



CYCLE & CARRIAGE BINTANG BERHAD
Quarterly Announcement for the six months ended 30th June 2016

Highlights

- Unit sales up 14%
- Margins reduced on change in sales mix
- Earnings from Mercedes-Benz trading operations 4% higher

“Trading conditions for the remainder of the year are expected to be challenging due to the softening of the domestic economic environment, although the introduction of the new E-Class is expected to have a beneficial effect on the Group’s results.”

Haslam Preston

Chairman
 25th July 2016

Results

	Six months ended 30th June		
	2016 RMm	2015 RMm	Change %
Revenue	737.9	735.5	-
Net profit:			
(a) Mercedes-Benz operations	18.0	17.3	+4
(b) Dividend income	11.2	11.2	-
	29.2	28.5	+2
Net profit attributable to shareholders	29.2	28.5	+2
	Sen	Sen	
Earnings per share	29	28	+2
	As at 30.6.2016 RMm	As at 31.12.2015 RMm	
Shareholders’ funds	284.7	260.5	+9
	RM	RM	
Net asset per share	2.83	2.59	+9

The results for the six months ended 30th June 2016 and 30th June 2015 have not been audited.

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Overview

The Group's net profit in the first half of the year was marginally higher as the impact of a change in sales mix was largely compensated for by higher unit sales.

Performance

The Group's revenue for the six months ended 30th June 2016 at RM737.9 million was marginally higher than the previous year due to higher unit sales, partly offset by a change in sales mix favouring lower-priced vehicles. The net profit of RM18 million from the Mercedes-Benz operations was 4% higher, however, due to an increase in unit sales. The overall net profit of RM29.2 million, which included the recognition of RM11.2 million dividend from the Group's investment in Mercedes-Benz Malaysia, was 2% higher than the prior year.

While unit sales were up 14%, higher numbers of C-Class and E-Class petrol-engine run out models, which had lower margins, meant net profit increased only marginally. Sales in 2015 had benefited from the higher margin E-Class and S-Class hybrid models. The Group's after-sales division performed satisfactorily.

The new Autohaus in Cheras, Kuala Lumpur, is expected to be completed in July.

The Board has not declared a dividend for the six months ended 30th June 2016 (30th June 2015: Nil).

Prospects

Trading conditions for the remainder of the year are expected to be challenging due to a softening of the domestic economic environment, although the introduction of the new E-Class is expected to have a beneficial effect on the Group's results.

Haslam Preston

Chairman
25th July 2016