

CYCLE & CARRIAGE BINTANG BERHAD
Quarterly Announcement
for the third quarter ended 30 September 2006

Highlights

- Weak trading environment continues
- Mercedes-Benz retail business remains resilient
- Mazda and Peugeot continue to face challenges
- Gain of RM8.3 million on property disposals

“The difficult trading conditions are expected to continue for the rest of the year as the industry is still adapting to the changes arising from the National Automotive Policy. The market is also being affected by a tightening of vehicle financing which affected the rates. The Group's result will, however, benefit from the sale of properties completed in the fourth quarter.”

Tan Sri Abdul Halim Bin Ali
 Chairman
 13 November 2006

Results

	9 months ended 30 September		
	2006	2005	Change
	RM'000	RM'000	%
Revenue from continuing operations	481,774	523,061	(8)
Net profit from:			
(a) Continuing operations	5,431	11,608	(53)
(b) Gain on disposal of properties	8,320	-	100
(c) Associated companies	(45)	1,615	(103)
(d) Discontinued operations	245	2,856	(91)
Net profit attributable to shareholders	13,951	16,079	(13)
	Sen	Sen	
Basic earnings per share	13.85	15.96	(13)
	As at 30.9.2006	As at 31.12.2005	
	RM'000	RM'000	
Shareholders' funds	255,558	385,843	(34)
	RM	RM	
Net tangible assets per share	2.54	3.83	(34)

The results for the nine months ended 30 September 2006 and 30 September 2005 were not audited. The financial position as at 31 December 2005 was audited.

CYCLE & CARRIAGE BINTANG BERHAD
Quarterly Announcement
for the third quarter ended 30 September 2006

Overview

The trading environment remained difficult in the third quarter of 2006 as the consequences of the National Automotive Policy continued to affect the market. Sales of non-national vehicles declined by 13% during the first nine months of 2006.

Performance

The Group recorded a net profit attributable to shareholders of RM14.0 million for the nine months ended 30 September 2006, 13% below the corresponding period of the previous year. The result benefited from a gain of RM8.3 million arising from the disposal of properties. The 2005 comparative included contributions from operations which have been discontinued and from an associated company, CCL Group Properties, which is now in members' voluntary liquidation following the disposal of its remaining property.

Net profit from continuing operations was 53% lower at RM5.4 million, after accounting for the investment return of RM8.4 million from DaimlerChrysler Malaysia.

The Mercedes-Benz business remained resilient despite the challenging market, benefiting from an improved after-sales contribution. There were better performances from the dealerships in Petaling Jaya, Ipoh and Johor Bahru, but in Kuala Lumpur the dealership was affected by a relocation to new premises and increased competition.

The tightening of consumer credit and a weaker used car market continued to affect both the Peugeot and Mazda businesses, and these conditions are expected to continue for the remainder of the year.

The sale of the remaining Petaling Jaya properties was completed on 18 October 2006, and a gain of RM32.3 million will be recognised in the fourth quarter.

The Special Dividend of RM2.03 per share that was announced in August was paid on 27 October 2006.

Outlook

The difficult trading conditions are expected to continue for the rest of the year as the industry is still adapting to the changes arising from the National Automotive Policy. The market is also being affected by a tightening of vehicle financing which affected the rates. The Group's result will, however, benefit from the sale of properties completed in the fourth quarter.

Tan Sri Abdul Halim Bin Ali
Chairman
13 November 2006

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Income Statement
for the third quarter ended 30 September 2006

	Note	Unaudited 3 months ended		Unaudited 9 months ended	
		30.9.2006 RM'000	30.9.2005 RM'000	30.9.2006 RM'000	30.9.2005 RM'000
<u>CONTINUING OPERATIONS</u>					
REVENUE	3 & 4	165,655	178,882	481,774	523,061
EXPENSES EXCLUDING FINANCE COST AND TAX		(167,996)	(178,247)	(484,492)	(518,566)
OTHER OPERATING INCOME					
- gain on disposal of properties		40	-	8,320	-
- gross return on investment		3,771	2,830	11,505	12,765
- others		333	600	1,736	1,903
PROFIT FROM OPERATIONS		1,803	4,065	18,843	19,163
FINANCE COST		(280)	(780)	(1,166)	(2,341)
SHARE OF RESULTS OF ASSOCIATED COMPANIES		10	517	(45)	1,615
PROFIT BEFORE TAX		1,533	3,802	17,632	18,437
TAX EXPENSE	7	(714)	(1,265)	(3,926)	(5,214)
NET PROFIT FROM CONTINUING OPERATIONS		819	2,537	13,706	13,223
(LOSS)/PROFIT FROM DISCONTINUED OPERATIONS		(7)	2,671	245	2,856
NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS		812	5,208	13,951	16,079
Earnings per share	8	sen	sen	sen	sen
- basic		0.81	5.17	13.85	15.96

The Condensed Consolidated Income Statement should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2005.

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Balance Sheet

	Note	As at 30 September 2006 RM'000	As at 31 December 2005 RM'000
NON CURRENT ASSETS			
Property, plant and equipment	9 & 11	103,787	136,292
Investment properties		6,900	-
Investments in associated companies		3,332	9,374
Investments in unquoted shares		66,003	66,003
Hire purchase receivables		17	278
Deferred tax assets		1,302	1,284
CURRENT ASSETS			
Inventories		193,672	236,994
Trade and other receivables		106,991	105,225
Short term investments	10	758	918
Bank and cash balances		15,643	14,040
		317,064	357,177
Non-current assets classified as held for sale		18,464	-
		335,528	357,177
CURRENT LIABILITIES			
Provision for liabilities and charges		(2,818)	(2,858)
Trade and other payables		(55,745)	(53,804)
Borrowings (unsecured):	17		
- revolving credit and bankers acceptance		(49,000)	(125,200)
Taxation		(294)	(524)
Dividends payable		(150,875)	-
		(258,732)	(182,386)
NET CURRENT ASSETS		76,796	174,791
NON CURRENT LIABILITIES			
Deferred tax liabilities		(2,579)	(2,179)
		255,558	385,843
CAPITAL AND RESERVES			
Share capital	12	100,745	100,745
Share premium		23,857	23,857
Reserves		130,956	261,241
		255,558	385,843

The Condensed Consolidated Balance Sheet should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2005.

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Statement of Changes in Equity
for the third quarter ended 30 September 2006

	Share capital RM'000	Share premium RM'000	Other reserves RM'000	Revenue reserve RM'000	Total RM'000
At 1 January 2006					
- as previously reported	100,745	23,857	-	261,241	385,843
- adoption of FRS 140 on 1 January 2006	-	-	-	(970)	(970)
- as adjusted on the impact of new FRSs	100,745	23,857	-	260,271	384,873
Net profit for the period	-	-	-	13,951	13,951
Dividend paid/declared for the year ended:					
- 31 December 2005 (final)	-	-	-	(7,254)	(7,254)
- 31 December 2006 (interim)	-	-	-	(3,627)	(3,627)
- 31 December 2006 (special)	-	-	-	(147,248)	(147,248)
Revaluation surplus, net of tax arising from change in accounting policy - property, plant and equipment	-	-	15,045	-	15,045
Revaluation deficit on property, plant and equipment during the period	-	-	(185)	-	(185)
Realisation of revaluation surplus on disposal of property, plant and equipment	-	-	(355)	355	-
Share of exchange difference arising on consolidation	-	-	-	3	3
Net gain recognised directly in equity	-	-	14,505	358	14,863
At 30 September 2006	100,745	23,857	14,505	116,451	255,558
At 1 January 2005	100,745	23,857	10,724	238,483	373,809
Net profit for the period	-	-	-	16,079	16,079
Dividend paid for the year ended:					
- 31 December 2004 (final)	-	-	-	(7,254)	(7,254)
- 31 December 2005 (interim)	-	-	-	(3,627)	(3,627)
Share of exchange difference arising on consolidation	-	-	(957)	-	(957)
Adjustment for prior year overstatement of gain in associate	-	-	(623)	623	-
Net (loss)/gain recognised directly in equity	-	-	(1,580)	623	(957)
At 30 September 2005	100,745	23,857	9,144	244,304	378,050

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 31 December 2005.

CYCLE & CARRIAGE BINTANG BERHAD
Condensed Consolidated Cash Flow Statement
for the third quarter ended 30 September 2006

	Note	9 months ended 30.9.2006 RM'000	9 months ended 30.9.2005 RM'000
OPERATING ACTIVITIES			
Cash from operations		46,289	26,048
Interest paid		(1,502)	(2,204)
Interest received		253	40
Taxation paid		(641)	58
Net cash flow from operating activities		44,399	23,942
INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment		34,830	719
Proceeds from disposal of investment		-	2
Purchase of property, plant and equipment		(11,401)	(20,683)
Capital distribution from an associated company - interim		6,000	-
Dividends received		11,229	91,476
Net cash flow from investing activities		40,658	71,514
FINANCING ACTIVITIES			
Revolving credit and bankers acceptance	17	(76,200)	(35,725)
Dividends paid		(7,254)	(10,881)
Net cash flow from financing activities		(83,454)	(46,606)
NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD		1,603	48,850
CASH AND CASH EQUIVALENTS AT			
- BEGINNING OF THE YEAR		14,040	8,277
- END OF PERIOD		15,643	57,127

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2005.

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the Financial Information
for the third quarter ended 30 September 2006

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 31 December 2005.

The Group has adopted all the 18 applicable FRSs issued by MASB with effect from 1 January 2006. The adoption of these FRSs did not result in significant changes to the Group policies except for FRS 140 “Investment Property” and FRS 5 “Non-current Assets Held for Sale and Discontinued Operations” as mentioned below.

The accounting policies and presentation adopted for the interim financial report are consistent with those adopted in the annual financial statements for the year ended 31 December 2005 except for the change in accounting policy relating to freehold land and buildings classified within property, plant and equipment and the adoption of FRS 140 “Investment Property” and FRS 5 “Non-current Assets Held for Sale and Discontinued Operations” as shown below:

- a) Freehold land which was previously stated at cost is now stated at valuation and buildings which were previously stated at cost less depreciation and impairment losses where applicable are now stated at valuation less depreciation and impairment losses where applicable. Independent valuations will be performed every three years on an open market basis, the first was in January 2006. In the intervening years, the directors review the carrying values and adjustment is made where there has been a material change. Any accumulated depreciation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. Revaluation surpluses and deficits are dealt with in asset revaluation reserves, except for movements on individual properties below the depreciated cost which are dealt with in the profit and loss account. The change in accounting policy has increased the shareholders’ funds by RM15.1 million in revaluation surplus, but has no material impact to the net profit attributable to shareholders for the nine months.
- b) Under FRS 140 “Investment Property”, investment properties which are defined as properties held for long term rental yields are stated at fair value, determined annually by independent, professionally qualified valuers on an open market basis. The changes in fair values of investment properties are taken to the profit and loss account. Investment properties with a fair value of RM7.1 million have been re-classified from Property, Plant and Equipment to investment properties and the deficit of RM1.0 million between the carrying value as at 1 January 2006 and the fair value has been reported as an adjustment to the opening retained earnings for the financial period ending 31 December 2006. The Directors are of the opinion that the fair value of investment properties reflects market condition at 30 September 2006.
- c) The adoption of FRS 5 “Non-current Assets Held for Sale and Discontinued Operations” prospectively in accordance with the standard’s provision, has resulted in a change in accounting policy for non-current assets (or disposal groups) held for sale. The non-current assets (or disposal groups) held for sale were previously neither classified nor presented as current assets or liabilities. There was no difference in the measurement of non-current assets (or disposal groups) held for sale or for continuing use. The application of FRS 5 does not impact on the prior year financial statements, other than the presentation of Discontinued Operations as a single amount post-tax on the face of Income Statement as well as the presentation of a non-current asset classified as held for sale separately from other assets in the Balance Sheet.
- d) The impact of the above changes in accounting policies and adoption of FRS 140 is summarised as follows:

	Fair Value Changes (Before Deferred Taxation) to Revaluation*/Opening Retained Earnings** RM’ million	Deferred Taxation RM’ million	Fair Value Changes (Net of Deferred Taxation) to Revaluation*/Opening Retained Earnings** RM’ million
1(a) - Change of accounting policy *	16.1	1.0	15.1
1(b) - Adoption of FRS 140 **	(1.0)	-	(1.0)

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the Financial Information
for the third quarter ended 30 September 2006

2 Qualification of Audit Report

The Group's financial statements for the year ended 31 December 2005 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		Investment *	Other	Group
	Continuing Operations	Discontinued Operations			
	RM'000	RM'000	RM'000	RM'000	RM'000
3 months ended 30 September 2005					
Revenue	178,882	1,244	-	-	180,126
Profit before tax	455	3,420	2,830	677	7,382
3 months ended 30 September 2006					
Revenue	165,655	-	-	-	165,655
Profit before tax	(2,248)	(7)	3,771	10	1,526
9 months ended 30 September 2005					
Revenue	523,061	51,499	-	-	574,560
Profit before tax	4,057	3,708	12,765	2,174	22,704
9 months ended 30 September 2006					
Revenue	481,774	-	-	-	481,774
Profit before tax	6,172	247	11,505	(10)	17,914

* Under the terms of the agreement with DaimlerChrysler AG ("DCAG"), the Company is entitled to receive an annual net dividend income of RM11.2 million (gross dividend income of RM15.4 million) in respect of the investment in DaimlerChrysler Malaysia Sdn Bhd ("DCM").

In the event that DCM is unable to declare such dividend in full, DCAG undertakes to pay the shortfall to the extent of RM11.2 million ("minimum assured amount"). The amount receivable from DCAG will be subject to income tax and the Group will effectively receive an annual net income of RM8.2 million.

Since the fourth quarter of financial year ended 31 December 2005, the Group has recognised the gross return on investment instead of the minimum assured amount, as the directors are of the opinion that the entitlement to receive the return on investment from DCM is probable based on historical experience. For the nine months ended 30 September 2006, the Group recognised the gross return of RM11.5 million based on a time apportioned basis compared to RM12.8 million in the first nine months of 2005 which included RM4.4 million relating to 2004.

4 Seasonal or Cyclical Factors

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

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Notes to the Financial Information
for the third quarter ended 30 September 2006

5 Individually Significant Items

Individually significant items for the nine months ended 30 September 2006 were as follows:

- a) The Group recognised income of RM11.5 million in respect of the investment in DaimlerChrysler Malaysia Sdn Bhd as disclosed in Note 3 above.
- b) The Group recognised income of RM1.5 million in respect of incentives extended by DaimlerChrysler Malaysia Sdn Bhd for achieving dealer standards.
- c) The Group recognised a gain of RM0.7 million on disposal of a property in Kuching.
- d) The Group recognised a gain of RM7.6 million on disposal of two properties in Petaling Jaya, Selangor.
- e) The Group made a write-down of RM0.6 million on a Kuala Lumpur property to reflect the price at which it has been contracted to be sold.
- f) A write-down of RM1.0 million was made to bring inventory down to its net realisable value, partly offset by the reversal of RM2.3 million written down in previous years.
- g) A charge of RM1.5 million was made on warranty provision.

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 nine months ended 30 September 2006.

7 Taxation

	3 months ended		9 months ended	
	30.9.2006 RM'000	30.9.2005 RM'000	30.9.2006 RM'000	30.9.2005 RM'000
Income tax	(386)	(26)	4,612	4,887
Deferred tax	1,100	1,291	(686)	327
	714	1,265	3,926	5,214

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

	%	%	%	%
Statutory income tax rate of Malaysia	28	28	28	28
Expenses not deductible for tax purposes	3	5	-	3
Prior year under provision	33	-	3	-
Current year's tax losses not recognised	2	-	2	-
Utilisation of previously unrecognised temporary differences/tax losses	(19)	-	(2)	(3)
Temporary differences previously recognised as deferred tax asset, now reversed	-	-	8	-
Income not subject to tax	-	-	(17)	-
Average effective tax rate	47	33	22	28

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the Financial Information
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8 Earnings per Share

	3 months ended		9 months ended	
	30.9.2006	30.9.2005	30.9.2006	30.9.2005
Basic earnings per share				
Net profit for the period (RM'000)	812	5,208	13,951	16,079
Weighted average number of ordinary shares in issue ('000)	100,745	100,745	100,745	100,745
Basic earnings per share (sen)	0.81	5.17	13.85	15.96

9 Sale of Unquoted Investments/Properties

During the nine months, on completion of sale, the Group recognised the followings:

- A gain of RM0.7 million on a property in Kuching.
- A gain of RM7.6 million on two properties in Petaling Jaya, Selangor.
- An insignificant loss on an investment property in Ipoh, Perak.
- A gain of RM40k on a property in Kuala Lumpur.

The sale of four properties in Petaling Jaya, Selangor was completed on 18 October 2006 at a net of tax gain of RM32.3 million.

There were no sales of any unquoted investments or properties for the nine months ended 30 September 2006 other than as mentioned above.

10 Short Term Investments

- Purchases and disposals
There were no purchases or disposals of any short term investments for the nine months ended 30 September 2006.
- Investment as at 30 September 2006

	RM'000
At cost	3,352
At book value	758
At market value	758

11 Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment loss where applicable other than buildings and freehold land which are stated at valuation, following the change in accounting policy. Independent professional valuations will be performed every three years, the first was in January 2006.

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 nine months ended 30 September 2006.

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the Financial Information
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13 Dividends

	9 months ended 30 September 2006		9 months ended 30 September 2005	
	Gross dividend per share sen	Amount of dividend net of 28% tax RM'000	Gross dividend per share sen	Amount of dividend net of 28% tax RM'000
Final dividend approved by shareholders in respect of the financial year ended 31 December 2005, paid on 23 June 2006 (2005 : paid on 24 June 2005)	10	7,254	10	7,254
Interim dividend declared in respect of the financial year ending 31 December 2006, payable on 27 October 2006 (2005 : paid on 9 September 2005)	5	3,627	5	3,627
Special dividend declared in respect of the financial year ending 31 December 2006, payable on 27 October 2006 (2005 : Nil)	203	147,248	-	-

The Board of Directors does not recommend the payment of any dividend in the third quarter.

14 Off Balance Sheet Financial Instruments

The Company is a party to financial instruments that reduce exposure to fluctuations in foreign currency exchange. These instruments, which mainly comprise foreign currency forward contracts, are not recognised in the financial statements on inception. The purpose of these instruments is to reduce risk.

Foreign currency forward contracts protect the Company from movements in exchange rates by establishing the rate at which a foreign currency asset or liability will be settled. Any increase or decrease in the amount required to settle the asset or liability is offset by a corresponding movement in the value of the forward exchange contract. The gains and losses are therefore offset for financial reporting purposes and are not recognised in the financial statements.

As at 30 September 2006, there were no open positions of foreign currency forward contracts entered into by the Company. There were no other foreign currency forward contracts entered into by the Company after 30 September 2006.

The instruments are executed with credit worthy financial institutions in Malaysia. The Directors are of the view that the possibility of non-performance by these financial institutions is remote on the basis of their financial strength.

15 Changes in the Composition of the Group

There were no changes in the composition of the Group for the nine months ended 30 September 2006 including business combination, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations, other than the incorporation of two new 100% owned subsidiaries:

- 1) Cycle & Carriage Parts and Accessories Sdn Bhd was incorporated on 18 January 2006. Its paid-up capital was increased to RM2.5 million on 3 April 2006. This company has taken over the parts business from the Group's 100% owned subsidiary, Cycle & Carriage (Malaysia) Sdn Bhd ("CCM") with effect from June 2006. CCM will focus on its vehicle retail business.
- 2) Cycle & Carriage Motors Sdn Bhd was incorporated on 19 May 2006. The company has not commenced operations.

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16 Status of Corporate Proposals

There were no corporate proposals undertaken/announced but not completed at the date of issue of this quarterly report other than the following:

- i) On 1 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.
- ii) On 29 December 2005, the Company entered into a sale and purchase agreement for the disposal of two properties in Kuching for a total consideration of RM3.0 million. One of the transactions was completed in January 2006 while the other is pending fulfillment of certain conditions.

17 Group Borrowings and Debt Securities

Group borrowings and debt securities as at 30 September 2006:

	RM’000
Revolving credit	49,000
Total	<u>49,000</u>

All the borrowings were short term, unsecured and denominated in Ringgit Malaysia.

18 Contingent Liabilities

As at the date of issue of this quarterly report, there were no material changes in contingent liabilities as disclosed in the Annual Financial Report for the year ended 31 December 2005.

19 Material Litigation

- a) On 9 July 1998, the Company initiated legal action against a debtor, Transit Link Sdn Bhd and its guarantor, Tan Hooi Chong, for the recovery of RM15.2 million of outstanding debts for the supply of bus chassis to the debtor. Consent Judgment was obtained on 13 July 2000 for settlement by 1 May 2001. However, the debts were not recovered by the stated date. The Company then initiated execution proceedings against both the debtor and the guarantor. The guarantor was adjudged a bankrupt on 30 August 2002 and winding-up order against the debtor was obtained on 22 May 2003. The debts have already been fully provided in the financial statements in prior years.
- b) 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 10 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 million plus accrued interest. The Company filed its defence on 2 March 2004 and is currently appealing against the dismissal of its earlier application to strike out the claim. Based on legal advice, the directors believe that the Company has a reasonable chance of succeeding in its appeal and striking off Hup Lee’s action and accordingly, no provision has been made in the financial statements for this claim.

20 Capital Commitments

Capital Commitments of the Group as at 30 September 2006 in relation to acquisition of property, plant and equipment were as follows:

	RM’000
Approved and contracted	1,698
Approved but not contracted	2,792
Total	<u>4,490</u>

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

The Group recorded an unaudited profit before taxation from continuing operations of RM1.5 million in the third quarter which was RM8.1 million lower than the preceding quarter which had a gain on disposal of properties of RM7.6 million. Higher property renovation and rental expenses have also affected this quarter's results.

22 Review of Revenue and Profit from Operations

An analysis of the profit after taxation from operations as a result of the transfer of Mercedes-Benz wholesale ("MB wholesale") business to DaimlerChrysler Malaysia Sdn Bhd and the early termination of Mercedes-Benz assembly ("MB assembly") is given below:

	3 months ended 30.9.2006				3 months ended 30.9.2005			
	Continuing Operations	Discontinued Operations		Total	Continuing Operations	Discontinued Operations		Total
	RM'000	MB wholesale RM'000	MB Assembly RM'000	RM'000	RM'000	MB wholesale RM'000	MB Assembly RM'000	RM'000
Revenue	165,655	-	-	165,655	178,882	-	1,244	180,126
Expenses	(167,996)	-	(7)	(168,003)	(178,247)	(18)	(1,654)	(179,919)
Other income	4,144	-	-	4,144	3,430	33	3,815	7,278
Finance cost	(280)	-	-	(280)	(780)	-	-	(780)
Associated company	10	-	-	10	517	-	-	517
PBT	1,533	-	(7)	1,526	3,802	15	3,405	7,222
Taxation	(714)	-	-	(714)	(1,265)	(6)	(743)	(2,014)
PAT	819	-	(7)	812	2,537	9	2,662	5,208

	9 months ended 30.9.2006				9 months ended 30.9.2005			
	Continuing Operations	Discontinued Operations		Total	Continuing Operations	Discontinued Operations		Total
	RM'000	MB wholesale RM'000	MB Assembly RM'000	RM'000	RM'000	MB wholesale RM'000	MB Assembly RM'000	RM'000
Revenue	481,774	-	-	481,774	523,061	-	51,499	574,560
Expenses	(484,492)	-	236	(484,256)	(518,566)	154	(52,030)	(570,442)
Other income	21,561	11	-	21,572	14,668	153	3,932	18,753
Finance cost	(1,166)	-	-	(1,166)	(2,341)	-	-	(2,341)
Associated company	(45)	-	-	(45)	1,615	-	-	1,615
PBT	17,632	11	236	17,879	18,437	307	3,401	22,145
Taxation	(3,926)	(2)	-	(3,928)	(5,214)	(100)	(752)	(6,066)
PAT	13,706	9	236	13,951	13,223	207	2,649	16,079

PBT : Profit before taxation

PAT : Profit after taxation

Discontinued Operations

The nine months results of 2006 on MB wholesale consisted of a gain of RM11,000 from the disposal of assets to DaimlerChrysler Malaysia compared to a gain of RM153,000 recorded in the corresponding period last year. The MB assembly operation's results reflected a write-back of RM236,000 of expenses while the income in the previous year consisted mainly of compensation for early termination of assembly contracts.

CYCLE & CARRIAGE BINTANG BERHAD
Notes to the Financial Information
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22 Review of Revenue and Profit from Operations (Cont'd)

Continuing Operations

The Group recorded a net profit of RM13.7 million for the nine months ended 30 September 2006, 4% below the corresponding period of the previous year. The result benefited from a gain of RM8.3 million arising from the disposal of properties. The 2005 comparative included contribution from an associated company, CCL Group Properties, which is now in members' voluntary liquidation following the disposal of its remaining property.

Net profit from continuing operations before the gain on disposal of properties was 53% lower at RM5.4 million, after accounting for the investment return of RM8.4 million from DaimlerChrysler Malaysia.

The Mercedes-Benz business remained resilient despite the challenging market, benefiting from an improved after-sales contribution. There were better performances from the dealerships in Petaling Jaya, Ipoh and Johor Bahru, but in Kuala Lumpur the dealership was affected by a relocation to new premises and increased competition.

The tightening of consumer credit and a weaker used car market continued to affect both the Peugeot and Mazda businesses, and these conditions are expected to continue for the remainder of the year.

23 Variance of Actual Profit from Forecast Profit

The Company did not make any profit forecast.

24 Material Subsequent Events

There were no material events subsequent to 30 September 2006 and the date of issue of this report other than the recognition of a gain of RM32.3 million on disposal of the remaining four properties in Petaling Jaya as disclosed in Note 9 above.