

CYCLE & CARRIAGE BINTANG BERHAD
Quarterly Announcement
for the first quarter ended 31st March 2011

Highlights

- Earnings from Mercedes-Benz trading operations up 27%
- Net profit up 16%
- Vehicle unit sales increase by 8%

“While the Group had a good start to the year, we expect trading conditions for the rest of the year to be challenging.”

Ben Keswick
Chairman
20th April 2011

Results

	Three months ended 31st March		
	2011 RMm	Restated 2010 RMm	Change %
Revenue	152.2	146.6	4
Net profit:			
(a) Mercedes-Benz operations	5.0	4.0	27
(b) MBM dividend income	2.8	2.8	-
	7.8	6.8	16
Net profit attributable to shareholders	7.8	6.8	16
	Sen	Sen	
Earnings per share	7.79	6.72	16
	As at 31.3.2011 RMm	Restated As at 31.12.2010 RMm	
Shareholders' funds	183.2	176.1	4
	RM	RM	
Net asset per share	1.82	1.75	4

The results for the three months ended 31st March 2011 and 31st March 2010 were not audited.

CYCLE & CARRIAGE BINTANG BERHAD
Quarterly Announcement
for the first quarter ended 31st March 2011

Overview

The Company had a good start to the year as continued growth of the Malaysian economy provided favourable trading conditions for the luxury automotive industry.

Performance

The Group's revenue for the three months ended 31st March 2011 increased by 4% to RM152.2 million, while net profit rose by 16% to RM7.8 million mainly due to an increase in unit sales.

Sales of Mercedes-Benz passenger cars were 8% higher. Results from the after-sales operations were little changed. Corporate overheads were slightly lower than in the first quarter of 2010.

The Board has not declared a dividend for the three months ended 31st March 2011 (31st March 2010: Nil).

Business Activities

In November 2010, the Company announced that it had entered into a conditional agreement to acquire Lowe Motors Sdn Bhd, the authorised dealer of Mercedes-Benz in the state of Penang. The transaction is now expected to complete in the second quarter of 2011.

Prospects

While the Group had a good start to the year, we expect trading conditions for the rest of the year to be challenging.

Ben Keswick
Chairman
20th April 2011

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Statement of Comprehensive Income
for the first quarter ended 31st March 2011

	Note	Unaudited 3 months ended		Unaudited Cumulative quarter ended	
		31.3.2011 RM'000	Restated 31.3.2010 RM'000	31.3.2011 RM'000	Restated 31.3.2010 RM'000
Revenue	3	152,159	146,647	152,159	146,647
Expenses excluding finance cost and tax		(147,146)	(142,538)	(147,146)	(142,538)
Other operating income					
- dividend income	3	2,807	2,807	2,807	2,807
- others		1,999	2,015	1,999	2,015
Operating profit		9,819	8,931	9,819	8,931
Finance cost		-	(228)	-	(228)
Profit before tax		9,819	8,703	9,819	8,703
Income tax expense	7	(1,975)	(1,935)	(1,975)	(1,935)
Net profit for the financial period		7,844	6,768	7,844	6,768
Other comprehensive income, net of tax					
Available-for-sale investment					
- fair value change arising during the financial period		(719)	(645)	(719)	(645)
Total comprehensive income for the financial period		7,125	6,123	7,125	6,123
Net profit attributable to shareholders of the Company		7,844	6,768	7,844	6,768
Total comprehensive income attributable to shareholders of the Company		7,125	6,123	7,125	6,123
		Sen	Sen	Sen	Sen
Basic earnings per share attributable to shareholders of the Company:					
- profit for the financial period	8	7.79	6.72	7.79	6.72

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 2010 and the accompanying Notes to the Interim Financial Information on pages 7 to 11.

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Statement of Financial Position
as at 31st March 2011

	Note	Unaudited As at 31.3.2011 RM'000	Audited As at 31.12.2010 RM'000
Non-current assets			
Property, plant and equipment	9	67,632	68,446
Available-for-sale investment		72,416	73,135
Deferred tax assets		899	879
		<u>140,947</u>	<u>142,460</u>
Current assets			
Inventories		49,935	45,614
Tax recoverable		1,496	185
Trade and other receivables		48,850	42,251
Cash and cash equivalents		56,929	47,446
		<u>157,210</u>	<u>135,496</u>
Total assets		<u>298,157</u>	<u>277,956</u>
Current liabilities			
Provision for liabilities and charges		969	991
Current tax liabilities		-	607
Trade and other payables		113,940	100,277
Derivative financial liabilities	14	42	-
		<u>114,951</u>	<u>101,875</u>
Total liabilities		<u>114,951</u>	<u>101,875</u>
Net assets		<u>183,206</u>	<u>176,081</u>
Equity			
Share capital	12	100,745	100,745
Share premium		23,857	23,857
Fair value reserve		6,413	7,132
Retained profits		52,191	44,347
Total equity		<u>183,206</u>	<u>176,081</u>

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 2010 and the accompanying Notes to the Interim Financial Information on pages 7 to 11.

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Statement of Changes in Equity
for the first quarter ended 31st March 2011

	Share Capital RM'000	Share Premium RM'000	Unaudited Revaluation Reserve RM'000	Fair Value Reserve RM'000	Retained Profits RM'000	Total RM'000
At 1st January 2011	100,745	23,857	-	7,132	44,347	176,081
Total comprehensive income for the financial period	-	-	-	(719)	7,844	7,125
At 31st March 2011	100,745	23,857	-	6,413	52,191	183,206
At 1st January 2010	100,745	23,857	8,463	-	25,055	158,120
- effect of change in accounting policy	-	-	(8,463)	-	72	(8,391)
- effect of adoption of FRS139	-	-	-	10,220	-	10,220
At 1st January 2010, as restated	100,745	23,857	-	10,220	25,127	159,949
Total comprehensive income for the financial period, as restated	-	-	-	(645)	6,768	6,123
At 31st March 2010, as restated	100,745	23,857	-	9,575	31,895	166,072

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 2010 and the accompanying Notes to the Interim Financial Information on pages 7 to 11.

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Statement of Cash Flows
for the first quarter ended 31st March 2011

	Note	Unaudited 3 months ended	
		31.3.2011 RM'000	31.3.2010 RM'000
Operating activities			
Net cash flow from operations		13,365	46,113
Interest paid		-	(228)
Interest received		134	163
Taxation paid		(3,939)	(2,725)
Net cash flow from operating activities		9,560	43,323
Investing activities			
Proceeds from disposal of plant and equipment		-	11
Purchase of plant and equipment		(77)	(15)
Net cash flow from investing activities		(77)	(4)
Financing activities			
Bankers acceptance	18	-	10,000
Net cash flow from financing activities		-	10,000
Net change in cash and cash equivalents during the financial year		9,483	53,319
Cash and cash equivalents at			
- Beginning of the financial period		47,446	28,427
- End of the financial period		56,929	81,746

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 2010 and the accompanying Notes to the Interim Financial Information on pages 7 to 11.

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the interim financial information
for the first quarter ended 31st March 2011

1 Basis of Preparation

This interim report is prepared in accordance with Financial Reporting Standard ("FRS") 134 "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the Group's financial statements for the year ended 31st December 2010.

The accounting policies and presentation adopted for the interim financial report are consistent with those adopted for the annual financial statements for the year ended 31st December 2010, except for the adoption of the following:

i) Adoption of New and Revised FRSs, IC Interpretations and Amendments

FRSs / Interpretations	Effective date
FRS 3 (revised) – Business Combination	1st July 2010
FRS 127 (revised) – Consolidated and Separate Financial Statements	1st July 2010
Amendments to FRS 7 – Improving Disclosure about Financial Instruments	1st January 2011
Improvements to FRSs (2010)	1st January 2011
IC Interpretation 4 – Determining Whether an Arrangement contains Lease	1st January 2011

The adoption of the above standards, amendments and interpretations do not have any material impact on the financial statements of the Group.

ii) New and Revised FRSs, IC Interpretations and Amendments issued but are not yet effective for the Group's Current Quarter Report

FRSs / Interpretations	Effective date
FRS 124 (revised) – Related Party Disclosures	1st January 2012
IC Interpretation 19 – Extinguishing Financial Liabilities with Equity Instruments	1st July 2011

2 Qualification of Audit Report

The Group's financial statements for the preceding year ended 31st December 2010 were not subject to any qualification by the auditors.

3 Segment Reporting

The activities of the Group are conducted within Malaysia as shown in the following segments:

	Automobile industry RM'000	Investment* RM'000	Group RM'000
3 months ended 31st March 2011			
Revenue	152,159	-	152,159
Profit before tax	7,012	2,807	9,819
Profit after tax	5,037	2,807	7,844
3 months ended 31st March 2010, as restated			
Revenue	146,647	-	146,647
Profit before tax	5,896	2,807	8,703
Profit after tax	3,961	2,807	6,768

* Under the terms of the agreement with Daimler AG ("DAG"), the Company is entitled to receive an annual net dividend income of RM11.2 million in respect of its investment in MBM until December 2012.

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the interim financial information
for the first quarter ended 31st March 2011

4 Seasonal or Cyclical Factors

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

5 Individually Significant Item

The Group recognised dividend income of RM2.8 million in respect of the investment in MBM as disclosed in Note 3 above for the three months ended 31st March 2011.

6 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 three months ended 31 March 2011.

7 Taxation

	3 months ended		Cumulative quarter ended	
	31.3.2011	31.3.2010	31.3.2011	31.3.2010
	RM'000	RM'000	RM'000	RM'000
Tax expense	(1,975)	(1,935)	(1,975)	(1,935)

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

	3 months ended		Cumulative quarter ended	
	31.3.2011	31.3.2010	31.3.2011	31.3.2010
	%	%	%	%
Statutory income tax rate in Malaysia	25	25	25	25
Expenses not deductible for tax purposes	2	5	2	5
Income not subject to tax	(7)	(8)	(7)	(8)
Average effective tax rate	20	22	20	22

8 Earnings per Share

	3 months ended		Cumulative quarter ended	
	31.3.2011	Restated 31.3.2010	31.3.2011	Restated 31.3.2010
	Basic earnings per share			
Profit attributable to shareholders of the Company (RM'000)	7,844	6,768	7,844	6,768
Weighted average number of ordinary shares in issue ('000)	100,745	100,745	100,745	100,745
Basic earnings per share (sen)	7.79	6.72	7.79	6.72

9 Sale of Unquoted Investments/Properties

There were no completion of sales of any unquoted investments or properties for the three months ended 31st March 2011.

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the interim financial information
for the first quarter ended 31st March 2011

10 Short Term Investments

a) Purchases and disposals

There were no purchases or disposals of any short term investments for the three months ended 31st March 2011.

b) Investment as at 31st March 2011

There were no short term investments as at 31st March 2011.

11 Significant related party transactions

The significant related party transactions described below were carried out on terms and conditions agreed by the related parties.

	3 months ended	
	31.3.2011	31.3.2010
	RM'000	RM'000
With substantial shareholders and companies related to substantial shareholders:		
Sales of motor vehicles to Jardine Matheson (Malaysia) Sdn. Bhd.	-	603
Group service charge payable to Jardine Cycle & Carriage Limited	(101)	(100)
	<hr/>	<hr/>

12 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 three months ended 31st March 2011.

13 Dividends

The Board of Directors does not recommend the payment of any dividend for the quarter under review.

14 Derivative Financial Instruments

Detail of derivative financial instruments outstanding as at 31st March 2011 are set out below:

Type of Derivatives	Contract/Notional value RM'000	Fair value RM'000	Gain/(loss) RM'000
Forward foreign currency exchange contracts			
- less than 1 year	2,233	2,191	(42)
	<hr/>	<hr/>	<hr/>

The Group has not adopted hedge accounting at the end of the reporting period. The fair value of forward foreign currency exchange contracts was determined using foreign exchange market rates as at 31st March 2011.

The Group intends to hold the derivative instrument to maturity, any changes to the fair value of the derivative instruments will be recognised through the profit or loss.

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the interim financial information
for the first quarter ended 31st March 2011

15 Disclosure of Realised and Unrealised Profits

	3 months ended 31.3.2011 RM'000	12 months ended 31.12.2010 RM'000
Retained profits of the Company and its subsidiaries:		
- Realised	52,303	44,458
- Unrealised	(112)	(111)
	52,191	44,347

16 Changes in the Composition of the Group

There were no changes in the composition of the Group for the three months ended 31st March 2011 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

17 Status of Corporate Proposals

On 1st July 2005, the Company announced that CCL Group Properties Sdn. Bhd. ("CCLGP"), its 40% owned associated company and CCLGP's subsidiaries had commenced members' voluntary liquidation.

On 23rd November 2010, the Company announced that it had entered into a conditional share sale agreement to acquire 100% of Lowe Motors Sdn. Bhd. ("LMSB"), a company incorporated in Malaysia for RM16 million. LMSB is the authorised dealer of Mercedes-Benz in the state of Penang, Malaysia. The acquisition was not completed at the date of this report.

There were no corporate proposals undertaken or announced but not completed at the date of issue of this quarterly report other than as mentioned above.

18 Group Borrowings

There were no borrowings as at 31st March 2011.

19 Contingent Liabilities

As at the date of issue of this quarterly report, there were no material changes to the contingent liabilities disclosed in the annual financial report for the year ended 31st December 2010.

20 Material Litigation

In 1997, the Company supplied units of bus chassis to Transit Link Sdn Bhd ("Transit Link") and was paid by Transit Link's appointed bus body builder, Hup Lee Coachbuilders Holdings Sdn Bhd ("Hup Lee").

On 10th February 2004, Hup Lee served a Writ of Summons on the Company after an earlier Originating Summons on the same matter was dismissed. In the Writ, Hup Lee is seeking the return of the monies it paid to the Company alleging wrongful payment of RM8.0 million plus accrued interest. The matter went on trial and the court decided in favour of the Company in December 2009. Hup Lee filed an appeal to the Court of Appeal in January 2010. Based on legal advice, the directors believe that the Company has a reasonable chance of succeeding and accordingly, no provision has been made in the financial statements for this claim.

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the interim financial information
for the first quarter ended 31st March 2011

21 Capital Commitments

Capital Commitments of the Group as at 31st March 2011 in relation to acquisition of plant and equipment were as follows:

	RM'000
Approved and contracted	140
Approved but not contracted	-
Total	<u>140</u>

22 Material Change in Current Quarter Results Compared to Preceding Quarter Results

The Group recorded an unaudited profit before tax of RM9.8 million in the first quarter which was RM3.1 million higher than the preceding quarter mainly due to the recognition of higher incentives from MBM in the current quarter.

23 Variance of Actual Profit from Forecast Profit

The Company did not publish any profit forecast.

24 Events after the reporting period

There were no material events between 1st April 2011 and the date of this report.