



QUARTERLY ANNOUNCEMENT

For the fourth quarter ended 31 December 2012

Summary

- The Group achieved record revenues for the year with a strong fourth quarter performance
- Fourth quarter sales growth was lower than the industry's but for the year the Group's growth of 10.1% outpaced TIV growth of 4.6%
- Associates contribution was relatively strong despite lower vehicle sales for the quarter, helped by favourable Yen exchange rates
- Higher production volumes from major car makers helped sustain the revenues and profits of the Group's Manufacturing Division
- A second interim dividend for the year 2012 of 3 sen was declared

Results

	Quarter ended 31 Dec			Year to date ended 31 Dec		
	2012 RM mil	2011 RM mil	Change %	2012 RM mil	2011 RM mil	Change %
Revenue	574.1	492.3	16.6	2,317.0	1,705.6	35.8
Profit before tax	47.0	31.6	49.1	197.4	150.6	31.1
Profit for the period	36.9	30.2	21.9	174.1	138.1	26.1
Profit attributable to owners of the Company	29.5	26.4	11.6	135.4	121.2	11.7
Basic earnings per share	Sen	Sen		Sen	Sen	
	9.0	9.3	(3.0)	41.4	42.6	(2.9)
Shareholders' funds	As at 31 Dec 2012 RM mil	As at 31 Dec 2011 RM mil				
	1,337.9	1,107.9	20.8			
Net assets per share	RM	RM (restated)				
	3.42	3.89	(12.0)			
Dividend per share	1st Interim 2012 Sen	1st Interim 2011 Sen		Total 2012 Sen	Total 2011 Sen	
	3.0	6.0	(50.0)	3.0	6.0	(50.0)

Performance of sales by operations

% Changes *	Q4'12 vs Q3'12	Q4'12 vs Q4'11	YTD Dec'12 vs YTD Dec'11
Total Industry Volume (MAA)	+ 7.7	+ 13.1	+ 4.6
Total Group's Vehicles Sales	+ 7.1	- 0.7	+ 10.1
Subsidiaries			
DMSB - Daihatsu & Hino trucks	+ 0.9	- 29.3	- 28.8
DMMS Perodua vehicles	+ 10.2	+ 0.7	+ 11.3
Federal Auto : Volvo, Volkswagen & Mitsubishi vehicles	- 4.3	+ 11.5	+ 39.7
HHB #	- 0.4	- 2.9	- 0.2
OMI	- 3.6	+ 17.6	+ 32.6
SVBW	- 53.8	- 29.8	- 56.5
Associated companies			
Perodua vehicles	- 5.6	- 10.6	+ 3.2
Hino trucks	- 7.0	- 12.9	+ 9.5

Legend

DMSB : Daihatsu (Malaysia) Sdn Bhd
DMMS : DMM Sales Sdn Bhd
HHB : Hirota Holdings Berhad
OMI : Oriental Metal Industries (M) Sdn Bhd
SVBW : Summit Vehicles Body Works Sdn Bhd

* All changes based on vehicle unit sales, except for HHB, OMI and SVBW which are based on sales values

Comparatives for HHB are for reference only as results are only consolidated from Q1 2012

QUARTERLY ANNOUNCEMENT

For the fourth quarter ended 31 December 2012

Overview

According to the Malaysian Automotive Association (MAA), the Malaysian motor total industry volume (TIV) of sales by registration improved in the fourth quarter of 2012 by 13.1% as compared against the same period of 2011, bringing the TIV of sales by registration for the year 2012 to a new record high of 627,753, an improvement of 4.6% against the year 2011. However, the Group's overall total vehicle sales declined in the fourth quarter of 2012 by 0.7% as compared against the same period of 2011, which cumulatively improved 10.1% against the same period of 2011.

Group Financial Performance

Fourth quarter ended 31 December 2012 compared with fourth quarter ended 31 December 2011

	Revenue			Profit before tax		
	Quarter ended 31-Dec-12 RM'000	Quarter ended 31-Dec-11 RM'000	Change %	Quarter ended 31-Dec-12 RM'000	Quarter ended 31-Dec-11 RM'000	Change %
Consolidated Total	574,114	492,262	16.6	47,037	31,553	49.1
<u>Business segments:</u>						
Motor Trading	469,046	464,734	0.9	6,890	7,190	(4.2)
Manufacturing	105,068	27,528	281.7	16,129	3,972	306.1
Share of associates' results				33,324	29,719	12.1
Others				(9,306)	(9,328)	0.2
Operating profit before interests				17,974	1,995	801.0

Group revenues improved by 16.6% to RM574.1 million. Similarly, profit from operations improved to RM17.97 million compared to RM2.0 million in 2011. Share of results of associate companies improved by 10.5% to RM33.32 million. Net profit attributable to owners of the Company also improved by 11.6% to RM29.46million. The improved results were mainly attributable to increased vehicle sales from the passenger vehicle segment due to year-end promotions. The Group also benefited from the first time consolidation of HHB's results this year.

The Group's gross debt to equity ratio as at 31 December 2012 is 35.1% compared with 32.7% the same period last year.

Fourth quarter ended 31 December 2012 against previous quarter ended 30 September 2012

	Revenue			Profit before tax		
	Quarter ended 31-Dec-12 RM'000	Quarter ended 30-Sep-12 RM'000	Change %	Quarter ended 31-Dec-12 RM'000	Quarter ended 30-Sep-12 RM'000	Change %
Consolidated Total	574,114	584,951	(1.9)	47,037	50,407	(6.7)
<u>Business segments:</u>						
Motor Trading	469,046	477,569	(1.8)	6,890	6,006	14.7
Manufacturing	105,068	107,382	(2.2)	16,129	19,225	(16.1)
Share of associates' results				33,324	31,396	6.1
Others				(9,306)	(6,220)	(49.6)
Operating profit before interests				17,974	22,903	(21.5)

Group revenues declined marginally by 1.9% mainly due to lower vehicle sales from Federal Auto Group. However, share of results of associate companies improved by 6.1% contributed mainly due to favourable Yen exchange rates despite lower vehicle sales. The overall profit from operations declined by 21.5% as a result of reduced contribution from the manufacturing division as production volumes of major car makers adjusted for year end stocks.

The Group's gross debt to equity ratio as at 31 December 2012 is 35.1% compared with 31.2% as at 30 September 2012.

Net assets per share stood to RM3.42 as at the end of December 2012.

QUARTERLY ANNOUNCEMENT
For the fourth quarter ended 31 December 2012

Group Business Performance

Motor Trading

Against the same quarter of 2011, the Group's improved revenues were mainly driven by the overall improvement in passenger vehicle sales and aftersales revenues. Whilst the commercial segment within the Group was affected by new model launches by close competitors and the phasing out of Daihatsu Delta, Volkswagen vehicle sales helped drive Federal Auto Group's vehicle sales 11.5% higher.

Profit from operations from Motor Trading for the quarter declined 4.2% against same quarter of 2011 as a result of lower margins affected by the phasing out of Daihatsu Delta.

Against the preceding quarter, DMMS Perodua's vehicle sales improved 10.2% however Federal Auto Group's vehicle sales declined 4.3%.

Manufacturing

Against the same quarter of 2011, improvement in revenues from the Manufacturing Division of the Group was contributed by the recovery in production volume of car makers due to increased demand. The addition of HHB into the Group has also contributed to this expansion.

Consequently, the profit before tax from the Manufacturing Division has risen by more than three times against last year's profit.

Against the preceding quarter, the marginal decline in revenue is mainly contributed by slower growth in production volumes from major car makers.

Prospects

The Board expects the automotive industry to remain generally positive in line with continued economic growth against a relatively low interest rate background. However, the operating environment is becoming more competitive with new model launches from competing brands. The recent weakening of the Yen against the Ringgit will have a positive impact on the Group's financial performance.

The MBMR Group has invested in expanding its distribution network and improving its existing facilities, contributions from which will continue to support the overall long term growth of revenues and profits.

Construction of OMI's new alloy wheel plant has now been completed and will be commissioned by the second quarter of the year for commercial production.

The Board remains optimistic that its strategy to be a Complete Automotive Group, with investments in the value chain of the automotive industry, will help drive future growth and improve overall operating margins.

Board of Directors
MBM Resources Berhad
25 February 2013

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the twelve months ended 31 December 2012 - unaudited

	Note	Current Quarter Ended 31/12/2012 RM'000	Comparative Quarter Ended 31/12/2011 RM'000	12 months Cumulative To Date 31/12/2012 RM'000	Comparative 12 months Cumulative To Date 31/12/2011 RM'000
Revenue	18	574,114	492,262	2,317,013	1,705,573
Cost of sales		<u>(529,223)</u>	<u>(457,776)</u>	<u>(2,126,108)</u>	<u>(1,573,381)</u>
Gross profit		44,891	34,486	190,905	132,192
Other income		13,808	11,078	46,446	33,177
Administrative and other expenses		(25,853)	(26,651)	(84,884)	(70,715)
Selling and marketing expenses		<u>(14,872)</u>	<u>(16,918)</u>	<u>(62,435)</u>	<u>(52,652)</u>
Results from operating activities		17,974	1,995	90,032	42,002
Interest income		1,817	1,059	6,254	2,826
Finance costs		<u>(6,078)</u>	<u>(1,220)</u>	<u>(25,158)</u>	<u>(2,129)</u>
Net (finance costs)/interest income		(4,261)	(161)	(18,904)	697
Share of results of associates, net of tax		<u>33,324</u>	<u>29,719</u>	<u>126,321</u>	<u>107,892</u>
Profit before tax	18	47,037	31,553	197,449	150,591
Income tax expense	19	<u>(10,173)</u>	<u>(1,316)</u>	<u>(23,338)</u>	<u>(12,520)</u>
Profit for the period		<u>36,864</u>	<u>30,237</u>	<u>174,111</u>	<u>138,071</u>
Profit attributable to:					
Owners of the Company		29,456	26,406	135,396	121,237
Non-controlling interests		<u>7,408</u>	<u>3,831</u>	<u>38,715</u>	<u>16,834</u>
Profit for the period		<u><u>36,864</u></u>	<u><u>30,237</u></u>	<u><u>174,111</u></u>	<u><u>138,071</u></u>

The notes on pages 10 to 19 are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (cont'd)
For the twelve months ended 31 December 2012 - unaudited

	Note	Current Quarter Ended 31/12/2012 RM'000	Comparative Quarter Ended 31/12/2011 RM'000	12 months Cumulative To Date 31/12/2012 RM'000	Comparative 12 months Cumulative To Date 31/12/2011 RM'000
Profit for the period		36,864	30,237	174,111	138,071
Other comprehensive income					
Fair value of available for sale financial asset		417	--	417	--
Share of revaluation surplus arising from fair value adjustments of assets in an associate		283	--	283	--
Share of revaluation deficit arising from foreign exchange differences		(1,371)	--	(1,358)	--
Other comprehensive income for the period, net of tax		(671)	--	(658)	--
Total comprehensive income for the period		<u>36,193</u>	<u>30,237</u>	<u>173,453</u>	<u>138,071</u>
Total comprehensive income attributable to:					
Owners of the Company		28,847	26,406	134,800	121,237
Non-controlling interests		<u>7,346</u>	<u>3,831</u>	<u>38,653</u>	<u>16,834</u>
Total comprehensive income for the period		<u>36,193</u>	<u>30,237</u>	<u>173,453</u>	<u>138,071</u>
Earnings per ordinary share		sen	sen	sen	sen
Basic	20	9.00	9.28	41.35	42.60
Diluted	20	9.00	9.18	41.35	42.15

The notes on pages 10 to 19 are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2012 - unaudited

	Note	As at end of Current Quarter 31/12/2012 RM'000	(Audited) As at preceding Financial Year Ended 31/12/2011 RM'000
ASSETS			
Non-current Assets			
Property, plant & equipment		328,786	220,622
Prepaid land lease payments		39,060	39,574
Investment properties		14,849	15,060
Investment in associates		819,346	742,229
Other investment		1,417	7,614
Research & development		5,950	2,321
Deferred tax assets		2,025	3,702
Goodwill on consolidation		227,379	224,325
Total non-current assets		<u>1,438,812</u>	<u>1,255,447</u>
Current Assets			
Property development costs		52,790	21,205
Inventories		390,422	261,687
Trade & other receivables and prepaid expenses		254,916	215,648
Tax recoverable		11,826	6,765
Cash and bank balances		282,926	253,034
		992,880	758,339
Non-current assets classified as held for sale		--	6,103
Total current assets		<u>992,880</u>	<u>764,442</u>
TOTAL ASSETS	18	<u><u>2,431,692</u></u>	<u><u>2,019,889</u></u>

The notes on pages 10 to 19 are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (cont'd)
As at 31 December 2012 - unaudited

	Note	As at end of Current Quarter 31/12/2012 RM'000	(Audited) As at preceding Financial Year Ended 31/12/2011 RM'000
<u>EQUITY AND LIABILITIES</u>			
Equity			
Share capital		390,638	242,943
Reserves		<u>947,272</u>	<u>864,929</u>
Total equity attributable to owners of the Company		1,337,910	1,107,872
Non-controlling interests		<u>220,800</u>	<u>200,827</u>
Total equity		<u>1,558,710</u>	<u>1,308,699</u>
Non-current and Deferred Liabilities			
Long term borrowings	22	315,023	332,845
Deferred tax liabilities		3,523	3,620
Provision for retirement benefits		2,150	1,867
Hire purchase payables - non-current portion		<u>--</u>	<u>41</u>
Total non-current and deferred liabilities		<u>320,696</u>	<u>338,373</u>
Current Liabilities			
Non-cumulative redeemable preference shares		--	928
Provision for liabilities		6,149	9,334
Short term borrowings	22	232,870	95,301
Trade & other payables and accrued expenses		309,946	263,635
Amount owing to holding company		205	462
Hire purchase payables - current portion		--	16
Tax liabilities		<u>3,116</u>	<u>3,141</u>
Total current liabilities		<u>552,286</u>	<u>372,817</u>
Total liabilities	18	<u>872,982</u>	<u>711,190</u>
TOTAL EQUITY AND LIABILITIES		<u>2,431,692</u>	<u>2,019,889</u>
Net assets per share (RM)		3.42	4.56
Net assets per share (RM) - restated *			3.89

(* restated after taking into account of the Bonus Issue and Rights Issue with adjustment factor of 1.1093)

The notes on pages 10 to 19 are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the twelve months ended 31 December 2012 - unaudited

Note	/----- Attributable to owners of the Company -----/						Total RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Warrants reserve RM'000	Fair value reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000			
12 months ended 31 December 2011									
At 1 January 2011	242,677	31,433	--	--	443	743,669	1,018,222	145,782	1,164,004
Issue of ordinary shares pursuant to ESOS	266	394	--	--	--	--	660	--	660
Effect of share capital reduction and repayment in a subsidiary	--	--	--	--	--	1,747	1,747	(10,565)	(8,818)
Effect of acquisition of subsidiaries	--	--	--	--	--	--	--	54,564	54,564
Total comprehensive income for the period	--	--	--	--	--	121,237	121,237	16,834	138,071
Other comprehensive income for the period	--	--	--	--	--	--	--	--	--
Dividends to owners	--	--	--	--	--	(33,994)	(33,994)	--	(33,994)
Dividends paid by subsidiaries	--	--	--	--	--	--	--	(5,788)	(5,788)
At 31 December 2011	242,943	31,827	--	--	443	832,659	1,107,872	200,827	1,308,699
12 months ended 31 December 2012									
At 1 January 2012	242,943	31,827	--	--	443	832,659	1,107,872	200,827	1,308,699
Issue of ordinary shares pursuant to ESOS	8 1,361	1,692	--	--	--	--	3,053	--	3,053
Bonus issue	8 73,166	(33,231)	--	--	--	(39,935)	--	--	--
Rights and warrants issue	8 73,166	--	44,631	--	--	(13,902)	103,895	--	103,895
Exercise of warrants	2	6	(1)	--	--	--	7	--	7
Total comprehensive income for the period	--	--	--	--	--	135,396	135,396	38,715	174,111
Other comprehensive income/(loss) for the period	--	--	--	417	267	(1,280)	(596)	(62)	(658)
Conversion of warrants in a subsidiary	--	--	--	--	--	--	--	7	7
Dividends to owners	--	--	--	--	--	(11,717)	(11,717)	--	(11,717)
Dividends paid by subsidiaries	--	--	--	--	--	--	--	(18,687)	(18,687)
At 31 December 2012	390,638	294	44,630	417	710	901,221	1,337,910	220,800	1,558,710

The notes on pages 10 to 19 are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the twelve months ended 31 December 2012 - unaudited

	2012 12 months ended 31/12/2012 Note RM'000	2011 12 months ended 31/12/2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	174,111	138,071
Adjustments for :		
Income tax expense	23,338	12,520
Share of results of associates	(126,321)	(107,892)
Depreciation and amortisation	20,967	8,787
Other Non-cash items	683	2,019
Non-operating items	17,372	(792)
Operating profit before working capital changes	110,150	52,713
Changes in working capital		
Increase in trade & other receivables	(38,215)	(31,423)
Increase in inventories	(128,734)	(36,881)
Increase in trade & other payables	73,942	19,829
Net changes in other current assets & liabilities	(4,206)	(1,261)
Income tax refunded	1,233	1,275
Income tax paid	(28,244)	(13,674)
Net cash used in from operating activities	<u>(14,074)</u>	<u>(9,422)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received from associates	53,419	52,559
Interest income	6,254	2,826
Purchase of property, plant & equipment	(104,150)	(25,739)
Additions to development expenditure	(5,261)	--
Additions to property development costs	(31,585)	--
Proceeds from disposal of property, plant & equipment	606	1,384
Proceeds from disposal of available for sale assets	10,915	--
Other investment	3,956	--
Acquisition of subsidiary	--	(295,791)
Acquisition of associate	(33,054)	--
Payments made for compulsory acquisition of a subsidiary	(28,224)	--
Payments made to minority shareholders of a subsidiary pursuant to capital reduction and repayment	--	(8,818)
Net cash used in from investing activities	<u>(127,124)</u>	<u>(273,579)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(11,717)	(33,995)
Dividends paid to minorities of a subsidiary	(18,687)	(5,788)
Proceeds from exercise of ESOS	3,053	660
Proceeds from exercise of warrants	7	--
Proceeds from issue of shares in a subsidiary to minorities	6	--
Proceeds from rights issue with warrants	103,895	--
Finance costs	(25,158)	(2,404)
Bank borrowings	118,254	395,353
Net cash from financing activities	<u>169,653</u>	<u>353,826</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	28,455	70,825
CASH AND CASH EQUIVALENTS AT 1 JANUARY	<u>252,201</u>	<u>181,376</u>
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	<u>280,656</u>	<u>252,201</u>
Cash and cash equivalents comprise :		
Cash and bank balances	23 282,925	253,033
Bank overdrafts	(2,269)	(832)
	<u>280,656</u>	<u>252,201</u>

The notes on pages 10 to 19 are an integral part of these condensed consolidated financial statements.

Notes to the condensed consolidated interim financial statements

MBM Resources Berhad is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements of the Group as at and for the twelve months ended 31 December 2012 consist of the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates.

These condensed consolidated interim financial statements were approved by the Board of Directors on 25 February 2013.

1. Basis of preparation

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure provisions under Paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad and FRS134, Interim Financial Reporting. The supplementary information set out in Note 25, which is not part of the financial statements, is disclosed in accordance to Guidance on Special Matter No. 1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Listing Requirements" as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2011.

In the current financial year, the Group adopted Malaysian Financial Reporting Standards Framework ("MFRS Framework") issued by the Malaysian Accounting Standards Board ("MASB") that are effective for annual periods beginning on or after 1 January 2012.

The MFRS Framework is a fully IFRS-compliant framework, equivalent to IFRSs which is mandatory for adoption by all Entities Other than Private Entities for annual periods beginning on or after 1 January 2012, with the exception for Transitioning Entities. Transitioning Entities, being entities which are subject to the application of MFRS 141 Agriculture and/or IC Interpretation 15 Agreements for the Construction of Real Estate are given an option to defer adoption of the MFRS Framework for an additional one year. Transitioning Entities also includes those entities that consolidate, equity account or proportionately consolidate an entity that has chosen to continue to apply the FRS Framework for annual periods beginning on or after 1 January 2012. However, on 30 June 2012, the MASB decided to extend the aforementioned transitional period for another one year. Thus, Transitioning Entities are given an additional option to continue to apply the FRS Framework for annual periods beginning on or after 1 January 2013. Consequently, the MFRS Framework will be mandatory for application for annual periods beginning on or after 1 January 2014.

Accordingly, the Group which is not Transitioning Entity is required to apply MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") in its interim financial report for annual period beginning on 1 January 2012, being the first set of interim financial report prepared in accordance with the new MFRS Framework.

The directors anticipate that the adoption of the MFRS do not have any effect on the financial performance, position or presentation of the interim financial report of the Group.

2. Significant accounting policies

The accounting policies and method of computation applied by the Group in these condensed consolidated interim financial statements are consistent as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2011.

3. Estimates

In preparing the condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were consistent with those applied in the financial statements as at and for the year ended 31 December 2011.

Notes to the condensed consolidated interim financial statements (cont'd)

4. Auditors' Report of Preceding Annual Financial Statements

The auditors' report on the financial statements of the Group and of the Company as at and for the year ended 31 December 2011 was not qualified.

5. Seasonal and cyclical factors

The main activities of the Group are in motor trading and manufacturing of automotive components and are therefore dependent on the economy of the country.

6. Exceptional items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the financial period under review.

7. Dividends paid

The Company did not pay any dividend during the quarter.

8. Debt and equity securities

There were no issuances and repayment of debt securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the financial period under review except for the issuance of ordinary shares pursuant to the Company's ESOS, bonus issue and rights issue.

During the quarter ended 31 December 2012, the issued and paid-up capital of the Company was increased from RM390,289,943 to RM390,637,453 as a result of the following:

i) Employee Share Options Scheme ("ESOS") : exercise and allotment of 574,900 option shares of par value of RM1.00 each as follows:

Option price per share (RM)	No of shares issued	Cash proceeds (RM)
2.54	55,000	139,700
2.43	104,000	252,720
1.72	252,770	434,764
1.65	163,130	269,165
	574,900	1,096,349

The remaining unexercised share options of 1,204,100 expired on 2 September 2012.

ii) Bonus Issue and Rights Issue with Warrants

The Proposed Bonus Issue and Proposed Rights Issue with Warrants which were unanimously approved on 2 May 2012 by the shareholders of the Company, were completed on 24 May 2012 and 21 June 2012 respectively following:

- a) the listing and quotation of 73,165,750 Bonus Shares at par value of RM1.00 each on the Main Market of Bursa Malaysia Securities Berhad.
 The bonus issue has been capitalised from share premium and retained earnings of the Company (refer Statement of Changes in Equity).
- b) the listing and quotation of 73,165,836 Rights Shares at par value of RM1.00 each on the Main Market of Bursa Malaysia Securities Berhad.

Rights price per share (RM)	No of shares issued	Cash proceeds (RM)
1.42	73,165,836	103,895,487

9. Subsequent material events

There was no material event or transaction during the period from 31 December 2012 to the date of this announcement which affects substantially the results of the operations of the Group and of the Company for the quarter ended 31 December 2012 in respect of which this announcement is made.

10. Changes in composition of the Group

There were no changes in the composition of the Group during the quarter.

11. Significant related party transactions

During the period ended 31 December 2012, the Group and the Company had the following transactions with related parties :

	Period ended 31/12/2012 RM'000
<u>Group</u>	
Purchases from Daihatsu Motor Co. Ltd. and/or its subsidiaries and associates*	--
Purchases from a subsidiary of Perodua	837,204
Sales to subsidiaries of Perodua	23,581
Purchases from Toyota Tsusho Co. and/or its subsidiaries and associates	8,825
<hr/>	
<u>Company</u>	
Gross dividends from:	
- subsidiaries	32,798
- associates	43,577
Management fees from:	
- subsidiaries	559
<hr/>	

* Includes all subsidiaries and associates of Daihatsu Motor Co., Ltd. other than the subsidiaries of the Company.

12. Capital commitments

The amount of commitments in respect of the acquisition of property, plant and equipments not provided for in the interim financial statements as at 31 December 2012 is as follows :

	<u>RM'000</u>
Approved and contracted for	50,383
Approved and not contracted for	25,574
	<hr/>

13. Review of Group performance

The review of performance by operations is furnished in the Main Section on pages 1 to 3 of the announcement.

Notes to the condensed consolidated interim financial statements (cont'd)

14. Current year prospects

The overview of current year prospects is furnished in the Main Section on pages 1 to 3 of the announcement.

15. Variance from profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee for the year.

16. Unquoted investments and properties

There was no sale of unquoted investments and /or properties for the current quarter under review and financial period to date.

17. Quoted investments

There was no purchase or sale of quoted securities for the current quarter under review and financial period to date.

As at the end of the current quarter, investments in quoted shares by the Group is as follows:

	31 Dec 2012 RM '000	31 December 2011 RM '000
At cost	--	15,791
At market value	417	4,905
At book value	417	4,905

18. Operating segments

The Group's reportable segments offer different products and services and are managed separately due to different trading nature and marketing strategies. Most of the businesses were acquired as individual units and the management at the time of acquisition remained.

Information reported to the Group's chief operating decision makers for the purposes of resource allocation and assessment of segment performance is more specifically focused on the business segments as follows:

- (i) Motor vehicles : Marketing and distribution of motor vehicles, spare parts and provision of related services.
- (ii) Automotive components : Manufacturing of automotive parts and components, steel wheels and discs, seat belts, car airbag modules, and provision of tyre assembly services.
- (iii) Vehicles body building : Manufacturing and fabrication of vehicles body and provision of related services.
- (iv) All others : Investment holding, corporate headquarters and other dormant companies.

(Continued next page)

Notes to the condensed consolidated interim financial statements (cont'd)

18. Operating segments (cont'd)

Period ended 31 December 2012

	Motor vehicles	Automotive components	Vehicles body building	All others	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenues from external customers	1,903,836	406,867	6,310	--	2,317,013
Operating profits/(loss) for reportable segments	29,049	70,434	(476)	(8,975)	90,032
Share of results of associates	122,804	3,517	--	--	126,321
Interest income	1,482	3,195	--	1,577	6,254
Finance costs	(3,547)	(70)	(279)	(21,262)	(25,158)
Depreciation and amortisation	8,008	10,991	156	1,812	20,967
Other significant non-cash items					
- Provisions	449	--	--	--	449
Capital expenditure	12,851	68,238	203	22,858	104,150
Segment assets	779,525	437,030	8,165	387,626	1,612,346
Investment in associates	776,481	42,865	--	--	819,346
Segment liabilities	351,696	134,764	4,938	381,584	872,982

Period ended 31 December 2011

	Motor vehicles	Automotive components	Vehicles body building	All others	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenues from external customers	1,599,560	90,561	15,452	--	1,705,573
Operating profits/(loss) for reportable segments	39,149	15,006	(299)	(11,854)	42,002
Share of results of associates	107,892	--	--	--	107,892
Interest income	722	546	--	1,558	2,826
Finance costs	(1,218)	(37)	(331)	(543)	(2,129)
Depreciation and amortisation	6,419	2,095	143	130	8,787
Other significant non-cash items					
- Provisions	484	(500)	--	240	224
Capital expenditure	24,872	1,509	92	14	26,487
Segment assets	626,723	577,555	13,650	59,732	1,277,660
Investment in associates	675,116	67,113	--	--	742,229
Segment liabilities	231,624	81,782	10,336	387,448	711,190

Notes to the condensed consolidated interim financial statements (cont'd)

18. Operating segments (cont'd)

Reconciliations of reportable operating segment revenues,
profit or loss, assets and liabilities

	Period ended 31/12/2012 RM'000	Period ended 31/12/2011 RM'000
<u>Revenues</u>		
Total revenues for Group's reportable segments	2,317,013	1,705,573
Revenue, as reported	<u>2,317,013</u>	<u>1,705,573</u>
<u>Profit or loss</u>		
Total profit for Group's reportable segments, including finance costs and interest income	99,788	53,538
All others	(28,660)	(10,839)
Share of results of associates	126,321	107,892
Profit before tax, as reported	<u>197,449</u>	<u>150,591</u>
<u>Assets</u>		
Total assets for Group's reportable segments	1,224,720	1,217,928
All others	387,626	59,732
Investment in associates	819,346	742,229
Total assets, as reported	<u>2,431,692</u>	<u>2,019,889</u>
<u>Liabilities</u>		
Total liabilities for Group's reportable segments	491,398	323,742
All others	381,584	387,448
Total liabilities, as reported	<u>872,982</u>	<u>711,190</u>

The accounting policies and method of computation of the operating segments are consistent with those described in the summary of significant accounting policies in the recent audited financial statement for the year ended 31 December 2011. The Group evaluates performance of these operating segments based on their respective profit or loss.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at arm's length transactions.

The commentary on segment results is furnished in the Main Section on pages 2 of the announcement.

Notes to the condensed consolidated interim financial statements (cont'd)

19. Income tax expense

	Current Quarter 31/12/2012 RM'000	Year to date 31/12/2012 RM'000
Current year's provision	8,496	21,945
Add :		
Under/(Over) provision in prior years	--	(185)
	8,496	21,760
Deferred taxation	1,677	1,578
Income tax expense	<u>10,173</u>	<u>23,338</u>

A reconciliation of the statutory income tax rate at 25% to the effective income tax rate of the Group for the current quarter and for the year-to-date are as follows :

	Current Quarter 31/12/2012 %	Year to date 31/12/2012 %
Statutory income tax rate in Malaysia	25.0	25.0
Adjustment for tax applicable to share of results in associates	(17.7)	(16.0)
Expenses not deductible for tax purpose / (Income not subject to tax)	9.9	1.9
Tax effect on utilisation of previously unrecognised deferred tax assets and reinvestment allowances	--	--
Overprovision of income tax in prior year	0.9	0.1
Underprovision of deferred tax in prior year	3.6	0.8
	<u>21.7</u>	<u>11.8</u>

20. Earnings per ordinary share (EPS)

	Quarter		Year to date	
	3 months ended		12 months ended	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Basic earnings per ordinary share				
Profit attributable to ordinary shareholders (RM'000)	29,456	26,406	135,396	121,237
Weighted average number of ordinary shares ('000)	327,451	242,864	327,451	242,864
Basic earnings per share (sen)	9.00	10.87	41.35	49.92
Basic earnings per share (sen) - restated		9.28		42.60

Notes to the condensed consolidated interim financial statements (cont'd)

20. Earnings per ordinary share (EPS) (cont'd)

	Quarter 3 months ended		Year to date 12 months ended	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Diluted earnings per ordinary share				
Profit attributable to ordinary shareholders (RM'000)	29,456	26,406	135,396	121,237
Adjusted weighted average number of ordinary shares in issue and issuable	327,451	245,429	327,451	245,429
Diluted earnings per share (sen)	9.00	10.76	41.35	49.40
Diluted earnings per share (sen) - restated		9.18		42.15

	No of ordinary shares of RM1.00 each	
	31/12/2012	31/12/2011
Weighted average number of ordinary shares	327,451,060	242,864,019
Adjustment for assumed exercise of ESOS	--	2,565,000
Adjusted weighted average number of ordinary shares in issue and issuable	327,451,060	245,429,019

The basic and diluted earnings per ordinary share is adjusted to take into account of Bonus Issue of three for every ten ordinary shares and bonus element of Rights Issue using the adjustment factor.

The adjustment factor for taking into account of Rights Issue as follow:

Fair value per share immediately before the exercise of rights	2.96	(A)
Theoretical ex-rights fair value per share	2.67	(B)
Adjustment factor	1.1093	(A)/(B)

21. Corporate proposals

Subsequent to the first quarter 2012 announcement made on 24 May 2012, there were no further corporate proposals being made or undertaken by the Group and the Company.

As stated in Note 8 (ii), the Rights Issue with Warrants is completed on 21 June 2012 with cash proceeds received of RM103,895,487.

The utilisation of the proceeds by the Group as of 31 December 2012 are as follows:

<u>Purpose</u>	<u>Expected timeframe for utilisation</u>	<u>Expected utilisation RM'000</u>	<u>Utilisation at 31 Dec 2012 RM'000</u>
Expansion of the retail and service network	within 24 months	30,000	--
Expansion of the automotive manufacturing division	within 24 months	50,000	33,054
Repayment of bank borrowings	within 6 months	20,000	20,000
Working capital and estimate expenses for the Bonus Issue and Rights Issue with Warrants	within 1 month	3,895	3,895
		<u>103,895</u>	<u>56,949</u>

Notes to the condensed consolidated interim financial statements (cont'd)

22. Loans and Borrowings

	Short Term Borrowings RM'000	Long Term Borrowings RM'000
	<u> </u>	<u> </u>
Denominated in Malaysian Currency (RM)		
Secured	232,870	315,023
Unsecured	--	--
Total	<u>232,870</u>	<u>315,023</u>

23. Cash and Cash Equivalents

	The Group As at	
	31/12/2012 RM'000	31/12/2011 RM'000
	<u> </u>	<u> </u>
Cash on hand and at at banks	133,485	91,388
Deposits with licensed banks	150,393	161,646
Cash and bank balances	283,878	253,034
Less : Bank overdrafts	(2,269)	(832)
Cash and cash equivalents	<u>281,609</u>	<u>252,202</u>
Cash and bank balances	283,878	253,034
Less :		
Total borrowings*	(547,893)	(428,146)
Net cash position (after total borrowings)	<u>(264,015)</u>	<u>(175,112)</u>

(Note * Total borrowings include hire-purchase payables)

24. Off balance sheet financial instruments

The Group does not have any other financial instruments which are not within the scope of FRS 139 with off balance sheet risk as at 17 February 2013, the latest practicable date which is not earlier than 7 days from the date of this quarterly report.

Notes to the condensed consolidated interim financial statements (cont'd)

25. Supplementary information

The following information are provided pursuant to Paragraphs 2.06 and 2.23 of the Bursa Malaysia Securities Berhad Listing Requirements to disclose the breakdown of the unappropriated profits or accumulated losses of the Group and of the Company as of 31 December 2012 into realised and unrealised profits or losses.

	31/12/2012	
	The Group RM'000	The Company RM'000
Total retained earnings of the Company and its subsidiaries		
Realised	547,828	123,895
Unrealised	(11,119)	(1,775)
Total retained earnings from the associates		
Realised	643,005	--
Unrealised	(23,836)	--
Less : Consolidation adjustments	(254,657)	--
Total retained earnings as per statement of financial position	<u>901,221</u>	<u>122,120</u>

26. Material litigations

There is no ongoing material litigation as at the date of this quarterly report.

27. Contingent liabilities

As at the date of issue of this quarterly report, there were no material changes to the contingent liabilities as disclosed in the audited financial statements for the year ended 31 December 2011.

28. Dividend

The Board is pleased to declare a second interim dividend of 3.0 sen per share tax exempted (single tier dividend) amounting to approximately RM11,719,124 for the year ended 31 December 2012.

**BY ORDER OF THE BOARD
MBM RESOURCES BERHAD**

**WONG PEIR CHYUN
COMPANY SECRETARY
KUALA LUMPUR
DATED : 25 FEBRUARY 2013**