



CYCLE & CARRIAGE BINTANG BERHAD
Quarterly Announcement for the fourth quarter ended 31st December 2013

Highlights

- Net profit down 74% due to severe margin erosion
- Vehicle unit sales flat
- No dividend recommended

“The Group will continue to build on its market position as it prepares for the advent of new models, but will exercise caution as the trading environment in 2014 will remain tough.”

Alex Newbigging

Chairman

21st February 2014

Results

	Year ended 31st December		
	2013 RMm	2012 RMm	Change %
Revenue	645.0	656.2	-2
Net profit:			
(a) Mercedes-Benz operations	(7.0)	5.0	-
(b) Dividend income	11.2	11.2	-
	4.2	16.2	-74
Net profit attributable to shareholders	4.2	16.2	-74
	Sen	Sen	
Earnings per share	4.21	16.04	-74
Dividend per share	-	5.00	-100
	As at 31.12.2013 RMm	As at 31.12.2012 RMm	
Shareholders' funds	198.1	193.8	+2
	RM	RM	
Net asset per share	1.97	1.92	+2

The results for the financial years ended 31st December 2013 and 31st December 2012 were audited.

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Overview

The Group experienced an extremely difficult trading environment in 2013. Competition in the crowded premium segment increased, leading to heavy discounting which had an adverse impact on profitability.

Performance

The Group's revenue for the year ended 31st December 2013 declined 2% to RM645.0 million. A net loss of RM7.0 million was recorded by the Mercedes-Benz trading operations for the year. Overall net profit for the Group was 74% lower at RM4.2 million after accounting for accrued dividend income from the Group's investment in Mercedes-Benz Malaysia ("MBM").

The Group's Mercedes-Benz passenger car unit sales were flat, although the A-Class launched in June 2013 was well received by the market. The remainder of the Mercedes-Benz model range, however, faced severe challenges due to new competitive products and aggressive pricing in the market. The situation was aggravated by key Mercedes-Benz models approaching the end of their product life cycles. The Group's after-sales service performed in line with expectations in 2013.

The Board has not declared any interim dividend in 2013, and does not recommend any final dividend for the financial year ended 31st December 2013.

People

I would like to thank all our staff for their dedication and hard work during another challenging year. I also wish to thank our customers, shareholders and business partners for their continued support.

Prospects

The Group will continue to build on its market position as it prepares for the advent of new models, but will exercise caution as the trading environment in 2014 will remain tough.

In July 2013, the Company announced that the dividend entitlement from MBM under its joint venture agreement with Daimler AG ("Daimler") had been revised. Previously, the dividend payable to the Company was unconditional and was accrued on a monthly basis. Under the revised arrangement, the dividend entitlement crystallises only upon the declaration by MBM of a dividend payable to Daimler. As a consequence, dividend income from MBM will not be accrued in advance from 2014 onwards and instead, will be recognised only after the declaration by MBM of a dividend payable to Daimler for any year.

Alex Newbigging

Chairman, 21st February 2014