

Financial Statements and Related Announcement::First Quarter Results

Issuer & Securities

Issuer/ Manager	JARDINE CYCLE & CARRIAGE LIMITED
Securities	JARDINE CYCLE & CARRIAGE LTD - SG1B51001017 - C07
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28th April 2017

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JARDINE CYCLE & CARRIAGE LIMITED 2017 FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

Highlights

- Underlying earnings per share up 44%
- Stronger performance from Astra
- Lower contribution from Direct Motor Interests

“The outlook for the rest of the year is positive with Astra expected to benefit from the continued growth in the Indonesian economy, supported by higher commodity prices, although for its automotive activities there is a risk of increasing price competition. The Group’s Direct Motor Interests and the Other Interests are likely to face increased competition.”

Ben Keswick, Chairman
28th April 2017

Group Results

	Three months ended 31st March			
	2017 US\$m	2016 US\$m	Change %	2017 S\$m
Revenue	4,233	3,649	16	5,967
Profit after tax	469	291	61	661
Underlying profit attributable to shareholders	202	141	44	285
Profit attributable to shareholders	210	141	50	297
	US¢	US¢		S¢
Underlying earnings per share	51	36	44	72
Earnings per share	53	36	50	75
	At 31.3.2017	At 31.12.2016		At 31.3.2017
	US\$m	US\$m		S\$m
Shareholders’ funds	6,033	5,755	5	8,436
	US\$	US\$		S\$
Net asset value per share	15.26	14.56	5	21.34

The exchange rate of US\$1=S\$1.40 (31st December 2016: US\$1=S\$1.44) was used for translating assets and liabilities at the balance sheet date and US\$1=S\$1.41 (31st March 2016: US\$1=S\$1.40) was used for translating the results for the period.

The financial results for the three months ended 31st March 2017 and 31st March 2016 have been prepared in accordance with International Financial Reporting Standards. These results have not been audited or reviewed by the auditors.

CHAIRMAN'S STATEMENT

Overview

Jardine Cycle & Carriage performed well in the first quarter of the year with Astra showing improvements in almost all of its businesses as they benefited from the general growth in the Indonesian economy and a recovery in commodity prices.

Performance

The Group's revenue in the first quarter was US\$4.2 billion, 16% up on the previous year, with increases from most of Astra's businesses. The Group's underlying profit rose by 44% to US\$202 million. Profit attributable to shareholders was US\$210 million, an increase of 50% on the previous year, after accounting for a non-trading gain of US\$8 million arising from the valuation at fair value of an investment held by an associate. Earnings per share rose 50% to US¢53.

Astra contributed US\$185 million to the Group's underlying profit, 67% higher than the comparable period last year. The Group's Direct Motor Interests contributed an underlying profit of US\$23 million, a decline of 36%, while no contribution was recognised from the Group's Other Interests.

The Group's net cash, excluding net borrowings within Astra's financial services subsidiaries, was US\$263 million at the end of March compared to US\$709 million at the end of 2016, mainly due to toll road and power plant investments made by Astra. Net debt within Astra's financial services subsidiaries was US\$3.5 billion, similar to the end of 2016. JC&C's net cash was US\$153 million, compared to US\$154 million at the end of 2016.

The Board has not declared a dividend for the first quarter ended 31st March 2017 (31st March 2016: Nil)

Group Review

Astra

Astra reported a net profit equivalent to US\$381 million, under Indonesian accounting standards, 63% higher in its local currency with increases in all businesses, except for infrastructure and logistics and information technology. The group's automotive businesses achieved strong improved market shares for both cars and motorcycles. The overall wholesale market for cars grew while that for motorcycles declined. The financial services businesses improved, with a return to profit for Permata Bank, while higher commodity prices led to better trading performances from the heavy equipment and agribusiness operations.

Automotive

Net income from the group's automotive businesses increased by 45% to US\$171 million, largely due to the sales momentum from successful new model introductions in 2016 which has continued into 2017.

The wholesale market for cars grew by 6% to 283,000 units. Astra's car sales were 27% higher at 161,000 units, resulting in an increase in market share from 48% to 57%. The group launched one new model and two revamped models during the first quarter of 2017.

The wholesale market for motorcycles decreased by 7% to 1.4 million units. While Astra Honda Motor's domestic sales fell 2% to 1.1 million units, its market share rose from 72% to 77%, supported by the launch of four new models and six revamped models during the period.

Net income of Astra Otoparts, the group's component business, increased 83% to US\$11 million, supported by higher revenue from its OEM and aftermarket segments and a higher earnings contribution from its joint venture and associates.

Financial Services

Net income from the group's financial services business increased 75% to US\$84 million, with improved contributions from most financial services businesses, including Permata Bank.

The group's consumer finance businesses saw a 17% increase in the amount financed, including amounts financed through joint bank financing without recourse, to US\$1.4 billion. Car-focused Astra Sedaya Finance reported net income 11% higher at US\$18 million, while Toyota Astra Financial Services recorded a 25% increase in net income at US\$7 million, both benefiting from growth in the car market and Astra's increased market share. Motorcycle-focused Federal International Finance's net income was up 13% at US\$33 million, benefiting from Honda's improved market share and loan product diversification.

The amount financed through the group's heavy equipment-focused finance operations increased by 28% to US\$98 million. Net income at Surya Artha Nusantara Finance, which specialises in small and medium heavy equipment financing, was slightly lower at US\$1 million.

Astra's 44.6%-held joint venture, Permata Bank, reported net income of US\$34 million compared with a net loss of US\$28 million in the same period in 2016. The bank's gross non-performing loan ratio declined from 8.8% at the end of 2016 to 6.4% at the end of March 2017, while its net non-performing loan ratio remained stable at 2.2%. The improved performance of Permata Bank was the result of good underlying income and the liquidation of non-performing loans as planned. In order to further strengthen its capital base, a US\$220 million rights issue is expected to be completed in the first half of 2017, of which US\$110 million had already been injected as a capital advance in December 2016 by its two major shareholders, Astra International and Standard Chartered Bank.

Asuransi Astra Buana, the group's general insurance company, reported net income 4% higher at US\$16 million, primarily due to increased automotive underwriting income.

During the period, the group's life insurance joint venture, Astra Aviva Life, acquired close to 67,000 individual life customers and 145,000 participants for its corporate employee benefits programmes, bringing the respective totals to 267,000 and 637,000 at the end of the first quarter of 2017.

Heavy Equipment and Mining

The net income contribution to the group from its heavy equipment and mining business increased by 104% to US\$68 million.

United Tractors, which is 59.5%-owned, reported net income 105% higher at US\$113 million due to higher business volumes in construction machinery, mining contracting and mining operations, all of which benefited from improved coal prices.

In its construction machinery business, Komatsu heavy equipment sales were up 70% to 847 units, while parts and service revenues were also higher. The mining contracting operations of Pamapersada Nusantara recorded a 2% increase in coal production at 25 million tonnes while overburden removal was 3% higher at 171 million bank cubic metres. United Tractors' mining subsidiaries reported 9% higher coal sales at 1.9 million tonnes.

General contractor Acset Indonusa, a 50.1% subsidiary of United Tractors, reported net income up 63% at US\$2 million with new contracts of US\$518 million secured in the period, compared with US\$176 million secured in the first quarter of 2016.

In March 2017, 25%-owned Bhumi Jati Power, which will develop and operate two 1,000 MW thermal power plants in Central Java, completed its project financing agreement with lenders. This build, operate and transfer project is expected to cost approximately US\$4.2 billion and is scheduled to start commercial operation in 2021. Bhumi Jati Power is a joint venture amongst wholly-owned subsidiaries of United Tractors, Sumitomo Corporation and Kansai Electric Power Co Inc.

In March 2017, United Tractors through its subsidiary, Tuah Turangga Agung, completed the acquisition of an 80.1% stake in PT Suprabari Mapanindo Mineral, a coking coal company in Central Kalimantan.

Agribusiness

Net income from the group's agribusiness business increased by 92% to US\$48 million in the first quarter of 2017.

Astra Agro Lestari, which is 79.7%-owned, reported net income of US\$60 million, up from US\$31 million in the first quarter of 2016, due to improved revenue from higher crude palm oil prices and increased crude palm oil production and sales. Average crude palm oil prices achieved were 36% higher at Rp8,953/kg, while sales of crude palm oil and its derivatives were 1% higher at 410,000 tonnes, compared to the same period last year.

Infrastructure and Logistics

Net income of the group's infrastructure and logistics business decreased by 3% to US\$5 million, mainly due to initial losses arising from the commencement of the Cikopo-Palimanan toll road and lower earnings from its water utility business.

The 72km Tangerang-Merak toll road, operated by 79.3%-owned Marga Mandalasakti, saw traffic volumes increase by 5% to 12 million vehicles. Construction continues at the wholly-owned 41km Jombang-Mojokerto toll road, where 20km is already operational. At the 73km Semarang-Solo toll road, in which the group has a 25% interest, 23km is now in operation.

In January 2017, the group completed the acquisition of an initial 40% interest in PT Baskhara Utama Sedaya, which owns 45% of the operator of the fully operational 116km Cikopo-Palimanan toll road, and has subsequently conditionally agreed to acquire the remaining 60% interest. Along with its 40% stake in the 11km Kunciran-Serpong toll road and a 25% stake in the 40km Serpong-Balaraja toll road, both of which are greenfield, the group's total interest in toll roads amounts to 353km.

PAM Lyonnaise Jaya, which operates the western Jakarta water utility system, experienced a 2% decrease in sales volume to 38 million cubic metres.

Serasi Autoraya's net income increased by 82% to US\$3 million, due to higher net margins in its car leasing and rental and logistics businesses, despite a 2% decline in contracted vehicles in its car leasing and rental business.

Information Technology

Net income from the group's information technology business decreased by 23% to US\$2 million. Astra Graphia, which is 76.9%-owned, reported a 23% decline in net income to US\$3 million following a decline in revenue from its IT solutions business.

Property

Net income from the group's property business at US\$3 million was significantly higher than the US\$1 million achieved in the first quarter of 2016, mainly due to higher development earnings recognised on Anandamaya Residences.

Direct Motor Interests

The Group's Direct Motor Interests contributed an underlying profit of US\$23 million, 36% down on the previous year. The reduction was due largely to a lower contribution from Truong Hai Auto Corporation in Vietnam as a result of increased competition. In Singapore, Cycle & Carriage recorded increased profits from higher vehicle unit sales and a larger contribution from its used car business. In Malaysia, Cycle & Carriage Bintang's modest profit reflected intense price competition in the premium car market which impacted margins. In Indonesia, Tunas Ridean's contribution was stable as stronger profits from the automotive and rental businesses were offset by a lower contribution from Mandiri Tunas Finance.

Other Interests

Similar to the previous year, the Group did not recognise any contribution from its Other Interests in the first quarter of 2017. The Group's 24.9%-held Siam City Cement Public Company Limited in Thailand has yet to announce its first quarter results while 22.9%-held Refrigeration Electrical Engineering Corporation in Vietnam, just reported a profit of US\$15 million, significantly higher than the previous year. Together, these results are not expected to have a material impact to the Group and will be accounted for in the second quarter.

Outlook

The outlook for the rest of the year is positive with Astra expected to benefit from the continued growth in the Indonesian economy, supported by higher commodity prices, although for its automotive activities there is a risk of increasing price competition. The Group's Direct Motor Interests and the Other Interests are likely to face increased competition.

Ben Keswick
Chairman
28th April 2017

Statement pursuant to Rule 705(5) of the Listing Manual

The directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the accompanying unaudited interim financial results for the three months ended 31st March 2017 to be false or misleading in any material respect.

On behalf of the Directors

Ben Keswick
Director

Hassan Abas
Director

28th April 2017

Jardine Cycle & Carriage Limited
Consolidated Profit and Loss Account for the three months ended 31st March 2017

	Note	2017 US\$m	2016 US\$m	Change %
Revenue		4,232.6	3,648.9	16
Net operating costs	2	(3,809.9)	(3,363.6)	13
Operating profit	2	422.7	285.3	48
Financing income		27.9	18.9	48
Financing charges		(38.4)	(29.0)	32
Net financing charges		(10.5)	(10.1)	4
Share of associates' and joint ventures' results after tax		155.8	81.5	91
Profit before tax		568.0	356.7	59
Tax	3	(99.0)	(66.0)	50
Profit after tax		469.0	290.7	61
Profit attributable to:				
Shareholders of the Company		210.4	140.6	50
Non-controlling interests		258.6	150.1	72
		469.0	290.7	61
		US¢	US¢	
Earnings per share	4	53	36	50

Jardine Cycle & Carriage Limited
Consolidated Statement of Comprehensive Income for the three months ended 31st March 2017

	2017 US\$m	2016 US\$m
Profit for the period	469.0	290.7
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit pension plans	0.9	1.1
Tax on items that will not be reclassified	(0.2)	(0.3)
Share of other comprehensive expense of associates and joint ventures, net of tax	(0.7)	(0.8)
	-	-
Items that may be reclassified subsequently to profit or loss:		
Translation difference		
- gain arising during the period	123.1	396.5
Available-for-sale investments		
- gain arising during the period	9.5	13.0
- transfer to profit and loss	-	0.1
Cash flow hedges		
- loss arising during the period	(21.3)	(49.4)
- transfer to profit and loss	4.3	8.6
Tax relating to items that may be reclassified	4.1	10.2
Share of other comprehensive expense of associates and joint ventures, net of tax	(1.2)	(2.4)
	118.5	376.6
Other comprehensive income for the period	118.5	376.6
Total comprehensive income for the period	587.5	667.3
Attributable to:		
Shareholders of the Company	278.6	317.5
Non-controlling interests	308.9	349.8
	587.5	667.3

Jardine Cycle & Carriage Limited
Consolidated Balance Sheet at 31st March 2017

	Note	At 31.3.2017 US\$m	At 31.12.2016 US\$m
Non-current assets			
Intangible assets		1,044.2	972.3
Leasehold land use rights		621.4	620.4
Property, plant and equipment		3,187.7	2,978.5
Investment properties		490.2	460.2
Bearer plants		506.1	496.8
Interests in associates and joint ventures		3,991.8	3,738.5
Non-current investments		502.9	487.8
Non-current debtors		2,870.5	2,691.6
Deferred tax assets		319.2	291.2
		<u>13,534.0</u>	<u>12,737.3</u>
Current assets			
Current investments		72.2	65.2
Stocks		1,743.2	1,548.4
Current debtors		5,102.8	4,636.7
Current tax assets		128.5	136.9
Bank balances and other liquid funds			
- non-financial services companies		2,184.6	2,237.2
- financial services companies		410.2	228.5
		<u>2,594.8</u>	<u>2,465.7</u>
		<u>9,641.5</u>	<u>8,852.9</u>
Total assets		<u>23,175.5</u>	<u>21,590.2</u>
Non-current liabilities			
Non-current creditors		198.6	156.7
Provisions		104.4	97.6
Long-term borrowings	5		
- non-financial services companies		518.5	349.9
- financial services companies		1,791.8	1,517.5
		<u>2,310.3</u>	<u>1,867.4</u>
Deferred tax liabilities		200.3	188.0
Pension liabilities		224.2	215.9
		<u>3,037.8</u>	<u>2,525.6</u>
Current liabilities			
Current creditors		3,739.4	3,363.6
Provisions		86.9	85.7
Current borrowings	5		
- non-financial services companies		1,402.9	1,178.6
- financial services companies		2,104.3	2,264.6
		<u>3,507.2</u>	<u>3,443.2</u>
Current tax liabilities		141.5	95.7
		<u>7,475.0</u>	<u>6,988.2</u>
Total liabilities		<u>10,512.8</u>	<u>9,513.8</u>
Net assets		<u>12,662.7</u>	<u>12,076.4</u>
Equity			
Share capital	6	1,381.0	1,381.0
Revenue reserve	7	5,719.0	5,508.7
Other reserves	8	(1,066.8)	(1,135.1)
Shareholders' funds		<u>6,033.2</u>	<u>5,754.6</u>
Non-controlling interests	9	6,629.5	6,321.8
Total equity		<u>12,662.7</u>	<u>12,076.4</u>

Jardine Cycle & Carriage Limited
Consolidated Statement of Changes in Equity for the three months ended 31st March 2017

	Attributable to shareholders of the Company						Attributable to non-controlling interests US\$m	Total equity US\$m
	Share capital US\$m	Revenue reserve US\$m	Asset revaluation reserve US\$m	Translation reserve US\$m	Fair value and other reserves US\$m	Total US\$m		
2017								
Balance at 1st January	1,381.0	5,508.7	400.4	(1,546.7)	11.2	5,754.6	6,321.8	12,076.4
Total comprehensive income	-	210.3	-	70.3	(2.0)	278.6	308.9	587.5
Dividends paid to non-controlling interests	-	-	-	-	-	-	(7.0)	(7.0)
Acquisition of subsidiary	-	-	-	-	-	-	6.6	6.6
Other	-	-	-	-	-	-	(0.8)	(0.8)
Balance at 31st March	<u>1,381.0</u>	<u>5,719.0</u>	<u>400.4</u>	<u>(1,476.4)</u>	<u>9.2</u>	<u>6,033.2</u>	<u>6,629.5</u>	<u>12,662.7</u>
2016								
Balance at 1st January	1,381.0	5,065.3	347.0	(1,642.1)	14.9	5,166.1	5,560.9	10,727.0
Total comprehensive income	-	140.8	(0.2)	186.5	(9.6)	317.5	349.8	667.3
Dividends paid to non-controlling interests	-	-	-	-	-	-	(0.1)	(0.1)
Change in shareholding	-	0.1	-	-	-	0.1	-	0.1
Balance at 31st March	<u>1,381.0</u>	<u>5,206.2</u>	<u>346.8</u>	<u>(1,455.6)</u>	<u>5.3</u>	<u>5,483.7</u>	<u>5,910.6</u>	<u>11,394.3</u>

Jardine Cycle & Carriage Limited
Company Balance Sheet at 31st March 2017

	Note	At 31.3.2017 US\$m	At 31.12.2016 US\$m
Non-current assets			
Property, plant and equipment		33.2	32.0
Interests in subsidiaries		1,267.5	1,226.6
Interests in associates and joint ventures		804.5	776.7
Non-current investment		11.4	11.0
		<u>2,116.6</u>	<u>2,046.3</u>
Current assets			
Current debtors		43.9	42.8
Bank balances and other liquid funds		152.5	154.1
		<u>196.4</u>	<u>196.9</u>
Total assets		<u>2,313.0</u>	<u>2,243.2</u>
Non-current liabilities			
Deferred tax liabilities		5.8	5.6
		<u>5.8</u>	<u>5.6</u>
Current liabilities			
Current creditors		16.3	20.5
Current tax liabilities		1.7	1.7
		<u>18.0</u>	<u>22.2</u>
Total liabilities		<u>23.8</u>	<u>27.8</u>
Net assets		<u>2,289.2</u>	<u>2,215.4</u>
Equity			
Share capital	6	1,381.0	1,381.0
Revenue reserve	7	653.9	654.2
Other reserves	8	254.3	180.2
Total equity		<u>2,289.2</u>	<u>2,215.4</u>
Net asset value per share		US\$5.79	US\$5.61

Jardine Cycle & Carriage Limited
Company Statement of Comprehensive Income for the three months ended 31st March 2017

	2017 US\$m	2016 US\$m
Loss for the period	(0.3)	(4.9)
Item that may be reclassified subsequently to profit or loss:		
Translation difference		
- gain arising during the period	74.1	103.4
Other comprehensive income for the period	74.1	103.4
Total comprehensive income for the period	73.8	98.5

Jardine Cycle & Carriage Limited
Company Statement of Changes in Equity for the three months ended 31st March 2017

	Share capital US\$m	Revenue reserve US\$m	Translation reserve US\$m	Fair value reserve US\$m	Total equity US\$m
2017					
Balance at 1st January	1,381.0	654.2	175.5	4.7	2,215.4
Total comprehensive income	-	(0.3)	74.1	-	73.8
Balance at 31st March	<u>1,381.0</u>	<u>653.9</u>	<u>249.6</u>	<u>4.7</u>	<u>2,289.2</u>
2016					
Balance at 1st January	1,381.0	628.2	223.9	3.5	2,236.6
Total comprehensive income	-	(4.9)	103.4	-	98.5
Balance at 31st March	<u>1,381.0</u>	<u>623.3</u>	<u>327.3</u>	<u>3.5</u>	<u>2,335.1</u>

Jardine Cycle & Carriage Limited
Consolidated Statement of Cash Flows for the three months ended 31st March 2017

	Note	2017 US\$m	2016 US\$m
Cash flows from operating activities			
Cash generated from operations	10	400.4	504.1
Interest paid		(29.1)	(15.0)
Interest received		25.4	18.1
Other finance costs paid		(18.4)	(13.9)
Income tax paid		(63.1)	(91.4)
		(85.2)	(102.2)
Net cash flows from operating activities		315.2	401.9
Cash flows from investing activities			
Sale of property, plant and equipment		2.6	6.9
Sale of investment properties		-	1.0
Sale of investments		6.0	16.5
Sale of leasehold land use rights		1.5	-
Purchase of intangible assets		(17.7)	(14.6)
Purchase of leasehold land use rights		(13.6)	(3.3)
Purchase of property, plant and equipment		(176.2)	(92.8)
Purchase of investment properties		(25.7)	(13.1)
Additions to bearer plants		(9.6)	(12.2)
Purchase of subsidiaries, net of cash acquired		(8.4)	(0.3)
Purchase of shares in associates and joint ventures		(411.0)	(25.4)
Purchase of investments		(14.0)	(18.2)
Dividends received from associates and joint ventures (net)		7.3	-
Net cash flows used in investing activities		(658.8)	(155.5)
Cash flows from financing activities			
Drawdown of loans		4,260.2	2,366.0
Repayment of loans		(3,817.2)	(2,559.9)
Payment for capital reduction to non-controlling interests		(0.8)	-
Dividends paid to non-controlling interests		-	(0.1)
Net cash flows from/(used) in financing activities ⁽¹⁾		442.2	(194.0)
Net change in cash and cash equivalents		98.6	52.4
Cash and cash equivalents at the beginning of the period		2,465.7	2,173.0
Effect of exchange rate changes		25.9	45.5
Cash and cash equivalents at the end of the period		2,590.2	2,270.9

(1) Increase in cash from financing activities largely to finance toll road and power plant investments made by Astra

Jardine Cycle & Carriage Limited
Notes to the financial statements for the three months ended 31st March 2017

1 Basis of preparation

The financial statements are consistent with those set out in the 2016 audited accounts which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). There have been no changes to the accounting policies described in the 2016 audited accounts.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments used in preparing the financial statements are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The exchange rates used for translating assets and liabilities at the balance sheet date are US\$1=S\$1.3982 (2016: US\$1=S\$1.4449), US\$1=RM4.4257 (2016: US\$1=RM4.4852), US\$1= IDR13,321 (2016: US\$1=IDR13,436), US\$1=VND22,760 (2016: US\$1=VND22,765) and US\$1=THB34.4630 (2016: US\$1=THB35.8090).

The exchange rates used for translating the results for the period are US\$1=S\$1.4098 (2016: US\$1=S\$1.3961), US\$1=RM4.4334 (2016: US\$1=RM4.1001), US\$1=IDR13,342 (2016: US\$1=IDR13,506), US\$1=VND22,705 (2016: US\$1=VND22,272) and US\$1=THB34.8873 (2016: US\$1=THB35.5893).

2 Net operating costs and operating profit

Three months ended 31st March	Group		Change %
	2017 US\$m	2016 US\$m	
Cost of sales	(3,421.1)	(3,001.8)	14
Other operating income	51.8	54.2	-4
Selling and distribution expenses	(196.2)	(170.6)	15
Administrative expenses	(231.0)	(221.6)	4
Other operating expenses	(13.4)	(23.8)	-44
Net operating costs	<u>(3,809.9)</u>	<u>(3,363.6)</u>	13
Operating profit is determined after including:			
Depreciation of property, plant and equipment	(122.5)	(123.4)	-1
Depreciation of bearer plants	(5.8)	(5.0)	16
Amortisation of leasehold land use rights and intangible assets	(24.7)	(22.9)	8
Profit/(loss) on disposal of:			
- property, plant and equipment	0.7	5.9	-88
- leasehold land use rights	1.2	-	nm
Loss on disposal/write-down of repossessed assets	(14.0)	(14.6)	-4
Dividend and interest income from investments	9.7	10.1	-4
Write-down of stocks	(1.1)	(0.8)	38
Impairment of debtors ⁽¹⁾	(36.9)	(18.1)	104
Net exchange loss ⁽²⁾	<u>(3.6)</u>	<u>(16.0)</u>	-78

nm – not meaningful

(1) Increase due mainly to impairment of financing debtors

(2) Decrease due mainly to lower net impact of stronger rupiah on monetary assets and liabilities denominated in US dollars

3 Tax

The provision for income tax is based on the statutory tax rates of the respective countries in which the companies operate after taking into account non-deductible expenses and group tax relief.

4 Earnings per share

Three months ended 31st March	2017	Group
	US\$m	2016
		US\$m
Basic and diluted earnings per share		
Profit attributable to shareholders	210.4	140.6
Weighted average number of ordinary shares in issue (millions)	395.2	395.2
Basic earnings per share	US¢53	US¢36
Diluted earnings per share	US¢53	US¢36
Basic and diluted underlying earnings per share		
Underlying profit attributable to shareholders	202.0	140.6
Weighted average number of ordinary shares in issue (millions)	395.2	395.2
Basic earnings per share	US¢51	US¢36
Diluted earnings per share	US¢51	US¢36

As at 31st March 2016 and 2017, there were no dilutive potential ordinary shares in issue.

A reconciliation of the profit attributable to shareholders and underlying profit attributable to shareholders is as follows:

Three months ended 31st March	2017	Group
	US\$m	2016
		US\$m
Profit attributable to shareholders	210.4	140.6
Less: Non-trading item		
Gain on valuation at fair value of an investment held by an associate	8.4	-
Underlying profit attributable to shareholders	202.0	140.6

5 Borrowings

At	Group
31.3.2017	At
US\$m	31.12.2016
	US\$m
Long-term borrowings:	
- secured	1,229.2
- unsecured	638.2
	1,867.4
Current borrowings:	
- secured	1,972.2
- unsecured	1,471.0
	3,443.2
Total borrowings	5,310.6

Certain subsidiaries of the Group have pledged their assets in order to obtain bank facilities from financial institutions. The value of assets pledged was US\$1,940.7 million (31st December 2016: US\$1,884.7 million).

6 Share capital

	Group	
	2017	2016
	US\$m	US\$m
Three months ended 31st March		
Issued and fully paid:		
Balance at 1st January and 31st March		
- 395,236,288 (2016: 395,236,288) ordinary shares	1,381.0	1,381.0

There were no rights, bonus or equity issues during the period between 1st January 2017 and 31st March 2017. The Company did not hold any treasury shares as at 31st March 2017 (31st March 2016: Nil) and did not have any unissued shares under convertibles as at 31st March 2017 (31st March 2016: Nil).

As at 31st March 2017, the Company had utilised S\$930 million of the S\$1,028 million rights issue proceeds raised from the 2015 rights issue exercise. The utilisation of the rights issue proceeds is in accordance with the intended use of proceeds as stated in the Offer Information Statement dated 29th June 2015, registered by the Company with the Monetary Authority of Singapore.

7 Revenue reserve

	Group		Company	
	2017	2016	2017	2016
	US\$m	US\$m	US\$m	US\$m
<u>Movements:</u>				
Balance at 1st January	5,508.7	5,065.3	654.2	628.2
Asset revaluation reserve realised on disposal of assets	-	0.2	-	-
Defined benefit pension plans				
- remeasurements	0.3	0.4	-	-
- deferred tax	(0.1)	(0.1)	-	-
Share of associates' and joint ventures' remeasurements of defined benefit pension plans, net of tax	(0.3)	(0.3)	-	-
Profit attributable to shareholders	210.4	140.6	(0.3)	(4.9)
Change in shareholding	-	0.1	-	-
Balance at 31st March	5,719.0	5,206.2	653.9	623.3

8 Other reserves

	Group		Company	
	2017	2016	2017	2016
	US\$m	US\$m	US\$m	US\$m
<u>Composition:</u>				
Asset revaluation reserve	400.4	346.8	-	-
Translation reserve	(1,476.4)	(1,455.6)	249.6	327.3
Fair value reserve	18.5	12.7	4.7	3.5
Hedging reserve	(12.6)	(10.7)	-	-
Other reserve	3.3	3.3	-	-
Balance at 31st March	(1,066.8)	(1,103.5)	254.3	330.8
<u>Movements:</u>				
<i>Asset revaluation reserve</i>				
Balance at 1st January	400.4	347.0	-	-
Reserve realised on disposal of assets	-	(0.2)	-	-
Balance at 31st March	400.4	346.8	-	-
<i>Translation reserve</i>				
Balance at 1st January	(1,546.7)	(1,642.1)	175.5	223.9
Translation difference	70.3	186.5	74.1	103.4
Balance at 31st March	(1,476.4)	(1,455.6)	249.6	327.3
<i>Fair value reserve</i>				
Balance at 1st January	13.0	5.2	4.7	3.5
Available-for-sale investments				
- fair value changes	4.5	6.0	-	-
- deferred tax	(0.1)	(0.1)	-	-
- transfer to profit and loss	-	0.1	-	-
Share of associates' and joint ventures' fair value changes of available-for-sale investments, net of tax	1.1	1.5	-	-
Balance at 31st March	18.5	12.7	4.7	3.5

- more -

8 Other reserves (continued)

	Group		Company	
	2017 US\$m	2016 US\$m	2017 US\$m	2016 US\$m
<i>Hedging reserve</i>				
Balance at 1st January	(5.1)	6.4	-	-
Cash flow hedges				
- fair value changes	(10.0)	(23.5)	-	-
- deferred tax	2.0	4.9	-	-
- transfer to profit and loss	2.2	4.3	-	-
Share of associates' and joint ventures' fair value changes of cash flow hedges, net of tax	(1.7)	(2.8)	-	-
Balance at 31st March	<u>(12.6)</u>	<u>(10.7)</u>	<u>-</u>	<u>-</u>
<i>Other reserve</i>				
Balance at 1st January and 31st March	<u>3.3</u>	<u>3.3</u>	<u>-</u>	<u>-</u>

9 Non-controlling interests

	Group	
	2017 US\$m	2016 US\$m
Balance at 1st January	6,321.8	5,560.9
Available-for-sale investments		
- fair value changes	5.0	7.0
- deferred tax	(0.1)	(0.1)
Share of associates' and joint ventures' fair value changes of available-for-sale investments, net of tax	1.0	1.6
Cash flow hedges		
- fair value changes	(11.3)	(25.9)
- deferred tax	2.3	5.5
- transfer to profit and loss	2.1	4.3
Share of associates' and joint ventures' fair value changes of cash flow hedges, net of tax	(1.6)	(2.7)
Defined benefit pension plans		
- remeasurements	0.6	0.7
- deferred tax	(0.1)	(0.2)
Share of associates' and joint ventures' remeasurements of defined benefit pension plans, net of tax	(0.4)	(0.5)
Translation difference	52.8	210.0
Profit for the period	258.6	150.1
Dividends paid	(7.0)	(0.1)
Acquisition of subsidiary	6.6	-
Other	(0.8)	-
Balance at 31st March	<u>6,629.5</u>	<u>5,910.6</u>

10 Cash flows from operating activities

	2017 US\$m	Group 2016 US\$m
Profit before tax	568.0	356.7
Adjustments for:		
Financing income	(27.9)	(18.9)
Financing charges	38.4	29.0
Share of associates' and joint ventures' results after tax	(155.8)	(81.5)
Depreciation of property, plant, equipment	122.5	123.4
Depreciation of bearer plants	5.8	5.0
Amortisation of leasehold land use rights and intangible assets	24.7	22.9
Impairment of debtors	36.9	18.1
(Profit)/loss on disposal of:		
- property, plant and equipment	(0.7)	(5.9)
- leasehold land use rights	(1.2)	-
- investments	-	0.1
Loss on disposal/write-down of repossessed assets	14.0	14.6
Write-down of stocks	1.1	0.8
Changes in provisions	8.2	8.3
Foreign exchange loss	8.6	12.2
	<u>74.6</u>	<u>128.1</u>
Operating profit before working capital changes	642.6	484.8
Changes in working capital:		
Stocks ⁽¹⁾	(201.7)	89.5
Concession rights	(24.7)	(8.5)
Financing debtors	(43.2)	(28.7)
Debtors ⁽²⁾	(258.3)	(105.7)
Creditors ⁽³⁾	278.5	66.6
Pensions	7.2	6.1
	<u>(242.2)</u>	<u>19.3</u>
Cash flows from operating activities	<u>400.4</u>	<u>504.1</u>

(1) Increase in stocks balance due mainly to longer inventory days and purchases to support sales activities

(2) Increase in debtors balance due mainly to dividend receivables from associates and joint ventures and higher sales activities

(3) Increase in creditors balance due mainly to purchases to support sales activities

11 Interested person transactions

<u>Name of interested person</u>	<u>Aggregate value of all interested person transactions (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)</u> US\$m	<u>Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)</u> US\$m
Three months ended 31st March 2017		
Jardine Matheson Limited		
- management support services	-	1.2
PT Hero Supermarket Tbk		
- transportation services	-	0.1
Jardine Matheson (Singapore) Ltd		
- rental of premises	-	0.1
	<u>-</u>	<u>1.4</u>

12 Additional information

Three months ended 31st March	2017	Group	2016	Change
	US\$m		US\$m	%
Astra International				
Automotive	80.7		54.0	49
Financial services	42.2		23.8	77
Heavy equipment and mining	33.9		16.4	107
Agribusiness	24.0		12.4	94
Infrastructure & logistics	2.5		2.5	-
Information technology	1.0		1.3	-23
Property	0.2		0.1	100
	<u>184.5</u>		<u>110.5</u>	67
Direct Motor Interests				
Vietnam	7.4		20.5	-64
Singapore	11.9		9.9	20
Malaysia	-		1.4	-100
Indonesia (Tunas Ridean)	3.4		3.4	-
Myanmar	(0.2)		-	-100
	<u>22.5</u>		<u>35.2</u>	-36
Corporate costs	(5.0)		(5.1)	-2
Underlying profit attributable to shareholders	<u>202.0</u>		<u>140.6</u>	44

13 Others

The results do not include any pre-acquisition profits and have not been affected by any item, transaction or event of a material or unusual nature.

No significant event or transaction other than as contained in this report has occurred between 1st April 2017 and the date of this report.

The Company confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

- end -

For further information, please contact:

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Jeffery Tan Eng Heong

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The full text of the Financial Statements and Dividend Announcement for the first quarter ended 31st March 2017 can be accessed through the internet at www.jcclgroup.com.

Corporate Profile

Jardine Cycle & Carriage ("JC&C") is a leading Singapore-listed company and a member of the Jardine Matheson Group. It has an interest of just over 50% in Astra International ("Astra"), a premier listed Indonesian conglomerate, as well as Direct Motor Interests and Other Interests in Southeast Asia. Together with its subsidiaries and associates, JC&C employs over 240,000 people across Indonesia, Vietnam, Singapore, Thailand, Malaysia and Myanmar.

Astra is the largest independent automotive group in Southeast Asia, with further interests in financial services, heavy equipment and mining, agribusiness, infrastructure and logistics, information technology and property. JC&C's Direct Motor Interests operate in Singapore, Malaysia and Myanmar under the Cycle & Carriage banner, and through Tunas Ridean in Indonesia and Truong Hai Auto Corporation in Vietnam. JC&C's Other Interests comprise interests in market leading businesses in the region through which JC&C gains exposure to key economies by supporting such businesses in their long term development.

Jardine Matheson is a diversified business group focused principally on Asia. Its businesses comprise a combination of cash generating activities and long-term property assets. In addition to its 75% shareholding in the Company, the Jardine Matheson Group's interests include Jardine Pacific, Jardine Motors, Jardine Lloyd Thompson, Hongkong Land, Dairy Farm and Mandarin Oriental. These companies are leaders in the fields of engineering and construction, transport services, motor vehicles, insurance broking, property investment and development, retailing, restaurants and luxury hotels.