,636.3	1,285,011.13	1,403,524.97	1,536,682.89
5 yr TGC Average	4,476,056.2	5,979,060.6	7,005,061.2	7,747,289	8,488,081.8	8,922,149.4	9,114,332.4	9,043,009	8,853,190.2	8,636,011.2
5 yr Average Pre-Tax Return Risk	0.15	0.15	0.14	0.13	0.11	0.11	0.1	0.1	0.11	0.12
5 yr Average After-Tax Return Risk	0.15	0.14	0.13	0.11	0.1	0.09	0.08	0.08	0.09	0.11
5 yr Total Gross Return Risk	0.18	0.18	0.17	0.15	0.14	0.14	0.14	0.14	0.16	0.18

**Business summary:** The Company was incorporated as a private limited company on 23 May, 1983 under the Companies Act, 1965 of Malaysia and converted to a public limited company on 28 March, 1995. The Company is a gas processing, transmission and utilities company. PETRONAS, the national oil company holds 60.63% equity in PGB which was listed on the Main Board of the Bursa Malaysia Securities Berhad (Bursa Malaysia) on 4 September, 1995.

In addition to gas processing and transmission, the Company's activities have included supply of industrial utilities such as steam, electricity, oxygen, nitrogen, compressed air, demineralised water and waste water treatment to the petrochemical complexes in the Kertih and Gebeng industrial zones.

The Company operates six Gas Processing Plants (GPP) which process natural gas from the offshore fields of Terengganu. Four of these plants are located in Kertih and the other two in Paka, Terengganu. The plants have a proven sales gas production capacity of 2,060 million standard cubic feet per day (mmscfd), this, in addition to producing by-products such as ethane, propane, butane and condensates. The sales gas produced is transmitted via 2,383km Peninsular Gas Utilisation (PGU) pipelines to end-users in the power, industrial and commercial sectors.

PETRONAS, short for Petroliaam Nasional Bhd, is Malaysia's national petroleum corporation established on 17 August 1974. Wholly-owned by the Government, the corporation is vested with the entire oil and gas resources in Malaysia and is entrusted with the responsibility of developing and adding value to these resources. Since its incorporation, PETRONAS has grown to be an integrated international oil and gas company with business interests in 35 countries. At the end of March 2004, the PETRONAS Group comprised 93 wholly-owned subsidiaries, 19 partly-owned outfits and 55 associated companies.

The Group is engaged in a wide spectrum of petroleum activities, including upstream exploration and production of oil and gas to downstream oil refining; marketing and distribution of petroleum products; trading; gas processing and liquefaction; gas transmission pipeline network operations; marketing of liquefied natural gas; petrochemical manufacturing and marketing; shipping; automotive engineering; and property investment.

#### PETRONAS Background

The earliest officially recorded oil found in Malaysia was made in July 1882 by the British Resident of the Baram district in Sarawak. The oil was used by the local residents for medicinal purposes and later for lighting lamps and waterproofing boats. Commercial exploitation only began in 1910 when the Anglo-Saxon Petroleum Company, the forerunner of the present Sarawak Shell which was granted the sole right to explore for petroleum in Sarawak, struck oil in the town of Miri, marking the start of the Malaysian petroleum industry. The Miri success encouraged further attempts to discover other onshore fields. However, only traces of petroleum were found, and these were not large enough to justify drilling activities.

Consequently, by the 1950s, attention turned to the seas. This was made possible by new improvements in offshore petroleum technology. Marine seismic surveys were carried out for the first time in Sarawak in 1954. The shift offshore began to show results in 1962 with the discovery of oil in two areas offshore Sarawak. Other finds followed in rapid succession. In Peninsular Malaysia, petroleum exploration activities began in 1968 and the first oil field was discovered in 1971.

As in many other developing countries, oil companies in Malaysia had been operating under what was known as a concession system. Under this system, large areas were made available to oil companies under very generous terms and the Government retained very little control. In return for these concessions, the oil companies paid a small royalty and taxes to the Government.

During the Israeli war in 1973, several Arab oil-producing countries decided to stop oil shipments to certain countries. As a result, there was a mad rush for oil, prices shot up overnight and the world experienced its first energy crisis. The 1973 oil embargo also made oil producing countries of the world realize the importance of controlling their own petroleum resources.

In Malaysia, it led to the promulgation of the Petroleum Development Act in 1974 and the formation of a national oil company to ensure that the nation's petroleum resources could be developed in line with the needs and aspirations of the nation. Article 2 of the Act vests the entire ownership in, and the exclusive rights, power, liberties and privileges of exploring, exploiting, winning and obtaining petroleum whether onshore or offshore of Malaysia in PETRONAS.

#### MILESTONES

1974

Incorporation of PETRONAS. Parliament passed the Petroleum Development Act.

1975

First export of crude by PETRONAS.

1976

Conclusion of first production sharing contract (PSC) with Esso and Shell.

1977

Entry into the Petroleum product market via aviation refueling and bunkering services.

1978

Incorporation of PETRONAS Carigali Sdn Bhd, the exploration and production subsidiary of PETRONAS.

1980

Incorporation of Asean Bintulu Fertilizer, marking PETRONAS' entry into the petrochemicals sector.

1981

First PETRONAS petrol station set up in Taman Tun Dr Ismail, Kuala Lumpur.

1982

PETRONAS Carigali made its first oil discovery, the Dulang oilfield, offshore Terengganu.

1983

Malaysian LNG exported its first shipment of liquified natural gas (LNG) to Japan from its plant in Bintulu, Sarawak.

PETRONAS' first refinery with 30,000 bpd capacity in Kertih, Terengganu came onstream.

1984

Duyong Gas Development Project completed.

The Peninsular Gas Utilisation (PGU) Phase 1 came on-stream.

Moved into Kompleks Dayabumi.

1985

Introduction of new PSC terms.

Asean Bintulu Fertilizer plant came onstream . The first fertilizer export and the first liquefied petroleum gas (LPG) export.

1988

Signing of the country's first Unitisation Agreement between PETRONAS Carigali and Esso Production Malaysia Inc. for the development of Dulang field.1990

The road to globalization began. Maiden E&P venture as a member of a consortium in onshore Block D, Myanmar.

1991

Signed a joint venture agreement with BP Chemicals/BPCM Assets Sdn Bhd and Idemitsu Petrochemical Co Ltd for the ethylene and polyethylene projects in Kertih, Terengganu.

Inauguration of PGU Phase 2 system by Prime Minister Dato Seri Dr Mahathir Mohamad.

Dato Seri Dr Mahathir Mohamad launched Dulang crude.

First operator ship in overseas E&P venture for blocks 1 and 2 offshore Vietnam.

1992

MTBE/Propylene and Polypropylene plants in Gebeng, Kuantan came onstream marking PETRONAS' entry into the integrated petrochemical business.

Ground breaking ceremony of the Kuala Lumpur City Centre (KLCC) project by Dato Seri Dr Mahathir Mohamad.

1993

PETRONAS signed its first deep water PSC with Mobil.

Issued its first US\$500 million Yankee and 50 billion yen samurai bonds.

1994

Marketing arm PETRONAS Dagangan Bhd became the first PETRONAS subsidiary listed on the Kuala Lumpur Stock Exchange (KLSE).

PETRONAS Melaka Refinery with 100,000 bpd capacity began operation.

First of PETRONAS' five LNG tankers, Puteri Intan, was delivered.

Oil was discovered in Ruby field, in Block 1 and 2, Vietnam.

First overseas oil production from Dai Hung field in Vietnam.

First overseas retail station opened in Cambodia.

1995

Established PETRONAS Energy Philippines Inc to import, store and distribute LPG for domestic and commercial use in the Lanau District, Mindanao.

Polyethylene plant in Kertih came onstream.

Listing of PETRONAS Gas Bhd on the KLSE.

Commencement of PETRONAS sponsorship of the Red Bull-Sauber-PETRONAS Formula One Racing Team.

1996

Full completion of the LNG Dua project in Bintulu.

Incorporated a joint venture company known as Aromatics Malaysia Sdn Bhd to undertake the implementation of the country's first aromatics project.

Issued its first US\$1.9 billion global bond.

Acquired a 30% stake in Engen Ltd in South Africa.

Signed a petroleum contract with China National Offshore Oil Corporation and Chevron Overseas Petroleum Ltd to jointly undertake oil and gas exploration in block 02/31, offshore Liaodong Bay area, China.

1997

Moved to the world's tallest buildings, the 88-storey PETRONAS Twin Towers at the KLCC.

Signed agreement with BASF Aktiengesellschaft of Germany to construct and operate three new petrochemical plants at the Gebeng Industrial estate in Kuantan.

Signed a shareholders agreement with BP Chemicals to build Malaysia's first acetic acid plant in Kertih.

The first LPG joint venture project in ZhengJiang, Jiangsu Province, China was officially opened.

Acquired a 29.3% stake in Malaysia International Shipping Corporation Berhad (MISC).

PGU III, the final phase of the three-phase PGU project was completed.

1998

PETRONAS injected PETRONAS TANKERS Sdn Bhd into MISC, resulting in MISC becoming a 62% subsidiary of PETRONAS.

Launched Enviro 2000, the natural gas vehicle taxi.

Signed PSCs with two foreign players in Malaysia upstream sector, namely, Santa Fe Energy Resources and YPF Malaysia Ltd.

Malaysia's first commercial prototype engine, PETRONAS E01, developed by PETRONAS engineers, was launched.

Acquired the remaining 70% of Engen Ltd making it fully owned subsidiary of PETRONAS.

Launched the first oil production of Ruby Field offshore Vung Tau, Vietnam.

PGU III the final phase of the three-phased PGU project was completed.

Launched the first oil production of the Sirri field in Iran.

1999

Signed three PSCs with PETRONAS Carigali and Murphy Oil Corporation, a new foreign player in the upstream sector.

First oil production export from Sudan.

Official Opening of the PETRONAS Twin Towers by Dato Seri Dr Mahathir Mohamad on Malaysia's 42nd National Day.

Concluded a Gas Sales Agreement with developers of Block A-18 in the Malaysian-Thailand Joint Development Area to jointly purchase natural gas with Petroleum Authority of Thailand from the block.

Divested 20% equity in Engen Ltd to Worldwide African Investment Holding Pty Ltd.

Signed a Farm-out Agreement with ENI for interests in three exploration blocks offshore Gabon.

2000

Introduced PRIMAX, a revolutionary new generation petrol to Malaysian motorists.

Resak Gas Field offshore Terengganu began production.

Launched SPRINTA 5000, a fully synthetic motorcycle engine oil.

Signed agreements for two oil and gas exploration blocks, the East Kadanwari Block and Mehar Block, in Pakistan.

Commenced construction of the 1,070 km pipeline for Chad-Cameroon Integrated Oil Development and Pipeline Project. First oil is targeted in 2003.2001

Signed a PSC with Sonatrach, the Algerian national oil corporation, for the Ahnet Block onshore Algeria.

Dato Seri Dr Mahathir Mohamad launched the book on PETRONAS entitled "A Vision Realised - The Transformation of A National Oil Corporation" written by Datuk Paddy Bowie.

PETRONAS' office in Jakarta officiated by Dato Seri Dr Mahathir Mohamad.

BASF PETRONAS Chemicals Sdn Bhd's integrated chemical complex in Gebeng, Pahang officiated by Dato Seri Dr Mahathir Mohamad.

Rolled out PETRONAS' high performance prototype "GP1" motorcycle engine at the Sepang F1 Circuit.

2002

Signed a Petroleum Contract with PetroVietnam and Pertamina to jointly explore for and develop hydrocarbon resources in Blocks 10 and 11.1 offshore Vietnam.

Official opening of IPPL LPG Terminal, a joint venture with India Oil Corporation.

Secured two reconnaissance contracts in Morocco.

PETRONAS Petroleum Industry Complex (PPIC) in Kertih, Terengganu officiated by Dato' Seri Dr Mahathir Mohamad.

Raised US\$2.675 billion equivalent from a global bond issue, the largest corporate bond issue to have ever been concluded by an Asian corporation.

Signed an Exploration Production Contract (EPC) with ENH, Mozambique's national oil company for the Zambezi Delta Block offshore Mozambique.

Launched Foggy PETRONAS Racing, a team sponsored by PETRONAS to race in the World Superbike Championship.

Secured interest in Jabung Block, onshore South Sumatra, through the acquisition of Kerr-McGee Indonesia's entire share capital.

Received the delivery of first natural gas from West Natuna, Indonesia.

Awarded four PSCs for Blocks M-15, M-16, M-17 and M-18 offshore Myanmar

Entered into an agreement with Premier Oil Plc, to swap its 25% share in Premier for Premier's interests in producing fields in Myanmar and Indonesia.

Discovered oil and gas reserves in the Turkmen sector of the Caspian Sea, Turkmenistan.

Announced the development of its own Formula One fuel for the Sauber PETRONAS cars in the 2003 FIA Formula One World Championship.

Announced the financial close of the purchase by Transasia Pipeline Company Pvt. Ltd, of a 40 per cent stake in PT Transportasi Gas Indonesia.

2003

Official opening of the polyvinyl chloride (PVC) plant, Phu My Plastics & Chemicals Company Ltd, a joint venture between PETRONAS, PetroVietnam and Tramatuco.

Signed a Petroleum Contract with PetroVietnam to jointly explore for and develop hydrocarbon resources in Block 01/97 and 02/97 offshore Vietnam.

Awarded two Production Sharing Contracts for deepwater Blocks L and m offshore Malaysia to Murphy Oil Corporation and PETRONAS Carigali Sdn Bhd. Foggy PETRONAS Racing Team entered 2003 World Superbike Championship.

Acquired Mobil Oil Sudan Limited from Mobil International Petroleum Corporation to participate in the retailing business and marketing of petroleum products in Sudan.

Signed an agreement for the acquisition of 50% working interest and joint operatorship of the West Delta Deep Marine concession, offshore Egypt and a 35% interest in the Egyptian LNG project from Edison S.p.A.

PETRONAS and PetroChina, in consultation with PERTAMINA, have in a joint exercise acquired the entire share capital Amerada Hess Indonesia Holdings Limited.

Signed a Sale and Purchase Agreement with Lundin Sudan BV for the sale of Lundin's 40.375% participating interest in Block 5A, Sudan.

Appointed Motosikal Dan Enjin Nasional Sdn Bhd (MODENAS) as the local assembler of the road version of PETRONAS FP1 superbikes.

Official opening of PETRONAS Liquefied Natural Gas Complex in Bintulu, Sarawak by Dato' Seri Dr Mahathir Mohamad.

Awarded the exploration Block G in the Federal Democratic Republic of Ethiopia.

Signed a PSC with Pertamina and PetroVietnam to jointly explore for and develop hydrocarbon resources in Block SK305 offshore Sarawak.

Awarded an exploration and production contract for the offshore Indus Block G and H by the Government of Pakistan.

Announced the first oil and pipeline fill operations of its joint venture Chad-Cameroon Integrated Oil Development and Pipeline Project.

Opened its first service station in Sudan, officially marking its entry into the retail marketing business in the country following its acquisition of the entire retail assets of Mobil Oil Sudan Ltd.

Completed the transfer of its 25 percent interest in Premier Oil Plc for the latter's interests in producing fields in Myanmar and Indonesia.

Concluded two Sale and Purchase Agreements to sell the entire 3.6 million tonnes per year liquefied natural gas output of Train 2 of the Egyptian LNG Project to BG Gas Marketing Ltd, a subsidiary of the British Gas Group.

Unveiled the road version of its PETRONAS FP1 motorcycle, Malaysia's very own first superbike.

Launched its range of premium grade automotive engine oils in Indonesia, officially entering the country's lubricants market.

Signed a Letter of Intent with Petroplus International NV (Petroplus) to acquire 30 per cent equity in Dragon LNG, a special purpose outfit established by Petroplus to develop a proposed LNG terminal and related facilities in Milford Haven, Wales, United Kingdom.

2004

Entered into a Petroleum Agreement and Association Contract with the Office National de Recherches et d'Explorations Pétrolières (ONAREP), the national oil company of Morocco, for an offshore deepwater Rabat Sale Haute Mer in Morocco.

Signed a shareholder's agreement with Total and National Iranian Oil Company (NIOC) to form a liquefied natural gas production company, Pars LNG Co.

Signed a new PSC for Block PM314 offshore Peninsular Malaysia with Talisman Malaysia Ltd. and PETRONAS Carigali Sdn Bhd, following the expiry of the PSC for the block awarded in 1988 to Amerada Hess Malaysia.

Signed two PSCs with Newfield Exploration Company and PETRONAS Carigali Sdn Bhd for Block PM318 offshore Peninsular Malaysia and Deepwater Block 2C offshore Sarawak.

Launched its marketing arm in China, PETRONAS Marketing China Company Ltd.

Signed a Gas Sales Agreement with British Gas Trading Ltd, a subsidiary of Centrica Plc of the United Kingdom, marking its entry into the UK natural gas market.

Signed a Memorandum of Understanding (MOU) with Indonesia's PT Perusahaan Listrik Negara towards the development of a LNG regasification terminal in West Java, Indonesia.

Announced the development of a new world scale methanol plant adjacent to its existing methanol plant in Labuan.

Signed a PSC with Malaysia-Thailand Joint Authority (MTJDA) for Block B-17-01, an offshore overlapping area between Thailand and Malaysia.

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