

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Statement of Comprehensive Income
for the second quarter ended 30th June 2013

| | Note | Unaudited 3 months ended | | Unaudited 6 months ended | |
|---|------|-----------------------------|---------------------------------|-----------------------------|---------------------------------|
| | | 30.6.2013 RM'000 | Restated 30.6.2012 RM'000 | 30.6.2013 RM'000 | Restated 30.6.2012 RM'000 |
| Revenue | 7 | 130,423 | 170,918 | 306,399 | 331,043 |
| Expenses excluding finance cost and tax | | (132,923) | (169,932) | (312,823) | (324,105) |
| Other operating income | | | | | |
| - dividend income | 7 | 2,807 | 2,807 | 5,614 | 5,614 |
| - rental income | | 1 | 747 | 2 | 1,501 |
| - interest income | | 72 | 91 | 100 | 205 |
| - others | | 990 | 955 | 1,879 | 2,291 |
| Operating profit | | 1,370 | 5,586 | 1,171 | 16,549 |
| Finance cost | | (668) | (175) | (996) | (504) |
| Profit before tax | | 702 | 5,411 | 175 | 16,045 |
| Income tax | 13 | 340 | (820) | 948 | (3,080) |
| Net profit for the financial period | 19 | 1,042 | 4,591 | 1,123 | 12,965 |
| Other comprehensive income, net of tax | | | | | |
| Available-for-sale investment | | | | | |
| - fair value change arising during the financial period | | - | (885) | - | (1,691) |
| Total comprehensive income for the financial period | | 1,042 | 3,706 | 1,123 | 11,274 |
| Net profit attributable to shareholders of the Company | | 1,042 | 4,591 | 1,123 | 12,965 |
| Total comprehensive income attributable to shareholders of the Company | | 1,042 | 3,706 | 1,123 | 11,274 |
| | | Sen | Sen | Sen | Sen |
| Basic earnings per share attributable to shareholders of the Company: | | | | | |
| - profit for the financial period | 17 | 1.03 | 4.56 | 1.11 | 12.87 |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's audited Financial Statements for the financial year ended 31st December 2012 and the accompanying notes to the condensed consolidated interim financial statements on pages 7 to 11.

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Statement of Financial Position
as at 30th June 2013

| | Note | Unaudited As at 30.6.2013 RM'000 | Audited As at 31.12.2012 RM'000 |
|---------------------------------------|------|---|--|
| Non-current assets | | | |
| Property, plant and equipment | | 80,863 | 79,880 |
| Intangible assets | | 9,842 | 9,842 |
| Available-for-sale investment | | 66,003 | 66,003 |
| Deferred tax assets | | 3,934 | 3,184 |
| | | 160,642 | 158,909 |
| Current assets | | | |
| Inventories | | 101,665 | 150,375 |
| Tax recoverable | | 1,824 | 279 |
| Trade and other receivables | | 48,068 | 53,721 |
| Cash and cash equivalents | | 14,081 | 20,559 |
| | | 165,638 | 224,934 |
| Total assets | | 326,280 | 383,843 |
| Non-current liabilities | | | |
| Deferred tax liabilities | | 421 | 668 |
| Current liabilities | | | |
| Provision for liabilities and charges | | 1,501 | 1,561 |
| Current tax liabilities | | 995 | 1,281 |
| Trade payables and other liabilities | | 82,915 | 153,443 |
| Borrowings | 15 | 45,491 | 33,056 |
| | | 130,902 | 189,341 |
| Total liabilities | | 131,323 | 190,009 |
| Net assets | | 194,957 | 193,834 |
| Equity | | | |
| Share capital | | 100,745 | 100,745 |
| Share premium | | 23,857 | 23,857 |
| Retained profits | | 70,355 | 69,232 |
| Total equity | | 194,957 | 193,834 |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited Financial Statements for the financial year ended 31st December 2012 and the accompanying notes to the condensed consolidated interim financial statements on pages 7 to 11.

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Statement of Changes in Equity
for the second quarter ended 30th June 2013

| | Unaudited | | | | |
|---|-------------------------------------|-------------------------------------|--|--|-------------------------|
| | Share Capital RM'000 | Share Premium RM'000 | Fair Value Reserve RM'000 | Retained Profits RM'000 | Total RM'000 |
| At 1st January 2013 | 100,745 | 23,857 | - | 69,232 | 193,834 |
| Total comprehensive income for the financial period | - | - | - | 1,123 | 1,123 |
| At 30th June 2013 | 100,745 | 23,857 | - | 70,355 | 194,957 |
| At 1st January 2012 | 100,745 | 23,857 | 3,736 | 63,143 | 191,481 |
| Total comprehensive income for the financial period | - | - | (1,691) | 12,965 | 11,274 |
| Dividend paid for financial year ended: - 31st December 2011 (Final) | - | - | - | (5,037) | (5,037) |
| At 30th June 2012 | 100,745 | 23,857 | 2,045 | 71,071 | 197,718 |

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited Financial Statements for the financial year ended 31st December 2012 and the accompanying notes to the condensed consolidated interim financial statements on pages 7 to 11.

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Statement of Cash Flows
for the second quarter ended 30th June 2013

| | Unaudited 6 months ended | |
|--|-----------------------------|---------------------|
| | 30.6.2013 RM'000 | 30.6.2012 RM'000 |
| Operating activities | | |
| Profit before tax | 175 | 16,045 |
| <i>Adjustments for:</i> | | |
| Property, plant and equipment: | | |
| - depreciation | 2,448 | 2,144 |
| - loss on disposal | 42 | 80 |
| Interest income | (100) | (205) |
| Finance cost | 996 | 504 |
| Operating profit before changes in working capital | 3,561 | 18,568 |
| Inventories | 48,710 | (18,413) |
| Receivables | (5,576) | (22,967) |
| Payables | (70,528) | 11,909 |
| Provision | (60) | (324) |
| Net cash flow used in operations | (23,893) | (11,227) |
| Interest paid | (996) | (504) |
| Interest received | 100 | 205 |
| Income tax paid | (1,880) | (3,518) |
| Net cash flow used in operating activities | (26,669) | (15,044) |
| Investing activities | | |
| Proceeds from disposal of plant and equipment | - | 157 |
| Purchase of plant and equipment | (3,473) | (644) |
| Dividend received | 11,229 | 11,229 |
| Net cash flow from investing activities | 7,756 | 10,742 |
| Financing activities | | |
| Drawdown/(repayment) of bankers acceptance | 12,448 | (3,000) |
| Repayment of finance lease | (13) | (26) |
| Dividend paid | - | (5,037) |
| Net cash flow from/(used in) financing activities | 12,435 | (8,063) |
| Net change in cash and cash equivalents during the financial period | (6,478) | (12,365) |
| Cash and cash equivalents at | | |
| - Beginning of the financial period | 20,559 | 37,818 |
| - End of the financial period | 14,081 | 25,453 |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited Financial Statements for the financial year ended 31st December 2012 and the accompanying notes to the condensed consolidated interim financial statements on pages 7 to 11.

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the condensed consolidated interim financial statements
for the second quarter ended 30th June 2013

1 Basis of Preparation

These unaudited condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard 134, *Interim Financial Reporting* in Malaysia, International Accounting Standard 34, *Interim Financial Reporting* and all the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad. They do not include all the information required for full annual financial statements and should be read in conjunction with the Group's financial statements for the financial year ended 31st December 2012.

The accounting policies and presentation adopted for the interim financial statements are consistent with those adopted for the annual financial statements for the year ended 31st December 2012 except for the adoption of the following:

i) Adoption of New and Revised MFRSs and Amendments

| | Effective date |
|---|-----------------------|
| MFRS 10 – Consolidated Financial Statements | 1st January 2013 |
| MFRS 12 – Disclosure of Interest in Other Entities | 1st January 2013 |
| MFRS 13 – Fair Value Measurement | 1st January 2013 |
| MFRS 119 – Employee Benefits | 1st January 2013 |
| MFRS 127 – Separate Financial Statements | 1st January 2013 |
| MFRS 128 – Investment in Associate and Joint Ventures | 1st January 2013 |
| Amendments to MFRS 101 – Presentation of Items of Other Comprehensive Income | 1st July 2012 |
| Amendments to MFRS 119 – Employee Benefits | 1st January 2013 |
| Amendments to MFRS 7 – Financial Instruments: Disclosure | 1st January 2013 |
| Amendments to MFRS10, 11 and 12 – Consolidated Financial Statements, Joint Arrangements and Disclosure of Interest in Other Entities: Transition Guidance | 1st January 2013 |
| Annual Improvement to MFRS – 2009 -2011 Cycle | 1st January 2013 |

The adoption of the above standards and amendments do not have any material impact on the financial statements of the Group.

ii) New and Revised MFRSs and Amendments issued but are not yet effective for the Group's Current Quarter Report

| | Effective date |
|--|-----------------------|
| MFRS 9 – Financial Instruments | 1st January 2015 |
| Amendments to MFRS 132 – Financial Instruments: Presentation | 1st January 2014 |

2 Seasonal or Cyclical Factors

There were no major seasonal or cyclical factors affecting the automobile industry.

3 Individually Significant Item

The Group recognised dividend income of RM5.6 million in respect of the investment in Mercedes-Benz Malaysia Sdn Bhd ("MBM") as disclosed in Note 7 for the six months ended 30th June 2013.

4 Changes in Estimates

There were no changes in estimates of amounts reported in prior financial years that have a material effect on the results for the six months ended 30th June 2013.

5 Debts and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the six months ended 30th June 2013.

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the condensed consolidated interim financial statements
for the second quarter ended 30th June 2013

6 Dividends

| | 6 months ended 30.6.2013 | | 6 months ended 30.6.2012 | |
|---|-----------------------------|------------------------------|-----------------------------|------------------------------|
| | Dividend per share | Amount of net dividend | Dividend per share | Amount of net dividend |
| | Sen | RM'000 | Sen | RM'000 |
| Final single-tier dividend approved by shareholders in respect of the previous financial year (2012: paid on 25th May 2012) | - | - | 5.00 | 5,037 |
| | <u>-</u> | <u>-</u> | <u>5.00</u> | <u>5,037</u> |
| Interim single-tier dividend declared in respect of the current financial year (2012: paid on 24th August 2012) | - | - | 5.00 | 5,037 |
| | <u>-</u> | <u>-</u> | <u>5.00</u> | <u>5,037</u> |

The directors do not recommend any interim dividend for the quarter under review.

7 Segment Reporting

The activities of the Group are conducted within Malaysia in the following segments:

| | Automobile industry RM'000 | Investment RM'000 | Group RM'000 |
|--------------------------------------|----------------------------------|----------------------|-----------------|
| 3 months ended 30th June 2013 | | | |
| Revenue | 130,423 | - | 130,423 |
| Profit/(loss) before tax | (2,105) | 2,807 | 702 |
| Profit/(loss) after tax | (1,765) | 2,807 | 1,042 |
| 3 months ended 30th June 2012 | | | |
| Revenue as restated | 170,918 | - | 170,918 |
| Profit before tax | 2,604 | 2,807 | 5,411 |
| Profit after tax | 1,784 | 2,807 | 4,591 |
| 6 months ended 30th June 2013 | | | |
| Revenue | 306,399 | - | 306,339 |
| Profit/(loss) before tax | (5,439) | 5,614 | 175 |
| Profit/(loss) after tax | (4,491) | 5,614 | 1,123 |
| 6 months ended 30th June 2012 | | | |
| Revenue as restated | 331,043 | - | 331,043 |
| Profit before tax | 10,431 | 5,614 | 16,045 |
| Profit after tax | 7,351 | 5,614 | 12,965 |

8 Changes in the Composition of the Group

There were no changes in the composition of the Group for the six months ended 30th June 2013.

9 Capital Commitments

Capital expenditure of the Group not provided for as at 30th June 2013 in relation to property, plant and equipment were as follows:

| | RM'000 |
|-----------------------------|---------------|
| Approved and contracted | 6,572 |
| Approved but not contracted | 9,711 |
| Total | <u>16,283</u> |

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the condensed consolidated interim financial statements
for the second quarter ended 30th June 2013

10 Significant related party transactions

The significant related party transactions described below were carried out on terms and conditions agreed by the related parties.

| | 6 months ended | |
|---|-----------------------|-----------|
| | 30.6.2013 | 30.6.2012 |
| | RM'000 | RM'000 |
| With substantial shareholders and companies related to substantial shareholders: | | |
| Purchase of computer software and peripherals from Jardine OneSolution (2001) Sdn. Bhd. | (346) | (489) |
| Group service charge payable to Jardine Cycle & Carriage Limited | (207) | (200) |
| Group internal audit fees paid/payable to Jardine Matheson & Co., Ltd | (115) | (84) |
| Sale of motor vehicle to GCH Retail (M) Sdn Bhd | 664 | - |
| Sale of motor vehicles to Jardine Lloyd Thompson Sdn Bhd | - | 590 |

11 Material Change in Current Quarter Results Compared to Preceding Quarter Results

The Group recorded a profit before tax of RM0.7 million in the second quarter compared to a loss before tax of RM0.5 million in the preceding quarter mainly due to improved vehicle gross margin.

12 Variance of Actual Profit from Forecast Profit

The Company did not publish any profit forecast.

13 Taxation

| | 3 months ended | | 6 months ended | |
|------------|-----------------------|-----------|-----------------------|-----------|
| | 30.6.2013 | 30.6.2012 | 30.6.2013 | 30.6.2012 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Income tax | 340 | (820) | 948 | (3,080) |

The average effective tax rate differs from the statutory income tax rate of Malaysia as follows:

| | 3 months ended | | 6 months ended | |
|--|-----------------------|-----------|-----------------------|-----------|
| | 30.6.2013 | 30.6.2012 | 30.6.2013 | 30.6.2012 |
| | % | % | % | % |
| Statutory income tax rate in Malaysia | 25 | 25 | 25 | 25 |
| Expenses not deductible for tax purposes | 27 | 2 | 244 | 2 |
| Income not subject to tax | (100) | (13) | (802) | (9) |
| Prior year under provision | - | 1 | (9) | 1 |
| Average effective tax rate | (48) | 15 | (542) | 19 |

The income not subject to tax relates to RM5.6 million single-tier dividend from investment in MBM (Note 3).

14 Status of Corporate Proposals

There were no corporate proposals undertaken or announced but not completed at the date of issue of this quarterly report.

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the condensed consolidated interim financial statements
for the second quarter ended 30th June 2013

15 Group Borrowings

Group borrowings as at 30th June 2013:

| | RM'000 |
|-------------------------------------|---------------|
| Bankers acceptance (unsecured) | 45,448 |
| Finance lease liabilities (secured) | 43 |
| | <u>45,491</u> |

16 Material Litigation

In 1997, the Company supplied units of bus chassis to Transit Link Sdn. Bhd. ("Transit Link") and was paid by Transit Link's appointed bus body builder, Hup Lee Coachbuilders Holdings Sdn. Bhd. ("Hup Lee").

On 10th February 2004, Hup Lee served a Writ of Summons on the Company after an earlier Originating Summons on the same matter was dismissed. In the Writ, Hup Lee sought for the return of the monies it paid to the Company alleging wrongful payment of RM8.0 million plus accrued interest. The matter went to trial and the High Court decided in favour of the Company in December 2009. Hup Lee filed an appeal to the Court of Appeal in January 2010 and the appeal was dismissed in January 2013 with costs. Based on legal advice, the directors believe that the Company has a reasonable chance of succeeding in the event Hup Lee obtains leave to appeal to the Federal Court hence no provision has been made in the financial statements.

17 Earnings per Share

| | 3 months ended | | 6 months ended | |
|---|-----------------------|-----------|-----------------------|-----------|
| | 30.6.2013 | 30.6.2012 | 30.6.2013 | 30.6.2012 |
| Basic earnings per share | | | | |
| Net profit attributable to shareholders of the Company (RM'000) | 1,042 | 4,591 | 1,123 | 12,965 |
| Weighted average number of ordinary shares in issue ('000) | 100,745 | 100,745 | 100,745 | 100,745 |
| Basic earnings per share (sen) | 1.03 | 4.56 | 1.11 | 12.87 |

18 Qualification of Audit Report

The Group's financial statements for the preceding year ended 31st December 2012 were not subject to any qualification by the auditors.

19 Notes to the Statement of Comprehensive Income

| | 3 months ended | | 6 months ended | |
|--|-----------------------|--|-----------------------|--|
| | 30.6.2013 | | 30.6.2013 | |
| | RM'000 | | RM'000 | |
| Net profit for the financial period is arrived at after charging: | | | | |
| Depreciation | (1,224) | | (2,448) | |
| Impairment loss on trade receivables | (113) | | (237) | |
| and after crediting: | | | | |
| Foreign exchange gain | 2 | | 4 | |
| Reversal of write-down of inventories made previously | 963 | | 2,500 | |

Other than the above and disclosed in the Condensed Consolidated Statement of Comprehensive Income, there were no gain or loss on disposal of quoted or unquoted investments or properties, gain or loss on derivatives and exceptional items for the current quarter and cumulative quarter ended 30th June 2013.

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the condensed consolidated interim financial statements
for the second quarter ended 30th June 2013

20 Comparatives

The following comparative figures have been reclassified within the Condensed Consolidated Statement of Comprehensive Income to conform with the current quarter's presentation:

| | As previously reported RM'000 | Reclassification RM'000 | Restated RM'000 |
|--|--|------------------------------------|----------------------------|
| 3 months ended 30th June 2012 | | | |
| Revenue | 173,741 | (2,823) | 170,918 |
| Expenses excluding finance cost and tax | (172,755) | 2,823 | (169,932) |
| 6 months ended 30th June 2012 | | | |
| Revenue | 335,410 | (4,367) | 331,043 |
| Expenses excluding finance cost and tax | (328,472) | 4,367 | (324,105) |

21 Disclosure of Realised and Unrealised Profits

| | 6 months ended 30.6.2013 RM'000 | 12 months ended 31.12.2012 RM'000 |
|---|--|--|
| Retained profits of the Company and its subsidiaries: | | |
| - Realised | 67,008 | 66,942 |
| - Unrealised | 3,347 | 2,290 |
| | <u>70,355</u> | <u>69,232</u> |

22 Events after the reporting period

There were no material events between 1st July 2013 and the date of this report, except that on 24th July 2013 the Company entered into an amendment agreement with Daimler AG to amend certain terms of the Agreement on the Restructuring of the Distribution of Mercedes-Benz Products in Malaysia dated 9th December 2002, as modified by an amendment agreement dated 6th May 2008 (collectively, the "JV Agreement"). The JV Agreement governs the terms of the parties' participation in a joint venture vehicle, MBM. A separate announcement on the amendment agreement will be released to Bursa Malaysia on 24th July after the market closes.

The amendment agreement is not expected to have any financial impact on the 2013 financial statements.

For further information, please contact: Ms. Wong Yee Ying, GM - Finance at Tel No: 03-78728008.

Full text of the Quarterly Announcement for the second quarter ended 30th June 2013 can be accessed through the internet at www.bursamalaysia.com.