

DRB-HICOM Q2 PBT AT RM131.0m, REVERSES 2018 6-MONTH LOSS

Conglomerate builds on Q1 performance as auto sales boosts Group

SHAH ALAM, Thursday 28 November 2019 – Boosted by the better fortunes of its subsidiary PROTON Holdings Berhad (“PROTON”), DRB-HICOM Berhad’s (DRB-HICOM, the Group) second quarter performance registered a profit before tax (“PBT”) of RM131.0 million, while the PBT for the six months ended 30 September 2019 came in at RM277.75 million. This reverses the loss before tax of RM143.64 million the Group registered in the same six-month period a year ago.

Revenue for the quarter ended 30 September 2019 was 12.9% higher against the same quarter in 2018, coming in at RM3.59 billion. For the six-month period ended 30 September 2019, DRB-HICOM recorded revenue of RM7.03 billion, improving 20.4% against the same period a year ago.

OVERALL REVIEW

Performance of the Automotive Sector, particularly of national carmaker PROTON was clearly a boost for DRB-HICOM. The Sector recorded revenue of RM2.42 billion for the 3 months to September 2019, rising almost half a billion ringgit against the same period in 2018. For the six-month period to 30 September 2019, revenue was RM4.66 billion, up RM1.33 billion from a year ago.

PROTON has underpinned this Sector’s growth, with its market share moving to 15.8% year-to-date. In the nine months of the calendar year, PROTON sold 69,920 vehicles, compared to 49,233 units in the same period a year ago. This performance means PROTON is now the second best-selling automotive brand in Malaysia today. The new

X70, the revamped Saga, Persona, Iriz, and Exora have all boosted the brand's appeal to the market.

Revenue for the Services Sector was lower as Pos Malaysia's operating landscape remains challenging, while at the Properties Sector, lower revenue was received from its construction projects which were at different stages of completion.

PROSPECTS FOR THE REST OF THE YEAR

To recap, DRB-HICOM will operate a 9-month financial period in 2019 following its decision to move its fiscal year end from March to December. The Group has been steadfast in the prolonged challenging environment, backed by its Automotive Sector. With the financial year end now just a month away, PROTON and all of DRB-HICOM's other automotive brands will seek to gain momentum with the usual array of aggressive year-end sales promotions as well as launches. Mitsubishi also launched a new Triton Quest 4x2 truck, complementing the new Triton range launched earlier this year while Audi introduced the new Q3 SUV earlier this month. Honda Malaysia has also hinted at an imminent launch of a facelifted version of their popular sedan, the Civic.

For DRB-HICOM's other businesses, the focus will remain on prudent cost management efforts and improving operating efficiency. For Pos Malaysia, the challenging landscape is being managed with the application on tariff rebalancing which is expected to conclude positively to improve its overall performance.

The Group expects to achieve a satisfactory performance for the full financial year (9-month) ending 31 December 2019.

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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 90 active companies in its stable and an over 55,000 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.

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- *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.

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