

**UNAUDITED FINANCIAL RESULTS  
FOR THE FIRST QUARTER ENDED 30TH JUNE 2002**

The Board of Directors is pleased to announce the consolidated results for the financial quarter ended 30 June 2002:

	<b>CONSOLIDATED INCOME STATEMENT</b>			
	<b>INDIVIDUAL PERIOD</b>		<b>CUMULATIVE PERIOD</b>	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
	QUARTER	CORRESPONDING	TO DATE	CORRESPONDING
	30.06.2002	30.06.2001	30.06.2002	30.06.2001
	RM'000	RM'000	RM'000	RM'000
1 (a) Revenue	2,776,963	2,407,079	2,776,963	2,407,079
(b) Investment income	27,583	20,107	27,583	20,107
(c) Other income	19,148	4,557	19,148	4,557
2 (a) Profit/(loss) before finance cost, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	455,924	285,748	455,924	285,748
(b) Finance cost	11,117	11,027	11,117	11,027
(c) Depreciation & amortisation	64,996	75,934	64,996	75,934
(d) Exceptional items	-	-	-	-
(e) Profit/(loss) before income tax, minority interests and extraordinary items	379,811	198,787	379,811	198,787
(f) Share of profits and losses of associated & jointly controlled companies	13,090	2,947	13,090	2,947
(g) Profit/(loss) before income tax, minority interests & extraordinary items	392,901	201,734	392,901	201,734
(h) Income tax	100,054	54,626	100,054	54,626
(i) (I) Profit/(loss) after income tax, before deducting minority interests	292,847	147,108	292,847	147,108
(II) Less: minority interests	3,258	1,214	3,258	1,214
(j) Pre-acquisition profit/(loss)				
(k) Net profit/(loss) from ordinary activities attributable to members of the company	289,589	145,894	289,589	145,894
(l) (i) Extraordinary items				
(ii) Less : Minority interests				
(iii) Extraordinary items attributable to members of the company	-	-	-	-
(m) Net profit/(loss) attributable to members of the company	289,589	145,894	289,589	145,894
3 (a) Earnings per share based on 2(k) above after deduction any provision for preference dividends:				
(i) Basic (based on 546.3million ordinary shares - sen)	53.00	26.88	53.00	26.88
(ii) Fully diluted (based on 547.3 million ordinary shares - sen)	52.91	-	52.91	-

**UNAUDITED FINANCIAL RESULTS  
FOR THE FIRST QUARTER ENDED 30TH JUNE 2002**

<b>CONSOLIDATED BALANCE SHEET</b>	UNAUDITED AS AT CURRENT PERIOD END 30.06.2002 RM'000	UNAUDITED AS AT PRECEDING FINANCIAL YEAR END 31.03.2002 RM'000
1 Property, plant & equipment	1,771,200	1,737,834
2 Investment property	-	-
3 Investment in associated & jointly controlled companies	103,762	91,021
4 Long term investments	6,276	6,276
5 Goodwill on consolidation	-	-
6 Intangible assets	-	-
7 Other long term assets	-	-
8 Current Assets		
Inventories	670,592	720,207
Debtors, deposits & prepayments	1,004,161	807,406
Short term investments	189,465	184,987
Deposits with Financial institutions	3,771,293	3,495,324
Bank & Cash	99,989	144,618
	<u>5,735,500</u>	<u>5,352,542</u>
9 Current Liabilities		
Creditors	1,979,770	1,830,227
Provision for liabilities & other charges	95,626	120,665
Short term borrowings	239,948	218,981
Provision for taxation	260,994	280,366
Proposed dividends	-	-
	<u>2,576,338</u>	<u>2,450,239</u>
10 Net Current Assets or Current Liabilities	<u>3,159,162</u>	<u>2,902,303</u>
	<u>5,040,400</u>	<u>4,737,434</u>
11 Share Capital	548,882	543,144
Reserves		
Share premium	473,239	432,409
Goodwill written off	(337,998)	(337,998)
Foreign exchange translation	(10,644)	27,175
Retained profits	3,721,436	3,431,847
Others	-	-
	<u>3,846,033</u>	<u>3,553,433</u>
Shareholders' funds	<u>4,394,915</u>	<u>4,096,577</u>
12 Minority interests	49,762	46,472
13 Long term borrowings	511,158	509,820
14 Other long term liabilities	-	-
15 Deferred taxation	84,565	84,565
	<u>5,040,400</u>	<u>4,737,434</u>
13 Net tangible assets per share (RM)	8.01	7.54

**UNAUDITED FINANCIAL RESULTS  
FOR THE FIRST QUARTER ENDED 30TH JUNE 2002**

**NOTES**

**1. Accounting Policies**

The quarterly Consolidated Financial Statements have been 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. The relevant applicable approved accounting standards issued by the Malaysian Accounting Standards Board (MASB) which became operative for the financial year ended 31 March 2003 and the provisions of the Companies Act 1965, have been complied with.

In the previous financial year ended 31 March 2002, the final dividend was accrued as a liability when proposed by the Board of Directors. In compliance with the MASB Standard No. 19 on "Events After the Balance Sheet Date", the accounting policy has been accounted for retrospectively. The effects on the consolidated retained profits and net tangible assets per share are as follows:

Group retained profit:

	<b>RM '000</b>
At 31 March 2002, as previously reported :	3,388.4
Add : Proposed final dividend	43.4
At 31 March 2002, as restated :	3,431.8

Net tangible assets per share increased from RM7.46 to RM7.54.

**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**

	<b>Current Quarter RM'000</b>	<b>Current Year RM'000</b>
Taxation for the current year to date comprises of :		
Current taxation	98,731	98,731
Deferred taxation	-	-
Share of taxation in associated companies	1,323	1,323
Share of taxation in a jointly controlled company	-	-
	<u>100,054</u>	<u>100,054</u>

The lower effective tax rate for the current quarter and current year is due to the allowable expenses being eliminated at group level.

**5. Profits/(losses) on Sale of Unquoted Investment and/or Properties**

There were no sales of unquoted investment and/or properties during the current quarter and year to date.

**6. Quoted Securities**

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

	<b>Current quarter RM'000</b>	<b>Year-to-date RM'000</b>
--	-----------------------------------	--------------------------------

**UNAUDITED FINANCIAL RESULTS  
FOR THE FIRST QUARTER ENDED 30TH JUNE 2002**

Total purchases	27,520	27,520
Total disposals	21,545	21,545
Total profit/(loss) on disposal	3,547	3,547

During the year, there was no purchase or disposal of any one counter which exceeded 5% of the Group NTA.

b) As at 30 June 2002, the Group's quoted securities are as follows :

	<b>RM'000</b>
At cost	198,781
At carrying value	189,465
At market value	193,117

**7. Changes in the Composition of the Group**

There is no changes to the composition of the group.

**8. Status of Corporate Proposals**

None.

**9. Changes in Share Capital**

There were 5,738,000 ordinary shares of RM1.00 each issued under the options pursuant to the Employees' Share Option Scheme during the current quarter. The issued and paid up capital of the company as at 30 June 2002 was RM 548,882,000.

**10. Group Borrowings and Debt Securities**

Total Group borrowings as at 30 June 2002 are as follows:

	Total	Included in the borrowings are amounts denominated in foreign currencies		
	RM'000	£'000	AUD'000	USD'000
<b>Long term borrowings</b>				
Long term loan (unsecured)	286,783			
Portion repayable within the next 12 months	(17,961)			
	<b>268,822</b>			
Term loans (secured)	293,418	48,602		2,918
Portion repayable within the next 12 months	(51,152)	(8,086)		(1,100)
	242,266	40,516		1,818
Leasing and hire-purchase creditors	70	12		-
	<b>511,158</b>	<b>40,528</b>	<b>-</b>	<b>1,818</b>
<b>Short term borrowings</b>				
Unsecured :				
Current portion of long term loan	17,961			
Short term loan & revolving credits	125,126	21,540		
Bank overdrafts	32,951	5,672		
Bankers acceptances	8,467			
	<b>184,505</b>	<b>27,212</b>		
Secured :				
Current portion of long term loan	51,152	8,086		1,100
Short term loan & revolving credits	4,291		2,000	
	<b>239,948</b>	<b>35,298</b>	<b>2,000</b>	<b>1,100</b>

**UNAUDITED FINANCIAL RESULTS  
FOR THE FIRST QUARTER ENDED 30TH JUNE 2002**

**11. Contingent Liabilities**

There were no material changes in contingent liabilities since the most recent annual financial statements to the date of issue of this quarterly report.

**12. Financial Instruments with Off Balance Sheet Risk**

There were no financial instruments with off balance sheet risk as at the date of this announcement.

**13. Material Litigation**

There was no material litigation which arose in the period under review.

**14. Segmental Reporting**

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

	Malaysia	Other countries	Eliminations	Consolidated
	RM million	RM million	RM million	RM million
<b>REVENUE</b>				
External sales	2,549.9	227.1		2,777.0
Inter-segment sales	882.2	40.3	(922.5)	0
Total revenue	<b>3,432.1</b>	<b>267.4</b>	<b>(922.5)</b>	<b>2,777.0</b>
<b>RESULT</b>				
Segment operating profit	300.7	9.7	52.8	363.2
Interest expense				(11.1)
Interest income				27.7
Share of net profits of associated companies & jointly controlled entities	9.7	2.1		11.8
Income taxes of Company & subsidiary companies				(98.8)
Net profit after tax				<b>292.8</b>
<b>ASSETS</b>				
Segment assets	7,053.4	459.6		7,513.0
Investments in equity method associated companies & jointly controlled entities	70.0	33.7		103.7
Group total assets				<b>7,616.7</b>

**15. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

The Group recorded a profit before tax of RM 392.9 million in the current quarter compared to RM 526.5 million in the previous quarter of the last financial year. The significant reduction in profits was mainly due to the R&D expenditure of RM 188.9 million incurred by the Company during the current quarter.

**UNAUDITED FINANCIAL RESULTS  
FOR THE FIRST QUARTER ENDED 30TH JUNE 2002**

**16. Review of Performance of the Company and its Principal Subsidiaries**

At the Company level, favourable business conditions resulted in higher sales volume recorded in the current period. Sales increased by 20.8% from 53,854 units in the previous corresponding period to 65,039 units in the current period.

At the Group level, operating profit before tax was RM 392.9 million compared to RM 201.7 million for the corresponding period last year. The increase was mainly due to the better results recorded by the Company and Proton Edar Sdn Bhd resulting from the strong performance of the local automotive sector, and improved performance of the overseas subsidiaries.

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.

**17. Material Events Subsequent to the end of the Period**

No material event has arisen in the interval between the end of the current quarter and the date of this release to affect substantially the results of the Group and Company for the current reporting period.

**18. Seasonal or Cyclical factors**

The businesses of the Group were not materially affected by any seasonal or cyclical fluctuation during the quarter ended 30 June 2002.

**19. Prospects for the Current Financial Year**

The business outlook for the domestic new car market is expected to be positive in line with favourable economic condition. With the measures taken by the government to boost domestic demand, the sales of Proton cars in the lower and mid segments are expected to remain satisfactory.

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

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

**21. Dividend**

No interim dividend in respect of the current financial year ending 31 March 2003 is proposed.

The Board had proposed a final tax-exempt dividend of 8.0 sen in respect of the financial year ended 31 March 2002, subject to shareholders' approval at the forthcoming Annual General Meeting of the Company to be held on a date to be determined.

**BY ORDER OF THE BOARD**

**NIK ALIENA SALWANEE NIK MOHAMED  
COMPANY SECRETARY**

29 July 2002  
Shah Alam