

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Statement of Comprehensive Income
for the second quarter ended 30th June 2014

	Note	Unaudited 3 months ended		Unaudited 6 months ended	
		30.6.2014 RM'000	30.6.2013 RM'000	30.6.2014 RM'000	30.6.2013 RM'000
Revenue	7	231,155	130,423	417,559	306,399
Expenses excluding finance cost and tax		(229,287)	(132,923)	(414,090)	(312,823)
Other operating income					
- dividend income	7	-	2,807	-	5,614
- interest income		80	72	183	100
- others		1,322	991	2,661	1,881
Operating profit		3,270	1,370	6,313	1,171
Finance cost		(232)	(668)	(692)	(996)
Profit before tax		3,038	702	5,621	175
Income tax	13	(1,005)	340	(1,891)	948
Total comprehensive income for the financial period	19	2,033	1,042	3,730	1,123
Total comprehensive income attributable to shareholders of the Company		2,033	1,042	3,730	1,123
		Sen	Sen	Sen	Sen
Basic earnings per share attributable to shareholders of the Company	17	2.02	1.03	3.70	1.11

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 2013 and the accompanying notes to the condensed consolidated interim financial statements on pages 7 to 10.

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Statement of Financial Position
as at 30th June 2014

	Note	Unaudited As at 30.6.2014 RM'000	Audited As at 31.12.2013 RM'000
Non-current assets			
Intangible assets		9,842	9,842
Property, plant and equipment		82,630	84,836
Available-for-sale investment		66,003	66,003
Deferred tax assets		3,654	4,763
		162,129	165,444
Current assets			
Inventories		138,041	116,745
Tax recoverable		1,376	1,349
Trade and other receivables		65,702	63,847
Cash and cash equivalents		22,678	22,680
		227,797	204,621
Total assets		389,926	370,065
Non-current liabilities			
Deferred tax liabilities		830	352
Current liabilities			
Provision for liabilities and charges		1,246	1,246
Current tax liabilities		396	656
Trade payables and other liabilities		159,336	82,185
Borrowings	15	26,316	87,554
		187,294	171,641
Total liabilities		188,124	171,993
Net assets		201,802	198,072
Equity			
Share capital		100,745	100,745
Share premium		23,857	23,857
Retained profits		77,200	73,470
Total equity		201,802	198,072

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 2013 and the accompanying notes to the condensed consolidated interim financial statements on pages 7 to 10.

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Statement of Changes in Equity
for the second quarter ended 30th June 2014

	Unaudited			
	Share Capital RM'000	Share Premium RM'000	Retained Profits RM'000	Total RM'000
At 1st January 2014	100,745	23,857	73,470	198,072
Total comprehensive income for the financial period	-	-	3,730	3,730
At 30th June 2014	100,745	23,857	77,200	201,802
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

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 2013 and the accompanying notes to the condensed consolidated interim financial statements on pages 7 to 10.

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Statement of Cash Flows
for the second quarter ended 30th June 2014

	Unaudited 6 months ended	
	30.6.2014 RM'000	30.6.2013 RM'000
Operating activities		
Profit before tax	5,621	175
<i>Adjustments for:</i>		
Property, plant and equipment:		
- depreciation	2,800	2,448
- loss on disposal	6	42
Interest income	(183)	(100)
Finance cost	692	996
Operating profit before changes in working capital	8,936	3,561
Inventories	(21,296)	48,710
Receivables	(13,084)	(5,576)
Payables	77,151	(70,528)
Provision	-	(60)
Net cash flow from / (used in) operations	51,707	(23,893)
Interest paid	(692)	(996)
Interest received	183	100
Income tax paid	(591)	(1,880)
Net cash flow from / (used in) operating activities	50,607	(26,669)
Investing activities		
Proceeds from disposal of plant and equipment	31	-
Purchase of plant and equipment	(631)	(3,473)
Dividend received	11,229	11,229
Net cash flow from investing activities	10,629	7,756
Financing activities		
Drawdown / (repayment) of bankers acceptance	(61,224)	12,448
Repayment of finance lease	(14)	(13)
Net cash flow from / (used in) financing activities	(61,238)	12,435
Net change in cash and cash equivalents during the financial period	(2)	(6,478)
Cash and cash equivalents at		
- Beginning of the financial period	22,680	20,559
- End of the financial period	22,678	14,081

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 2013 and the accompanying notes to the condensed consolidated interim financial statements on pages 7 to 10.

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the condensed consolidated interim financial statements
for the second quarter ended 30th June 2014

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 2013.

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 2013 except for the adoption of Amendments to MFRS 132 – Offsetting Financial Assets and Financial Liabilities which became effective on 1st January 2014. The adoption of these amendments does not have any material impact on the financial statements of the Group.

The adoption of the following new standard and amendments when they become effective are not expected to have any material impact on the financial statements of the Group:

	Effective date
MFRS 9 - Financial Instruments	1st January 2017
Amendments to MFRS 116 and MFRS138	1st January 2016

2 Seasonal or Cyclical Factors

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

3 Unusual Item Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items affecting assets, liabilities, equity, net income, or cash flows which are unusual because of their nature, size, or incidence for the six months ended 30th June 2014.

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 2014.

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 2014.

6 Dividends

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 2014			
Revenue	231,155	-	231,155
Profit before tax	3,038	-	3,038
Profit after tax	2,033	-	2,033
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

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Notes to the condensed consolidated interim financial statements
for the second quarter ended 30th June 2014

	Automobile industry RM'000	Investment* RM'000	Group RM'000
6 months ended 30th June 2014			
Revenue	417,559	-	417,559
Profit before tax	5,621	-	5,621
Profit after tax	3,730	-	3,730
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

* Dividend income from the Group's investment in Mercedes-Benz Malaysia Sdn Bhd ("MBM") has not been accrued in advance from 2014 onwards, but will be recognised only after the declaration by MBM of a dividend payable to Daimler AG ("DAG") for any year.

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 2014.

9 Capital Commitments

Capital expenditure of the Group not provided for as at 30th June 2014 in relation to property, plant and equipment were as follows:

	RM'000
Approved and contracted	211
Approved but not contracted	9,719
Total	<u>9,930</u>

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	
	30.6.2014 RM'000	30.6.2013 RM'000
With substantial shareholders and companies related to substantial shareholders:		
Purchase of computer software and peripherals from Jardine OneSolution (2001) Sdn. Bhd.	(534)	(346)
Group service charge paid/payable to Jardine Cycle & Carriage Limited	(208)	(207)
Group internal audit fees paid/payable to Jardine Matheson & Co., Ltd	(120)	(115)
Sale of motor vehicle to GCH Retail (M) Sdn Bhd	-	<u>564</u>

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the condensed consolidated interim financial statements
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11 Material Change in Current Quarter Results Compared to Preceding Quarter Results

The Group recorded a profit before tax of RM3.0 million in the second quarter which was RM0.4 million higher than the preceding quarter mainly due to improvement in trading results from Retail and Aftersales operations, lower overheads and net finance costs, offset by lower recognition of variable incentives from MBM.

12 Variance of Actual Profit from Forecast Profit

The Company did not publish any profit forecast.

13 Taxation

	3 months ended		6 months ended	
	30.6.2014	30.6.2013	30.6.2014	30.6.2013
	RM'000	RM'000	RM'000	RM'000
Income tax	(1,005)	340	(1,891)	948

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

	3 months ended		6 months ended	
	30.6.2014	30.6.2013	30.6.2014	30.6.2013
	%	%	%	%
Statutory income tax rate in Malaysia	25	25	25	25
Expenses not deductible for tax purposes	8	27	9	244
Income not subject to tax	-	(100)	-	(802)
Prior year over provision	-	-	-	(9)
Average effective tax rate	33	(48)	34	(542)

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

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.

15 Group Borrowings

Group borrowings as at 30th June 2014:

	RM'000
Bankers acceptance (unsecured)	26,300
Finance lease liabilities (secured)	16
	<u>26,316</u>

16 Material Litigation

There were no changes in material litigation since the date of the last annual report up to the date of issue of this quarterly report.

17 Earnings per Share

	3 months ended		6 months ended	
	30.6.2014	30.6.2013	30.6.2014	30.6.2013
Basic earnings per share				
Net profit attributable to shareholders of the Company (RM'000)	2,033	1,042	3,730	1,123
Weighted average number of ordinary shares in issue ('000)	100,745	100,745	100,745	100,745
Basic earnings per share (sen)	2.02	1.03	3.70	1.11

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the condensed consolidated interim financial statements
for the second quarter ended 30th June 2014

18 Qualification of Audit Report

The Group's financial statements for the preceding year ended 31st December 2013 were not subject to any qualification by the auditors.

19 Notes to the Statement of Comprehensive Income

	3 months ended	6 months ended
	30.6.2014	30.6.2014
	RM'000	RM'000
Net profit for the financial period is arrived at after charging:		
Depreciation	(1,398)	(2,800)
Impairment loss on trade receivables	(210)	(460)
Write-down of inventories	(523)	-
and after crediting:		
Foreign exchange gain	2	-
Reversal of write-down of inventories made previously	-	33

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 six months ended 30th June 2014.

20 Disclosure of Realised and Unrealised Profits

	6 months ended	12 months ended
	30.6.2014	31.12.2013
	RM'000	RM'000
Retained profits of the Company and its subsidiaries:		
- Realised	74,287	68,970
- Unrealised	2,913	4,500
	<u>77,200</u>	<u>73,470</u>

21 Events after the reporting period

There were no material events between 1st July 2014 and the date of issue of this quarterly report.

- end -

For further information, please contact: Mr. Lai Saye Chuan, Chief Financial Officer at Tel No: 03-78728008.

Full text of the Quarterly Announcement for the second quarter ended 30th June 2014 can be accessed through the internet at www.bursamalaysia.com.