



CYCLE & CARRIAGE BINTANG BERHAD
Quarterly Announcement for the nine months ended 30th September 2016

Highlights

- Unit sales up 6% but revenue down 6%
- Margins reduced on change in sales mix
- Earnings from Mercedes-Benz trading operations down 15%

“Despite increased unit sales, earnings will continue to be affected by a sales mix weighted in favour of lower-priced vehicles.”

Haslam Preston

Chairman

1st November 2016

Results

	Nine months ended 30th September		
	2016	2015	Change
	RMm	RMm	%
Revenue	1,118.1	1,192.4	-6
Net profit:			
(a) Mercedes-Benz operations	26.3	30.7	-15
(b) Dividend income	11.2	11.2	-
	37.5	41.9	-11
Net profit attributable to shareholders	37.5	41.9	-11
	Sen	Sen	
Earnings per share	37	42	-11
	As at 30.9.2016 RMm	As at 31.12.2015 RMm	
Shareholders' funds	293.0	260.5	+12
	RM	RM	
Net asset per share	2.91	2.59	+12

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

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Overview

The Group faced challenging trading conditions in the first nine months of the year, while a change in sales mix in favour of lower-priced vehicles has led to reduced revenue and profits despite an improvement in unit sales.

Performance

The Group's revenue for the nine months ended 30th September 2016 decreased by 6% to RM1.1 billion even as unit sales rose due to the change in sales mix. The net profit of RM26.3 million from the Mercedes-Benz trading operations was 15% lower than in the previous year. The overall net profit of RM37.5 million, which included dividend income of RM11.2 million from the Group's investment in Mercedes-Benz Malaysia, was down 11%.

Unit sales rose 6%, albeit at lower margins, due to higher sales of C-Class and the E-Class run-out model, whereas sales in 2015 benefited from the higher margin S-Class and E-Class hybrid models. The Group's after-sales division continued to perform satisfactorily.

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

Prospects

Despite increased unit sales, earnings will continue to be affected by a sales mix weighted in favour of lower-priced vehicles.

Haslam Preston

Chairman

1st November 2016