

# Perusahaan Otomobil Nasional Berhad

(Company No. : 100995-U)



## FINANCIAL RESULTS FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2000 (THE FIGURES HAVE NOT BEEN AUDITED)

The Board of Directors is pleased to announce the consolidated results for the financial quarter ended 30 September 2000:

	CONSOLIDATED INCOME STATEMENT			
	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
	QUARTER	CORRESPONDING	TO DATE	CORRESPONDING
	30.09.2000	30.09.1999	30.09.2000	30.09.1999
	RM000	RM000	RM000	RM000
1 (a) Turnover	1,991,718	1,588,557	3,790,394	3,137,559
(b) Investment income	(10,948)	33,397	(3,615)	33,815
(c) Other income including interest income	13,672	12,345	30,421	51,505
2 (a) Operating profit/(loss) before interest on borrowings, depreciation & amortisation, exceptional items, income tax, minority interests and extraordinary items	136,096	70,720	183,661	123,008
(b) Less interest on borrowings	(11,364)	(6,759)	(17,932)	(14,716)
(c) Less depreciation & amortisation	(43,164)	(54,427)	(103,719)	(104,466)
(d) Exceptional items	-	-	-	-
(e) Operating profit/(loss) after interest on borrowings, depreciation & amortisation & exceptional items but before income tax, minority interests and extraordinary items	81,568	9,534	62,010	3,826
(f) Share in the results of associated & jointly controlled companies	17,045	11,679	39,014	20,918
(g) Profit/(loss) before taxation, minority interests & extraordinary items	98,613	21,213	101,024	24,744
(h) Taxation	(37,535)	(12,932)	(48,956)	(17,335)
(i) Profit/(loss) after taxation, before deducting minority interests	61,078	8,281	52,068	7,409
Less minority interests	974	(1,207)	2,267	(5,566)
(j) Profit/(loss) after taxation, attributable to members of the company	62,052	7,074	54,335	1,843
(k) Extraordinary items Less : Minority interests Extraordinary items attributable to members of the company	-	-	-	-
(l) Profit/(loss) after taxation and extraordinary items attributable to members of the company	62,052	7,074	54,335	1,843
3 (a) Earnings per share based on 2(j) above after deduction any provision for preference dividends:				
(i) Basic (based on 542.7million ordinary shares - sen)	11.43	1.30	10.01	0.34
(ii) Fully diluted	n/a	n/a	n/a	n/a

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### CONSOLIDATED BALANCE SHEET

	UNAUDITED AS AT CURRENT PERIOD END 30.09.2000 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31.03.2000 RM'000
1 Fixed assets	2,141,314	2,124,524
2 Other investments	2,230	1,940
3 Investment in subsidiary companies	-	-
4 Investment in associated companies	215,121	187,863
5 Short term investments	163,302	160,210
6 Intangible assets	-	-
7 Current Assets	3,106,158	3,005,469
Stocks (properties)	32,106	32,762
Stocks (parts)	713,989	628,046
Trade debtors	797,603	769,790
Deposits with Financial institutions	1,319,936	1,183,247
Other debtors	91,211	101,384
Bank & Cash	151,313	290,240
8 Current Liabilities	2,282,237	2,197,524
Short term borrowings	223,658	239,217
Trade creditors	417,358	723,588
Other creditors & provisions	1,461,117	1,072,176
Provision for taxation	150,254	146,261
Proposed dividends	29,850	16,282
9 Net Current Assets or Current Liabilities	823,921	807,945
10 Shareholders' funds	2,828,318	2,772,088
Share Capital	542,716	542,716
Reserves	2,285,602	2,229,372
Share premium	429,359	429,359
Goodwill written off	(308,761)	(308,761)
Foreign exchange translation	19,813	4,349
Retained profits	2,145,191	2,104,425
Others	-	-
11 Minority interests	53,037	57,381
12 Long term borrowings	379,968	368,448
13 Other long term liabilities	84,565	84,565
14 Net tangible assets per share (RM)	5.21	5.11
	(0)	-

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## FINANCIAL RESULTS FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2000 (THE FIGURES HAVE NOT BEEN AUDITED)

### NOTES

#### 1. Accounting Policies

The accounts of the Group are prepared using the same accounting policies, method of computation and basis of consolidation as those used in the preparation of the most recent annual financial statements.

#### 2. Exceptional Items

There was no exceptional item for the financial period under review.

#### 3. Extraordinary Items

There was no extraordinary item for the financial period under review.

#### 4. Taxation

	Current Quarter RM'000	Current Year To Date RM'000
Taxation for the current year to date comprises of :		
Current taxation	32,255	38,681
Deferred taxation	-	-
Over provision in respect of previous year	-	-
Share of taxation in associated companies	5,163	10,094
Share of taxation in a jointly controlled company	117	181
	<u>37,535</u>	<u>48,956</u>

#### 5. Pre-Acquisition Profit

No pre-acquisition profits were included in the results for the period under review.

#### 6. Profit on Sale of Investment and/or Properties

There were no material sales of investment and/or properties during the current quarter except as disclosed in note 7.

#### 7. Quoted Securities

a) Total purchases and disposals of quoted securities for the current financial year to date are as follows :

	RM'000
Total purchases	47,544
Total disposals	35,567
Total profit/(loss) on disposal	8,803

b) As at 30 September 2000, the Group's quoted investments are as follows :

	RM'000
At cost	121,793
At carrying value	102,947
At market value	102,947

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### 8. Changes in the Composition of the Group

There were no changes in the composition of the Group during the period under review.

### 9. Status of Corporate Proposals

On March 3, 2000 the Company entered into a Sales and Purchase Agreement for the proposed acquisition of 11 million shares representing 55% of the equity in Usahasama Proton-DRB Sdn. Bhd. with Diversified Resources Berhad (10.2 million shares) and Erat Bakti Sdn. Bhd. (800,000 shares) for a total purchase consideration of RM297,220,000. On 16 August 2000 the Company entered into a Share Sale and Purchase Agreement with Khazanah Nasional Berhad for the purchase of 3,000,000 shares representing 15% of the equity in Usahasama PROTON-DRB Sdn. Bhd. for a total purchase consideration of RM81,060,000. Both the acquisitions were completed on 31 October 2000.

### 10. Seasonal or Cyclical factors

The businesses of the Group were not materially affected by any seasonal or cyclical fluctuation during the quarter ended 30 September 2000.

### 11. Changes in Share Capital

There were no changes in share capital during the quarter under review.

### 12. Group Borrowings and Debt Securities

Total Group borrowings as at 30 September 2000 are as follows:

	<b>RM'000</b>
Long term borrowings:	
Shareholder loans (unsecured)	307,544
Portion repayable within the next 12 months	<u>(17,131)</u>
	<u>290,413</u>
Term loans (unsecured)	159,964
Portion repayable within the next 12 months	<u>(72,155)</u>
	<u>87,809</u>
Leasing and hire-purchase creditors	<u>1,746</u>
	<b><u>379,968</u></b>
Short term borrowings	
Unsecured -	
Shareholder loans (current portion)	17,131
Bankers acceptances	25,339
Bank overdrafts	<u>57,244</u>
	<u>99,714</u>

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Secured –	
Long term loan (current portion)	72,155
Short term loans & revolving credits	15,327
Bankers acceptances	<u>36,462</u>
	<u>123,944</u>
	<b><u>223,658</u></b>

### 13. Contingent Liabilities

Contingent liabilities of the Group as at 22 November 2000, the latest practicable date comprise of unhedged guarantees of RM402.6 Million.

### 14. Off Balance Sheet Financial Instruments

Proton has certain financial instruments including off balance sheet financial instruments incurred in the normal course of business. Financial derivative hedging instruments are used to manage the Company's foreign currency risk exposure. Hedge accounting principles are applied for the accounting of the underlying exposures and their hedge instruments.

As at 30 September 2000, the outstanding notional principal quantities of derivative financial instruments contracts entered into by the Company is RM256.1 million.

These instruments are executed with creditworthy financial institutions. The Directors are of the view that the possibility of non-performance by these financial institutions is remote on the basis of their respective financial strength.

### 15. Material Litigation

There was no material litigation pending as at the date of this announcement.

### 16. Segmental Reporting

Analysis of the Group's turnover, results and total assets by geographical locations are as follows:

	Turnover	Profit before taxation	Total assets
	RM Million	RM Million	RM Million
Malaysia	3,248.6	138.8	4,619.4
Other countries	541.8	(46.3)	1,008.7
Group turnover	3,790.4		
Group profit before interest		92.5	
Net interest income		8.5	
Group profit before tax		101.0	
Group total assets			5,628.1

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### 17. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

The Group recorded a profit before tax of RM98.6 million in the current quarter compared to RM2.4 million in the previous quarter. The significant increase was contributed by the higher turnover which included the sales of a new model, WAJA in September 2000 and the strengthening of the Ringgit against the Yen.

### 18. Review of Performance of the Company and its Principal Subsidiaries

At the Company level, the Country's favourable economic and business conditions was evidenced by the higher sales volume recorded in the current year. Sales volume which increased by 16% from 82,972 units in the previous year corresponding period to 96,159 units in the current year including the sales of the new WAJA model had resulted in a significant increase in the Company's pre-tax profit.

At the Group level, operating profit before tax was RM101.0 million, after accounting for RM99.7 million for research and development activities.

Apart from the completed Corporate Proposals as mentioned in Note 9 above, there has not arisen in the interval between the end of the current quarter and the date of this announcement, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the operations of the Group.

### 19. Prospects for the Current Financial Year

The economic environment and business conditions in Malaysia are expected to strengthen further in the second half of the financial year. Higher turnover including the sales of the new model, WAJA is expected to contribute favourably to the Company's results

Barring any unforeseen circumstances, the Board of Directors expect the Group's improved performance to be maintained in the second half of the financial year.

### 20. Variance of Actual Profit from Forecast Profit

The Company did not issue any profit forecast during the year.

### 21. Dividend

The Board is pleased to declare an interim tax-exempt dividend of 2.5 sen per share (1999 : 2.0 sen) in respect of the financial year ending 31<sup>st</sup> March 2001 which is proposed to be paid on 19 January 2001 to all shareholders on the Company's register at the close of business on 22 December 2000.

**BY ORDER OF THE BOARD**

**NIK ALIENA SALWANEE NIK MOHAMED**  
**COMPANY SECRETARY**

30 November 2000  
Shah Alam