



MEDIA RELEASE

FOR IMMEDIATE RELEASE

DRB-HICOM BOOSTS Q-O-Q REVENUE IN SECOND QUARTER

SHAH ALAM, Thursday, 29 November – DRB-HICOM Berhad (DRB-HICOM, the Group) has announced its second quarter results, of which revenue came in 20% higher than the first quarter. For the three months ended 30 September 2018, revenue at the Group was RM3.18b, against RM2.65b in the previous quarter. Correspondingly, DRB-HICOM recorded a smaller pre-tax loss in the second quarter, at RM49.2m, against the Group's first quarter loss of RM94.4m.

For the six month period to 30 September, DRB-HICOM posted a pre-tax loss of RM143.64m, against a pre-tax profit of RM801.1m in the same period a year ago. The results in the previous period includes certain one-off exceptional items i.e. recognition of research and development grant of RM1.1b, and PROTON restructuring costs of RM325m.

SECTOR REVIEW

For the six month period to 30 September 2018, the Group's Services Sector revenue came in at RM2.23b, rising marginally from the same period in 2017 led by better performance at the banking and waste management businesses.

Meanwhile, Property Sector revenue of RM278.91m was lower against the same period a year ago. This reduction reflects the completion of Phase 1 of the Integrated Customs, Quarantine and Security (ICQS) Complex in Bukit Kayu Hitam. The ICQS Complex at the northern border of the country is undertaken by Northern Gateway Infrastructure Sdn Bhd, a subsidiary of DRB-HICOM.



DRB-HICOM's Automotive Sector continues to drive revenue for the Group, with RM3.33b recorded in the six month period. As a whole, DRB-HICOM's stable of automotive brands hold about a third of the domestic automotive Total Industry Volume. The tax holiday period as a result of the abolishment of the Goods and Services Tax by the Government in June this year boosted sales for all brands under the Group.

Within the Group's Automotive Sector, PROTON recorded revenue of RM1.05b in the three months to 30 September 2018, rising more than 70% against the previous quarter.

PROSPECTS FOR THE REST OF THE YEAR

In line with DRB-HICOM's key focus towards the turnaround of PROTON, the roll out of the national carmaker's maiden SUV, the Proton X70 is slated for December 2018. The new SUV will feature advanced technologies and safety capabilities as well as luxury-oriented and latest infotainment systems which are key to the brand revival effort. The upgrading of PROTON's distribution outlets nationwide, aimed towards providing better and more efficient customer service, also support this revival effort.

The launch of the Proton X70, together with other product launches by marques within the Group is expected to improve overall sales performance of the Automotive sector.

DRB-HICOM's execution of its growth strategy to achieve long term sustainability will continue despite the volatility and uncertainties in the domestic and external environment. Given this scenario, the Group will continue to remain vigilant and exercise prudent cost management across its operations.

While the turnaround of PROTON remains on track, the Group's performance for the financial year ending 31 March 2019 will be contingent on the improved financial performance of the national carmaker.

-END-

DRB-HICOM

ABOUT DRB-HICOM BERHAD

www.drb-hicom.com

DRB-HICOM Berhad ("DRB-HICOM") is one of Malaysia's leading conglomerates with core businesses in the Automotive, Services, and Property sectors. With more than 70 active companies in its stable and an over 56,000 employees group-wide, DRB-HICOM's aim is to continue adding value and propelling the nation's development. In the Automotive sector, DRB-HICOM is involved in the manufacturing, assembly and distribution of passenger and commercial vehicles, including the national motorcycle. In Services, DRB-HICOM is involved in various businesses, including concession and financial-related services. In Property DRB-HICOM is involved in the development of industrial properties.

FORWARD-LOOKING DISCLOSURES

All statements herein, other than historical facts, contain forward-looking statements and are based on DRB-HICOM's current forecasts, expectations, targets, plans, and evaluations. Any forecasted value is calculated or obtained based on certain assumptions. Forward-looking statements involve inherent risks and uncertainties.

A number of significant factors could therefore cause actual results to differ from those contained in any forward-looking statement.

Significant risk factors include:

- *Feasibility of each target and initiative as laid out in this news release;*
- *Fluctuations in interest rates, exchange rates and oil prices;*
- *Changes in laws, regulations and government policies; and*
- *Regional and / or global socio economic changes.*

Potential risks and uncertainties are not limited to the above and DRB-HICOM is not under any obligation to update the information in this news release to reflect any developments or events in the future.

If you are interested in investing in DRB-HICOM, your investment decision is at your own risk, taking the foregoing into consideration. Please note that neither DRB-HICOM nor any third party providing information shall be responsible for any loss or damage that may result from your investment in DRB-HICOM based on the information presented in this news release.



For further information, please contact:

Mahmood Abd Razak

Head, Group Strategic Communications Division
DRB-HICOM Berhad
Tel: 03-20528007

Nur Balkish Hood

Deputy Head, Group Strategic Communications Division
DRB-HICOM Berhad
Tel: 03-2052 8266