



CYCLE & CARRIAGE

CYCLE & CARRIAGE BINTANG BERHAD

Quarterly Announcement for the nine months ended 30th September 2017

Highlights

- Net profit down 84%
- Vehicle unit sales 13% lower
- Trading conditions remain intensely challenging

“With little improvement in the trading environment expected, the last quarter of the year will remain very challenging.”

Haslam Preston

Chairman

6th November 2017

Results

	Nine months ended 30th September		
	2017 RMm	2016 RMm	Change %
Revenue	1,039.8	1,118.1	-7
Net profit:			
(a) Mercedes-Benz operations	(5.2)	26.3	<i>nm</i>
(b) Dividend income	11.2	11.2	-
	6.0	37.5	-84
Net profit attributable to shareholders	6.0	37.5	-84
	Sen	Sen	
Earnings per share	6	37	-84
	As at 30.9.2017 RMm	As at 31.12.2016 RMm	
Shareholders' funds	295.6	294.6	-
	RM	RM	
Net asset per share	2.93	2.92	-

The results for the nine months ended 30th September 2017 and 30th September 2016 have not been audited.

nm – not meaningful

CYCLE & CARRIAGE BINTANG BERHAD

Quarterly Announcement for the nine months ended 30th September 2017

Overview

The Group faced very difficult trading conditions in the first nine months of 2017, which led to significant reductions in unit sales and earnings.

Performance

The Group's revenue for nine months ended 30th September 2017 decreased by 7% to RM1,039.8 million.

Mercedes-Benz trading operations recorded a loss of RM5.2 million, compared to a profit of RM26.3 million in the previous year. This reduction was due primarily to discounting pressure and lower volumes, with demand for key models being less than expected. Unit sales were 13% lower and the model mix moved away from S-Class to the lower margin GLA and GLC-Classes. The Group's after-sales division, however, continued to perform well, benefiting from increased throughput.

The overall net profit of RM6.0 million, after accounting for RM11.2 million of dividend income from the Group's investment in Mercedes-Benz Malaysia, was 84% lower.

The Group had net debt of RM129.9 million at the end of September, compared to RM100.4 million at the end of 2016, mainly due to higher working capital requirements and a deposit paid for land purchased for the development of a new showroom in Kuala Lumpur.

The Board has not declared a dividend for the quarter ended 30th September 2017 (quarter ended 30th September 2016: Nil).

Prospects

With little improvement in the trading environment expected, the last quarter of the year will remain very challenging.

Haslam Preston

Chairman

6th November 2017