

**CYCLE & CARRIAGE BINTANG BERHAD**  
**Quarterly Announcement**  
**for the third quarter ended 30th September 2008**

**Highlights**

- Decline in contribution from after-sales
- Voluntary separation scheme reduces Group overheads

“While focusing on Mercedes-Benz is expected to bring benefits in the medium-term, concerns remain over supply and the effects on the market of the global economic slowdown.”

**Ben Keswick**

Chairman

31st October 2008

**Results**

	<b>Nine months ended 30th September</b>		
	<b>2008</b>	2007	Change
	<b>RMm</b>	RMm	%
Revenue from continuing operations	<b>395.2</b>	(Restated) 395.4	(0.1)
Net profit from:			
(a) Continuing operations	<b>11.6</b>	12.5	(7)
(b) Gain on disposal of properties	<b>12.5</b>	1.0	n/m
(c) Voluntary Separation Scheme	<b>(4.7)</b>	-	n/m
(d) One-off premium from investment in MBM	<b>18.7</b>	-	n/m
(e) Discontinued operations	<b>(0.2)</b>	(3.9)	95
Net profit attributable to shareholders	<b>37.9</b>	9.6	294
	<b>Sen</b>	Sen	
Basic earnings per share	<b>37.66</b>	9.57	294
	<b>As at 30.9.2008</b>	As at 31.12.2007	
	<b>RMm</b>	RMm	
Shareholders' funds	<b>217.4</b>	287.6	(24)
	<b>RM</b>	RM	
Net assets per share	<b>2.16</b>	2.85	(24)

*The results for the nine months ended 30th September 2008 and 30th September 2007 were not audited. The financial position as at 31st December 2007 was audited.*

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**Overview**

Following the completion of a major restructuring the Company is now focused on its Mercedes-Benz dealership activities, however, it has continued to face a difficult motor market in Malaysia.

**Performance**

Net profit from continuing operations for the nine months ended 30th September 2008 was RM11.6 million, 7% lower than in the previous year due to a reduced contribution from the after-sales activities. Net profit attributable to shareholders at RM37.9 million benefited from a one-off premium of RM18.7 million received in respect of the Group's investment in Mercedes-Benz Malaysia ("MBM") and a gain of RM12.5 million from property disposals, partly offset by losses on discontinued operations and the cost of a voluntary separation scheme. This compares with RM9.6 million recorded for the period in 2007.

**Developments**

During the first nine months of the year, the Company completed a major restructuring of its motor activities that has enabled it to focus exclusively on Mercedes-Benz. In addition, it successfully renegotiated its joint venture agreement with Daimler AG, allowing the Company to continue to receive an annual dividend of RM11.2 million from its investment in MBM and giving rise to a one-off premium of RM18.7 million.

**Business Activity**

Sales of Mercedes-Benz passenger cars were 4% higher at 1,131 units as back orders for the C-Class were progressively fulfilled, although supply continues to be constrained. There was a reduced contribution from after-sales activities due to lower vehicle throughput in the third quarter. Group overheads were lower following the implementation of the voluntary separation scheme in the first half of the year.

**Dividends**

The Board does not propose to declare a dividend for the third quarter ended 30th September 2008 (2007: Nil).

**Prospects**

While focusing on Mercedes-Benz is expected to bring benefits in the medium-term, concerns remain over supply and the effects on the market of the global economic slowdown.

**Ben Keswick**

Chairman

31st October 2008