



2nd August 2019

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JARDINE CYCLE & CARRIAGE LIMITED 2019 HALF YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

Highlights

- Underlying profit modestly down
- Lower contribution from Astra primarily due to a weaker automotive market
- Direct Motor Interests affected by increased competition in Vietnam
- Improved Other Strategic Interests contribution due to higher dividend income

“Jardine Cycle & Carriage reported underlying profit of US\$407 million, reflecting the challenging conditions in the first half of 2019. The outlook for the rest of the year remains cautious, with Astra expected to continue to face a soft automotive market and commodity prices. The Group’s Direct Motor Interests will also continue to be affected by challenging market conditions, while the contribution from Other Strategic Interests is expected to be stable.”

Ben Keswick, Chairman

Group Results

	Six months ended 30th June			
	2019 US\$m	Restated [†] 2018 US\$m	Change %	2019 S\$m
Revenue	9,157	9,188	-	12,434
Underlying profit attributable to shareholders [#]	407	413	-1	553
Non-trading items [^]	20	(240)	nm	27
Profit attributable to shareholders	427	173	147	580
	US¢	US¢		S¢
Underlying earnings per share [#]	103	104	-1	139
Earnings per share	108	44	147	146
Interim dividend per share [*]	18	18	-	24
	At 30.6.2019	At 31.12.2018		At 30.6.2019
	US\$m	US\$m		S\$m
Shareholders’ funds	6,408	6,144	4	8,675
	US\$	US\$		S\$
Net asset value per share	16.21	15.55	4	21.95

The exchange rate of US\$1=S\$1.35 (31st December 2018: US\$1=S\$1.37) was used for translating assets and liabilities at the balance sheet date and US\$1=S\$1.36 (30th June 2018: US\$1=S\$1.33) was used for translating the results for the period. The financial results for the six months ended 30th June 2019 and 30th June 2018 have been prepared in accordance with International Financial Reporting Standards and have not been audited or reviewed by the auditors.

[†] The accounts have been restated due to changes in accounting policies upon adoption of IFRS 16 Leases, as set out in Note 1 to the condensed financial statements.

[#] The Group uses ‘underlying profit attributable to shareholders’ in its internal financial reporting to distinguish between ongoing business performance and non-trading items, as more fully described in Note 4 to the condensed financial statements. Management considers this to be a key performance measurement which enhances the understanding of the Group’s underlying business performances.

[^] Included in ‘non-trading items’ are unrealised gain/losses arising from the revaluation of the Group’s equity investments.

^{*} The Singapore currency equivalent is an estimate as the actual amount will be determined on the Books Closure Date referred to in Note 11.

nm not meaningful

CHAIRMAN'S STATEMENT

Overview

Jardine Cycle & Carriage's ("JC&C" or "the Group") performance in the first half reflected the challenging conditions in the period, with Astra's performance affected by relatively weak domestic consumption and a downward trend in commodity prices, only partially offset by improved contributions from financial services and gold mining.

Results

JC&C's underlying profit attributable to shareholders of US\$407 million was 1% lower than the same period last year. Underlying earnings per share were also down 1% at US¢103. Profit attributable to shareholders increased significantly compared with the same period in 2018 to US\$427 million, after accounting for net non-trading gains of US\$20 million which were principally unrealised fair value gains related to non-current investments. In 2018, there were net non-trading losses of US\$240 million. Earnings per share were US¢108, compared with US¢44 last year.

The Group's consolidated net debt, excluding Astra's financial services subsidiaries, was US\$3.1 billion at the end of June 2019, compared to US\$2.2 billion at the end of 2018. The increase was largely due to Astra's additional investments in the Surabaya-Mojokerto toll road and Gojek, as well as capital expenditure in its mining contracting business, and additional investment by JC&C in Truong Hai Auto Corporation. Net debt within Astra's financial services subsidiaries increased from US\$3.3 billion to US\$3.4 billion. JC&C parent company's net debt was US\$1.5 billion, compared with US\$1.3 billion at the previous year end.

The Board has declared an interim one-tier tax exempt dividend of US¢18 per share (2018: US¢18 per share) for the half year ended 30 June 2019.

Group Review

The contribution to JC&C's underlying profit attributable to shareholders by business segments was as follows:

Contribution to JC&C's underlying profit Six months ended 30th June			
	2019	Restated [†] 2018	<i>Change</i>
Business segments	US\$m	US\$m	%
Astra	326	354	-8
Direct Motor Interests	55	72	-22
Other Strategic Interests	44	41	7
Corporate Costs	(18)	(54)	-66
Underlying profit attributable to shareholders	407	413	-1

[†] The accounts have been restated due to changes in accounting policies upon adoption of IFRS 16 Leases, as set out in Note 1 to the condensed financial statements

Astra

Astra reported a net profit equivalent to US\$691 million, under Indonesian accounting standards, 6% lower in its local currency terms. This was mainly due to lower contributions from its automotive and agribusiness divisions, which more than offset increased contributions from the financial services and heavy equipment, mining, construction and energy divisions.

Automotive

Net income from Astra's automotive division fell by 18% to US\$244 million, mainly due to lower car sales volumes and increased manufacturing costs. Highlights were as follows:

- Astra's car sales were 6% lower at 253,000 units with the overall wholesale car market declining by 13% to 482,000 units; Astra's market share increased from 48% to 53%; 8 new models and 2 revamped models were launched.
- Astra's Honda motorcycle sales were 8% higher at 2.4 million units as the wholesale motorcycle market grew by 7% in the first half of 2019 to 3.2 million units; and 4 new models and 15 revamped models were launched.
- Components business Astra Otoparts reported a 19% increase in net income at US\$17 million, mainly due to higher revenue from the replacement market and export segments.

Financial Services

Net income from Astra's financial services division grew by 32% to US\$199 million mainly due to the recovery of non-performing loans, lower loan loss provisions and a larger loan portfolio. Highlights were as follows:

- Consumer finance businesses saw a 6% increase in the amount financed to US\$3.0 billion. The net income contribution from the car-focused finance companies increased by 39% to US\$50 million, mainly due to lower non-performing loan losses while the net income contribution from the motorcycle-focused financing business increased by 10% to US\$87 million, due to a larger loan portfolio.
- Heavy equipment-focused finance operations saw a 4% decrease in the amounts financed at US\$151 million. The net income contribution grew 32% to US\$4 million, with lower loan provisions.
- Permata Bank reported a significant increase in net income to US\$50 million, mainly due to higher recoveries from non-performing loans.
- General insurance company, Asuransi Astra Buana, reported 9% growth with net income at US\$38 million, due to increased investment income.

Heavy Equipment, Mining, Construction and Energy

Net income from Astra's heavy equipment, mining, construction and energy division increased by 2% to US\$235 million, mainly due to the contribution from the new gold mining operation, partly offset by lower heavy equipment sales. Highlights were as follows:

- United Tractors reported a 2% increase with net income at US\$393 million.
- Komatsu heavy equipment sales decreased by 20% to 1,917 units while parts and service revenues were stable.
- Mining contracting operations recorded a 5% higher overburden removal volume at 469 million bank cubic metres and a 7% higher coal production at 61 million tonnes.
- Coal mining subsidiaries achieved 11% higher coal sales at 5 million tonnes, including 674,000 tonnes of coking coal sales.
- Agincourt Resources reported gold sales of 194,000 oz.
- General contractor, Acset Indonusa, reported a US\$28 million net loss compared to a net income of US\$5 million in the equivalent period last year, mainly due to increased project and funding costs for several ongoing contracts.

Infrastructure and Logistics

Net income from Astra's infrastructure and logistics division increased significantly to US\$6 million, compared with the same period in 2018, due to improved earnings from its operational toll roads. Highlights were as follows:

- Astra has 339km of operational toll roads along the Trans-Java network and a further 11km under construction.
- There was an increase in revenue due to 23% higher traffic volumes for all operational concessions, following the completion of the Trans-Java network in December 2018.
- In May 2019, a 44.5% interest was acquired in the 36km Surabaya-Mojokerto toll road, further strengthening Astra's portfolio in the Trans-Java network.
- Serasi Autoraya's net income decreased by 20% to US\$6 million, due to a 6% fall in vehicles under leasing contract at 22,200 units and 5% lower used car sales at 15,200 units.

Agribusiness

Net income from Astra's agribusiness division fell by 94% to US\$2 million, due to an 18% fall in crude palm oil prices.

Information Technology

Net income from Astra's information technology division fell by 35% to US\$3 million due to reduced revenue in IT solutions and office services business and higher operating costs.

Property

Net income from Astra's property division was 33% lower at US\$2 million, mainly due to reduced development earnings from Anandamaya Residences following the completion of construction in 2018.

Direct Motor Interests

The Group's Direct Motor Interests contributed a profit of US\$55 million, 22% down on the previous year primarily due to a lower contribution from Truong Hai Auto Corporation ("Thaco"). Highlights were as follows:

- Cycle & Carriage Singapore contributed a profit of US\$29 million, 7% higher than the previous year with the increase in overall vehicle sales partly offset by lower margins due to higher certificates of entitlement ("COE") costs. The passenger car market fell by 7% to 39,900 units, following a decrease in the number of COEs. CCS passenger car sales grew by 15% to 8,000 units, due to the launch of new models and competitive pricing, leading to an increase in its market share from 16% to 20%.
- In Malaysia, Cycle & Carriage Bintang contributed a loss of US\$1 million to JC&C's underlying profit, compared to a profit of US\$1 million in the first half of 2018 as overall unit sales declined, and operating expenses and financing costs were higher.
- In Indonesia, Tunas Ridean contributed US\$10 million to JC&C's underlying profit, 9% higher than the first half of 2018, due to a stronger contribution from its automotive operations, partially offset by a lower contribution from its rental business while the contribution from consumer finance was stable.

- In Vietnam, Thaco contributed US\$23 million to JC&C's underlying profit, 39% lower than the equivalent period last year, due to lower unit sales and margins which reflected the increased competition in the Vietnamese automotive market, particularly from completely built up ("CBU") imports.

Other Strategic Interests

The Group's Other Strategic Interests contributed a profit of US\$44 million, 7% up on the previous year. Highlights were as follows:

- Siam City Cement contributed a profit of US\$12 million, down 8%, as improved domestic performance was offset by a lower contribution from its regional operations, primarily from Vietnam.
- Refrigeration Electrical Engineering Corporation's contribution of US\$4 million, based on its first quarter results as in the previous year, was 5% down. Weaker performances from its power and water investments and its M&E business were partially offset by stronger real estate contributions.
- Vinamilk which is accounted for as an investment produced a dividend income of US\$28 million, compared to US\$24 million in the previous year. Vinamilk reported a net profit of US\$244 million in the first half, 6% up in local currency terms, due to the rebound of the fast-moving consumer goods sector as well as an increase in market share.

Corporate Costs

Corporate costs were US\$18 million compared to US\$54 million in the previous year which has improved the underlying profit of the Group overall. This was primarily due to a foreign exchange gain from the translation of foreign currency loans in the first half of 2019 compared to a foreign exchange loss in the previous year, partly offset by higher net financing charges and overheads in the first half of 2019.

People

Alex Newbigging will be stepping down from his role as Group Managing Director with effect from 30th September 2019 and moving on to a new role within the Jardine Matheson Group. I would like to thank Alex for his contributions to the Group. Ben Birks, who is currently Chief Executive Officer of Jardine International Motors Limited, will succeed Alex Newbigging on 1st October 2019 as Group Managing Director.

Outlook

The outlook for the rest of the year remains cautious, with Astra expected to continue to face a soft automotive market and commodity prices. The Group's Direct Motor Interests will also continue to be affected by challenging market conditions, while the contribution from Other Strategic Interests is expected to be stable.

Ben Keswick
Chairman

CORPORATE PROFILE

Jardine Cycle & Carriage (“JC&C” or “the Group”) is the investment holding company of the Jardine Matheson Group in Southeast Asia. With an investment strategy focused on urbanisation and the growing middle class in the region, JC&C holds long-term, strategic interests in diversified market-leading businesses across Southeast Asia.

The Group has a 50.1% interest in Astra, a diversified group in Indonesia, which is also the largest independent automotive group in Southeast Asia.

JC&C also has significant interests in Vietnam, including 26.6% in Truong Hai Auto Corporation, 24.9% in Refrigeration Electrical Engineering Corporation and 10.6% in Vinamilk. Its 25.5%-owned Siam City Cement also has a presence in South Vietnam, in addition to operating in Thailand, Cambodia and Bangladesh.

The other investments in JC&C’s portfolio are the Cycle & Carriage businesses in Singapore, Malaysia and Myanmar, and 46.2%-owned Tunas Ridean in Indonesia. These motor businesses are managed by Jardine International Motors.

JC&C is a leading Singapore-listed company, 75%-owned by the Jardine Matheson Group. Together with its subsidiaries and associates, JC&C employs more than 250,000 people across Southeast Asia.

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 six months ended 30th June 2019 to be false or misleading in any material respect.

On behalf of the Directors

Ben Keswick
Director

Vimala Menon
Director

2nd August 2019

Jardine Cycle & Carriage Limited
Consolidated Profit and Loss Account for the six months ended 30th June 2019

	Note	Three months ended			Six months ended		
		30.6.2019 US\$m	Restated 30.6.2018 US\$m	Change %	30.6.2019 US\$m	Restated 30.6.2018 US\$m	Change %
Revenue		4,440.9	4,545.6	-2	9,157.1	9,188.8	-
Net operating costs	2	(4,016.4)	(4,180.5)	-4	(8,077.3)	(8,389.6)	-4
Operating profit	2	424.5	365.1	16	1,079.8	799.2	35
Financing income		21.9	22.2	-1	44.4	44.6	-
Financing charges		(90.8)	(61.1)	49	(178.0)	(110.5)	61
Net financing charges		(68.9)	(38.9)	77	(133.6)	(65.9)	103
Share of associates' and joint ventures' results after tax		124.4	147.0	-15	248.4	273.1	-9
Profit before tax		480.0	473.2	1	1,194.6	1,006.4	19
Tax	3	(136.6)	(145.1)	-6	(256.0)	(265.9)	-4
Profit after tax		343.4	328.1	5	938.6	740.5	27
Profit attributable to:							
Shareholders of the Company		115.1	37.7	205	427.5	173.0	147
Non-controlling interests		228.3	290.4	-21	511.1	567.5	-10
		343.4	328.1	5	938.6	740.5	27
		US¢	US¢		US¢	US¢	
Earnings per share	4	29	10	205	108	44	147

Jardine Cycle & Carriage Limited
Consolidated Statement of Comprehensive Income for the six months ended 30th June 2019

	Three months ended		Six months ended	
	30.6.2019 US\$m	Restated 30.6.2018 US\$m	30.6.2019 US\$m	Restated 30.6.2018 US\$m
Profit for the period	343.4	328.1	938.6	740.5
Items that will not be reclassified to profit or loss:				
Asset revaluation surplus	-	3.0	-	3.0
Remeasurements of defined benefit pension plans	0.1	-	0.3	(1.0)
Tax on items that will not be reclassified	-	-	-	0.2
Share of other comprehensive income of associates and joint ventures, net of tax	0.1	0.3	(0.1)	0.9
	0.2	3.3	0.2	3.1
Items that may be reclassified subsequently to profit or loss:				
Translation difference				
- gain/(loss) arising during the period	97.2	(562.9)	284.7	(697.6)
Financial assets at FVOCI ⁽¹⁾				
- gain/(loss) arising during the period	4.8	(17.4)	14.4	(20.7)
- transfer to profit and loss	(0.4)	(2.4)	(0.4)	(3.8)
Cash flow hedges				
- gain/(loss) arising during the period	(56.8)	51.8	(76.0)	51.7
- transfer to profit and loss	0.8	0.1	1.6	0.4
Tax relating to items that may be reclassified	14.8	(11.9)	19.3	(11.8)
Share of other comprehensive income of associates and joint ventures, net of tax	(24.0)	(14.5)	(36.1)	13.3
	36.4	(557.2)	207.5	(668.5)
Other comprehensive income for the period	36.6	(553.9)	207.7	(665.4)
Total comprehensive income for the period	380.0	(225.8)	1,146.3	75.1
Attributable to:				
Shareholders of the Company	145.2	(221.1)	541.2	(113.8)
Non-controlling interests	234.8	(4.7)	605.1	188.9
	380.0	(225.8)	1,146.3	75.1

⁽¹⁾ Fair value through other comprehensive income ("FVOCI")

Jardine Cycle & Carriage Limited
Consolidated Balance Sheet at 30th June 2019

	Note	At 30.6.2019 US\$m	Restated At 31.12.2018 US\$m	Restated At 1.1.2018 US\$m
Non-current assets				
Intangible assets		1,732.0	1,630.6	1,079.5
Property, plant and equipment		4,666.6	4,457.5	3,404.5
Investment properties		605.7	587.2	618.6
Bearer plants		498.7	486.8	498.0
Interests in associates and joint ventures		4,658.4	4,250.6	4,280.3
Right-of-use assets		782.5	753.0	762.1
Non-current investments		2,100.8	1,911.2	2,031.8
Non-current debtors		2,932.9	2,867.1	2,824.5
Deferred tax assets		342.7	300.7	322.4
		<u>18,320.3</u>	<u>17,244.7</u>	<u>15,821.7</u>
Current assets				
Current investments		36.8	50.4	22.7
Properties for sale		358.3	355.8	254.0
Stocks		1,998.8	2,039.7	1,723.8
Current debtors		5,958.1	5,595.5	5,044.9
Current tax assets		154.2	134.9	120.5
Bank balances and other liquid funds				
- non-financial services companies		1,376.4	1,711.4	2,398.7
- financial services companies		240.7	187.5	241.1
		<u>1,617.1</u>	<u>1,898.9</u>	<u>2,639.8</u>
		<u>10,123.3</u>	<u>10,075.2</u>	<u>9,805.7</u>
Total assets		<u>28,443.6</u>	<u>27,319.9</u>	<u>25,627.4</u>
Non-current liabilities				
Non-current creditors		298.7	271.4	241.6
Provisions		159.1	146.7	113.7
Non-current lease liabilities		94.9	93.3	89.0
Long-term borrowings	5			
- non-financial services companies		1,819.1	1,125.4	845.0
- financial services companies		1,803.3	1,655.2	1,486.4
		<u>3,622.4</u>	<u>2,780.6</u>	<u>2,331.4</u>
Deferred tax liabilities		399.7	428.0	212.9
Pension liabilities		272.6	253.0	262.2
		<u>4,847.4</u>	<u>3,973.0</u>	<u>3,250.8</u>
Current liabilities				
Current creditors		4,854.2	4,951.5	4,152.7
Provisions		98.8	92.8	87.2
Current lease liabilities		42.3	40.5	20.0
Current borrowings	5			
- non-financial services companies		2,662.8	2,737.9	2,368.5
- financial services companies		1,819.8	1,824.5	2,153.9
		<u>4,482.6</u>	<u>4,562.4</u>	<u>4,522.4</u>
Current tax liabilities		107.7	213.8	135.4
		<u>9,585.6</u>	<u>9,861.0</u>	<u>8,917.7</u>
Total liabilities		<u>14,433.0</u>	<u>13,834.0</u>	<u>12,168.5</u>
Net assets		<u>14,010.6</u>	<u>13,485.9</u>	<u>13,458.9</u>
Equity				
Share capital	6	1,381.0	1,381.0	1,381.0
Revenue reserve	7	6,353.2	6,202.4	6,171.9
Other reserves	8	(1,326.2)	(1,439.6)	(1,120.1)
Shareholders' funds		6,408.0	6,143.8	6,432.8
Non-controlling interests	9	7,602.6	7,342.1	7,026.1
Total equity		<u>14,010.6</u>	<u>13,485.9</u>	<u>13,458.9</u>

Jardine Cycle & Carriage Limited
Consolidated Statement of Changes in Equity for the three months ended 30th June 2019

	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		
2019								
Balance at 1st April	1,381.0	6,514.5	403.3	(1,764.6)	5.1	6,539.3	7,724.3	14,263.6
Total comprehensive income	-	115.2	-	50.7	(20.7)	145.2	234.8	380.0
Dividends paid by the Company	-	(276.5)	-	-	-	(276.5)	-	(276.5)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(356.3)	(356.3)
Acquisition of subsidiary	-	-	-	-	-	-	(0.2)	(0.2)
Balance at 30th June	<u>1,381.0</u>	<u>6,353.2</u>	<u>403.3</u>	<u>(1,713.9)</u>	<u>(15.6)</u>	<u>6,408.0</u>	<u>7,602.6</u>	<u>14,010.6</u>
2018								
Balance at 1st April	1,381.0	6,312.4	402.4	(1,555.2)	4.6	6,545.2	7,216.2	13,761.4
Effect of adoption of IFRS 16	-	(1.9)	-	-	-	(1.9)	(1.6)	(3.5)
Balance as at 1st April as restated	1,381.0	6,310.5	402.4	(1,555.2)	4.6	6,543.3	7,214.6	13,757.9
Total comprehensive income	-	37.8	1.5	(265.2)	4.8	(221.1)	(4.7)	(225.8)
Dividends paid by the Company	-	(271.4)	-	-	-	(271.4)	-	(271.4)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(297.3)	(297.3)
Issue of shares to non-controlling interests	-	-	-	-	-	-	44.9	44.9
Change in shareholding	-	(63.9)	-	-	-	(63.9)	(138.4)	(202.3)
Acquisition of subsidiary	-	-	-	-	-	-	2.0	2.0
Other	-	(0.1)	-	-	-	(0.1)	12.8	12.7
Balance at 30th June	<u>1,381.0</u>	<u>6,012.9</u>	<u>403.9</u>	<u>(1,820.4)</u>	<u>9.4</u>	<u>5,986.8</u>	<u>6,833.9</u>	<u>12,820.7</u>

Jardine Cycle & Carriage Limited
Consolidated Statement of Changes in Equity for the six months ended 30th June 2019

	Attributable to shareholders of the Company					Total US\$m	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			
2019								
Balance at 1st January	1,381.0	6,206.2	403.3	(1,852.6)	9.6	6,147.5	7,345.4	13,492.9
Effect of adoption of IFRS 16	-	(3.8)	-	0.1	-	(3.7)	(3.3)	(7.0)
Balance as at 1st January as restated	1,381.0	6,202.4	403.3	(1,852.5)	9.6	6,143.8	7,342.1	13,485.9
Total comprehensive income	-	427.8	-	138.6	(25.2)	541.2	605.1	1,146.3
Dividends paid by the Company	-	(276.5)	-	-	-	(276.5)	-	(276.5)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(356.9)	(356.9)
Issue of shares to non- controlling interests	-	-	-	-	-	-	15.0	15.0
Change in shareholding	-	(0.5)	-	-	-	(0.5)	(2.5)	(3.0)
Acquisition of subsidiary	-	-	-	-	-	-	(0.2)	(0.2)
Balance at 30th June	<u>1,381.0</u>	<u>6,353.2</u>	<u>403.3</u>	<u>(1,713.9)</u>	<u>(15.6)</u>	<u>6,408.0</u>	<u>7,602.6</u>	<u>14,010.6</u>
2018								
Balance at 1st January	1,381.0	6,173.7	402.4	(1,521.5)	(1.0)	6,434.6	7,028.4	13,463.0
Effect of adoption of IFRS 16	-	(1.8)	-	-	-	(1.8)	(2.3)	(4.1)
Balance as at 1st January as restated	1,381.0	6,171.9	402.4	(1,521.5)	(1.0)	6,432.8	7,026.1	13,458.9
Total comprehensive income	-	173.2	1.5	(298.9)	10.4	(113.8)	188.9	75.1
Dividends paid by the Company	-	(271.4)	-	-	-	(271.4)	-	(271.4)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(322.6)	(322.6)
Issue of shares to non- controlling interests	-	-	-	-	-	-	62.2	62.2
Change in shareholding	-	(63.9)	-	-	-	(63.9)	(135.5)	(199.4)
Acquisition of subsidiary	-	-	-	-	-	-	2.0	2.0
Other	-	3.1	-	-	-	3.1	12.8	15.9
Balance at 30th June	<u>1,381.0</u>	<u>6,012.9</u>	<u>403.9</u>	<u>(1,820.4)</u>	<u>9.4</u>	<u>5,986.8</u>	<u>6,833.9</u>	<u>12,820.7</u>

Jardine Cycle & Carriage Limited
Company Balance Sheet at 30th June 2019

	Note	At 30.6.2019 US\$m	At 31.12.2018 US\$m
Non-current assets			
Property, plant and equipment		34.3	34.4
Interests in subsidiaries		1,374.2	1,358.3
Interests in associates and joint ventures		1,164.0	987.0
Non-current investment		179.6	167.6
		<u>2,752.1</u>	<u>2,547.3</u>
Current assets			
Current debtors		1,194.3	1,229.9
Bank balances and other liquid funds		13.6	52.8
		<u>1,207.9</u>	<u>1,282.7</u>
Total assets		<u>3,960.0</u>	<u>3,830.0</u>
Non-current liabilities			
Deferred tax liabilities		6.2	6.1
		<u>6.2</u>	<u>6.1</u>
Current liabilities			
Current creditors		75.6	83.8
Current borrowings		1,528.2	1,379.5
Current tax liabilities		1.6	1.7
		<u>1,605.4</u>	<u>1,465.0</u>
Total liabilities		<u>1,611.6</u>	<u>1,471.1</u>
Net assets		<u>2,348.4</u>	<u>2,358.9</u>
Equity			
Share capital	6	1,381.0	1,381.0
Revenue reserve	7	640.9	672.6
Other reserves	8	326.5	305.3
Total equity		<u>2,348.4</u>	<u>2,358.9</u>
Net asset value per share		US\$5.94	US\$5.97

Jardine Cycle & Carriage Limited
Company Statement of Comprehensive Income for the six months ended 30th June 2019

	Three months ended		Six months ended	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
	US\$m	US\$m	US\$m	US\$m
Profit for the period	250.6	179.1	244.8	169.9
Item that may be reclassified subsequently to profit or loss:				
Translation difference	3.2	(100.8)	21.2	(53.7)
Other comprehensive income for the period	3.2	(100.8)	21.2	(53.7)
Total comprehensive income for the period	<u>253.8</u>	<u>78.3</u>	<u>266.0</u>	<u>116.2</u>

Jardine Cycle & Carriage Limited
Company Statement of Changes in Equity for the six months ended 30th June 2019

For the three months ended 30th June 2019

	Share capital US\$m	Revenue reserve US\$m	Translation reserve US\$m	Total equity US\$m
2019				
Balance at 1st April	1,381.0	666.8	323.3	2,371.1
Total comprehensive income	-	250.6	3.2	253.8
Dividend paid	-	(276.5)	-	(276.5)
Balance at 30th June	<u>1,381.0</u>	<u>640.9</u>	<u>326.5</u>	<u>2,348.4</u>
2018				
Balance at 1st April	1,381.0	745.4	404.2	2,530.6
Total comprehensive income	-	179.1	(100.8)	78.3
Dividend paid	-	(271.4)	-	(271.4)
Balance at 30th June	<u>1,381.0</u>	<u>653.1</u>	<u>303.4</u>	<u>2,337.5</u>

For the six months ended 30th June 2019

	Share capital US\$m	Revenue reserve US\$m	Translation reserve US\$m	Total equity US\$m
2019				
Balance at 1st January	1,381.0	672.6	305.3	2,358.9
Total comprehensive income	-	244.8	21.2	266.0
Dividend paid	-	(276.5)	-	(276.5)
Balance at 30th June	<u>1,381.0</u>	<u>640.9</u>	<u>326.5</u>	<u>2,348.4</u>
2018				
Balance at 1st January	1,381.0	754.6	357.1	2,492.7
Total comprehensive income	-	169.9	(53.7)	116.2
Dividend paid	-	(271.4)	-	(271.4)
Balance at 30th June	<u>1,381.0</u>	<u>653.1</u>	<u>303.4</u>	<u>2,337.5</u>

Jardine Cycle & Carriage Limited
Consolidated Statement of Cash Flows for the six months ended 30th June 2019

	Note	Three months ended		Six months ended	
		30.6.2019 US\$m	Restated 30.6.2018 US\$m	30.6.2019 US\$m	Restated 30.6.2018 US\$m
Cash flows from operating activities					
Cash generated from operations	10	370.1	471.9	975.9	1,001.8
Interest paid		(60.6)	(41.5)	(120.3)	(74.5)
Interest received		21.2	22.9	41.7	45.8
Other finance costs paid		(27.8)	(14.5)	(55.9)	(29.3)
Income tax paid		(284.7)	(198.5)	(428.5)	(292.4)
		(351.9)	(231.6)	(563.0)	(350.4)
Net cash flows from operating activities		18.2	240.3	412.9	651.4
Cash flows from investing activities					
Sale of right-of-use assets		0.5	-	0.5	11.8
Sale of property, plant and equipment		3.2	5.3	6.9	8.7
Sale of investments		73.9	59.0	165.8	136.3
Sale of associate and joint venture		3.2	-	3.2	-
Sale of subsidiaries		0.2	0.2	0.4	0.4
Purchase of intangible assets		(48.6)	(16.4)	(96.0)	(35.2)
Purchase of right-of-use assets		(6.6)	(3.0)	(32.1)	(4.3)
Purchase of property, plant and equipment		(183.6)	(192.7)	(464.6)	(431.2)
Purchase of investment properties		(6.8)	(6.3)	(9.6)	(24.2)
Additions to bearer plants		(10.1)	(9.8)	(20.7)	(19.5)
Purchase of subsidiaries, net of cash acquired		-	-	-	(84.6)
Purchase of associates and joint ventures		(276.1)	(16.6)	(320.6)	(116.4)
Purchase of investments		(65.0)	(113.2)	(278.6)	(569.2)
Dividends received from associates and joint ventures (net)		272.7	274.9	272.7	279.4
Net cash flows used in investing activities		(243.1)	(18.6)	(772.7)	(848.0)
Cash flows from financing activities					
Drawdown of loans		1,172.2	935.5	2,398.9	2,090.8
Repayment of loans		(950.0)	(988.0)	(1,683.6)	(1,767.7)
Principal elements of lease payments		(15.5)	(16.0)	(38.9)	(31.9)
Changes in controlling interests in subsidiaries		-	(202.3)	(3.0)	(199.4)
Investment by non-controlling interests		-	44.9	15.0	62.2
Dividends paid to non-controlling interests		(356.9)	(297.3)	(356.9)	(322.6)
Dividends paid by the Company		(276.5)	(271.4)	(276.5)	(271.4)
Net cash flow from/(used in) financing activities		(426.7)	(794.6)	55.0	(440.0)
Net change in cash and cash equivalents		(651.6)	(572.9)	(304.8)	(636.6)
Cash and cash equivalents at the beginning of the period		2,255.4	2,553.2	1,881.5	2,639.8
Effect of exchange rate changes		10.8	(78.7)	37.9	(101.6)
Cash and cash equivalents at the end of the period ⁽¹⁾		1,614.6	1,901.6	1,614.6	1,901.6

(1) For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents comprise deposits with bank and financial institutions, bank and cash balances, net of bank overdrafts. In the balance sheet, bank overdrafts are included under current borrowings.

1 Basis of preparation

The financial statements are consistent with those set out in the 2018 audited accounts which have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") and International Financial Reporting Standards ("IFRS"). There have been no changes to the accounting policies described in the 2018 audited accounts except for the adoption of IFRS 16 *Leases*, which is effective from 1st January 2019.

The standard replaces IAS 17 'Leases' and related interpretations and introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. The distinction between operating and finance leases is removed for lessee accounting, and is replaced by a model where a lease liability and a corresponding right-of-use asset have to be recognised on the balance sheet for almost all leases by the lessees. The Group's recognised right-of-use assets primarily relate to property leases, equipment and motor vehicles. Prior to 2019, payments made under operating leases were charged to profit and loss on a straight-line basis over the period of the lease. From 1st January 2019, each lease payment is allocated between settlement of the lease liability and finance cost. The finance cost is charged to profit and loss over the lease period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

In addition, leasehold land which represents payments to third parties to acquire interests in property is now presented under right-of-use assets. Leasehold land is amortised over the useful life of the lease, which includes the renewal period if the lease is likely to be renewed by the Group without significant cost.

The accounting for lessors does not change significantly.

The adoption of IFRS 16 has been accounted for retrospectively and the comparative financial statements have been restated. The adoption has resulted in a decrease in the profit attributable to shareholders for the financial period 6 months ended 30th June 2018 and financial year ended 31st December 2018 by US\$1.0m and US\$2.0m, respectively.

As at 31st December 2018, the impact on the statement of financial position is as follows:-

	US\$m
Net assets	
Leasehold land use rights	(597.7)
Property, plant and equipment	(29.8)
Interest in associates and joint ventures	(0.7)
Right-of-use assets	753.0
Deferred tax assets	0.4
Debtors	(36.1)
Lease liabilities	(133.8)
Borrowings	37.7
	<u>(7.0)</u>
Equity	
Shareholders' funds	(3.7)
Non-controlling interests	(3.3)
	<u>(7.0)</u>

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\$1.3537 (2018: US\$1=S\$1.3659), US\$1= RM4.1435 (2018: US\$1= RM4.1480), US\$1= IDR14,141 (2018: US\$1=IDR14,481), US\$1= VND23,322 (2018: US\$1= VND23,175) and US\$1= THB30.7570 (2018: US\$1=THB32.5180).

The exchange rates used for translating the results for the period are US\$1= S\$1.3578 (2018: US\$1=S\$1.3300), US\$1= RM4.1204 (2018: US\$1= RM3.9386), US\$1= IDR14,187 (2018: US\$1=IDR13,851), US\$1= VND23,271 (2018: US\$1= VND22,803) and US\$1= THB31.4938 (2018: US\$1=THB31.8077).

2 Net operating costs and operating profit

	Group					
	Three months ended			Six months ended		
	30.6.2019	Restated 30.6.2018	<i>Change</i>	30.6.2019	Restated 30.6.2018	<i>Change</i>
	US\$m	US\$m	%	US\$m	US\$m	%
Cost of sales	(3,536.8)	(3,628.2)	-3	(7,282.9)	(7,368.2)	-1
Other operating income	18.1	73.4	-75	187.0	159.3	17
Selling and distribution expenses	(211.6)	(205.2)	3	(415.8)	(412.6)	1
Administrative expenses	(277.5)	(246.0)	13	(546.9)	(497.1)	10
Other operating expenses	(8.6)	(174.5)	-95	(18.7)	(271.0)	-93
Net operating costs	<u>(4,016.4)</u>	<u>(4,180.5)</u>	-4	<u>(8,077.3)</u>	<u>(8,389.6)</u>	-4

Operating profit is determined after including:

Depreciation of property, plant and equipment ⁽¹⁾	(184.0)	(141.4)	30	(369.0)	(279.9)	32
Depreciation of bearer plants	(6.7)	(6.2)	8	(13.5)	(12.5)	8
Amortisation of intangible assets ⁽¹⁾	(45.4)	(16.4)	177	(86.2)	(33.1)	160
Amortisation of right-of-use assets	(25.3)	(26.8)	-6	(53.8)	(49.1)	10
Fair value changes of :						
- agriculture produce	0.1	(0.9)	<i>nm</i>	2.8	(0.8)	<i>nm</i>
- other investments ⁽²⁾	(93.0)	(155.3)	-40	17.1	(238.6)	<i>nm</i>
Profit/(loss) on disposal of:						
- property, plant and equipment	(0.4)	3.9	<i>nm</i>	(1.3)	4.6	<i>nm</i>
- right-of-use assets	0.2	-	<i>nm</i>	0.8	0.2	300
- associates and joint ventures	0.5	-	<i>nm</i>	0.5	-	<i>nm</i>
- investments	0.5	1.7	-71	2.6	3.1	-16
Loss on disposal/write-down of receivables from collateral vehicles	(13.9)	(13.3)	5	(28.0)	(27.5)	2
Dividend and interest income from investments	46.2	35.7	30	57.2	55.5	3
Write-down of stocks	(4.7)	(1.8)	161	(7.8)	(6.0)	30
Impairment of debtors	(28.9)	(45.3)	-36	(52.2)	(81.3)	-36
Net exchange gain/(loss) ⁽³⁾	<u>3.4</u>	<u>(30.1)</u>	<i>nm</i>	<u>3.1</u>	<u>(6.7)</u>	<i>nm</i>

nm – not meaningful

(1) Increase in depreciation and amortisation cost mainly relates to the property, plant and equipment and intangible assets of subsidiary acquired in late 2018

(2) Fair value gain/(loss) relates mainly to equity investments in Vinamilk and Toyota Motor Corporation

(3) Net exchange loss for three months ended 30th June 2018 relates mainly to the impact of stronger US dollars on monetary 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

	Group			
	Three months ended		Six months ended	
	30.6.2019 US\$m	Restated 30.6.2018 US\$m	30.6.2019 US\$m	Restated 30.6.2018 US\$m
Basic and diluted earnings per share				
Profit attributable to shareholders	115.1	37.7	427.5	173.0
Weighted average number of shares in issue (millions)	395.2	395.2	395.2	395.2
Basic earnings per share	<u>US¢29</u>	<u>US¢10</u>	<u>US¢108</u>	<u>US¢44</u>
Diluted earnings per share	<u>US¢29</u>	<u>US¢10</u>	<u>US¢108</u>	<u>US¢44</u>
Underlying earnings per share				
Underlying profit attributable to shareholders	206.0	194.0	407.3	412.9
Weighted average number of shares in issue (millions)	395.2	395.2	395.2	395.2
Basic earnings per share	<u>US¢52</u>	<u>US¢49</u>	<u>US¢103</u>	<u>US¢104</u>
Diluted earnings per share	<u>US¢52</u>	<u>US¢49</u>	<u>US¢103</u>	<u>US¢104</u>

As at 30th June 2018 and 2019, 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:

	Group			
	Three months ended		Six months ended	
	30.6.2019 US\$m	Restated 30.6.2018 US\$m	30.6.2019 US\$m	Restated 30.6.2018 US\$m
Profit attributable to shareholders	115.1	37.7	427.5	173.0
Less: Non-trading items				
Fair value changes of agriculture produce	-	(0.2)	0.8	(0.1)
Fair value changes of other investments	(91.1)	(156.1)	19.2	(239.8)
Net gain on disposal of interests in joint ventures	0.2	-	0.2	-
	<u>(90.9)</u>	<u>(156.3)</u>	<u>20.2</u>	<u>(239.9)</u>
Underlying profit attributable to shareholders	<u>206.0</u>	<u>194.0</u>	<u>407.3</u>	<u>412.9</u>

Non-trading items are separately identified to provide greater understanding of the Group's underlying business performance. Items classified as non-trading items include fair value gains or losses on revaluation of investment properties, agricultural produce and equity investments which are measured at fair value through profit and loss; gains and losses arising from the sale of businesses, investments and properties; impairment of non-depreciable intangible assets and other investments; provisions for closure of businesses; acquisition-related costs in business combinations; and other credits and charges of a non-recurring nature that require inclusion in order to provide additional insight into the Group's underlying business performance.

5 Borrowings

	Group	
	At 30.6.2019 US\$m	Restated At 31.12.2018 US\$m
Long-term borrowings:		
- secured	960.2	1,209.5
- unsecured	2,662.2	1,571.1
	<u>3,622.4</u>	<u>2,780.6</u>
Current borrowings:		
- secured	1,343.3	1,418.1
- unsecured	3,139.3	3,144.3
	<u>4,482.6</u>	<u>4,562.4</u>
Total borrowings	<u>8,105.0</u>	<u>7,343.0</u>

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\$1,099.6 million (31st December 2018: US\$1,336.9 million).

6 Share capital

	2019 US\$m	Company 2018 US\$m
Three months ended 30th June		
Issued and fully paid:		
Balance at 1st April and 30th June		
- 395,236,288 (2018: 395,236,288) ordinary shares	<u>1,381.0</u>	<u>1,381.0</u>
Six months ended 30th June		
Issued and fully paid:		
Balance at 1st January and 30th June		
- 395,236,288 (2018: 395,236,288) ordinary shares	<u>1,381.0</u>	<u>1,381.0</u>

There were no rights, bonus or equity issues during the period between 1st April 2019 and 30th June 2019. The Company did not hold any treasury shares as at 30th June 2019 (30th June 2018: Nil) and did not have any unissued shares under convertibles as at 30th June 2019 (30th June 2018: Nil).

There were no subsidiary holdings (as defined in the Listing Manual of the SGX-ST) as at 30th June 2019 (30th June 2018: Nil).

7 Revenue reserve

	Group		Company	
	2019	Restated 2018	2019	2018
	US\$m	US\$m	US\$m	US\$m
Three months ended 30th June				
<u>Movements:</u>				
Balance at 1st April	6,514.5	6,312.4	666.8	745.4
Effect of adoption of IFRS 16	-	(1.9)	-	-
Balance at 1st April as restated	<u>6,514.5</u>	<u>6,310.5</u>	<u>666.8</u>	<u>745.4</u>
Asset revaluation reserve realised on disposal of assets	-	-	-	-
Defined benefit pension plans				
- remeasurements	0.1	-	-	-
- deferred tax	-	-	-	-
Share of associates' and joint ventures' remeasurements of defined benefit pension plans, net of tax	-	0.1	-	-
Profit attributable to shareholders	115.1	37.7	250.6	179.1
Dividends paid by the Company	(276.5)	(271.4)	(276.5)	(271.4)
Change in shareholding	-	(63.9)	-	-
Other	-	(0.1)	-	-
Balance at 30th June	<u>6,353.2</u>	<u>6,012.9</u>	<u>640.9</u>	<u>653.1</u>
Six months ended 30th June				
<u>Movements:</u>				
Balance at 1st January	6,206.2	6,173.7	672.6	754.6
Effect of adoption of IFRS 16	(3.8)	(1.8)	-	-
Balance at 1st January as restated	<u>6,202.4</u>	<u>6,171.9</u>	<u>672.6</u>	<u>754.6</u>
Asset revaluation reserve realised on disposal of assets	-	-	-	-
Defined benefit pension plans				
- remeasurements	0.2	(0.2)	-	-
- deferred tax	-	-	-	-
Share of associates' and joint ventures' remeasurements of defined benefit pension plans, net of tax	0.1	0.4	-	-
Profit attributable to shareholders	427.5	173.0	244.8	169.9
Dividends paid by the Company	(276.5)	(271.4)	(276.5)	(271.4)
Change in shareholding	(0.5)	(63.9)	-	-
Other	-	3.1	-	-
Balance at 30th June	<u>6,353.2</u>	<u>6,012.9</u>	<u>640.9</u>	<u>653.1</u>

8 Other reserves

	Group		Company	
	2019 US\$m	2018 US\$m	2019 US\$m	2018 US\$m
Composition:				
Asset revaluation reserve	403.3	403.9	-	-
Translation reserve	(1,713.9)	(1,820.4)	326.5	303.4
Fair value reserve	9.6	(0.1)	-	-
Hedging reserve	(28.5)	6.2	-	-
Other reserve	3.3	3.3	-	-
Balance at 30th June	(1,326.2)	(1,407.1)	326.5	303.4
Three months ended 30th June				
Movements:				
<i>Asset revaluation reserve</i>				
Balance at 1st April	403.3	402.4	-	-
Revaluation surplus	-	1.5	-	-
Reserve realised on disposal of assets	-	-	-	-
Balance at 30th June	403.3	403.9	-	-
<i>Translation reserve</i>				
Balance at 1st April	(1,764.6)	(1,555.2)	323.3	404.2
Effect of adoption of IFRS 16	-	-	-	-
Balance at 1st April as restated	(1,764.6)	(1,555.2)	323.3	404.2
Translation difference	50.7	(265.2)	3.2	(100.8)
Balance at 30th June	(1,713.9)	(1,820.4)	326.5	303.4
<i>Fair value reserve</i>				
Balance at 1st April	7.1	12.2	-	-
Financial assets at FVOCI				
- fair value changes	2.3	(8.4)	-	-
- deferred tax	(0.1)	0.2	-	-
- transfer to profit and loss	(0.2)	(1.1)	-	-
Share of associates' and joint ventures' fair value changes of financial assets at FVOCI, net of tax	0.5	(3.0)	-	-
Balance at 30th June	9.6	(0.1)	-	-
<i>Hedging reserve</i>				
Balance at 1st April	(5.3)	(10.9)	-	-
Cash flow hedges				
- fair value changes	(21.2)	24.0	-	-
- deferred tax	5.4	(5.7)	-	-
- transfer to profit and loss	0.4	-	-	-
Share of associates' and joint ventures' fair value changes of cash flow hedges, net of tax	(7.8)	(1.2)	-	-
Balance at 30th June	(28.5)	6.2	-	-
<i>Other reserve</i>				
Balance at 1st April and 30th June	3.3	3.3	-	-

8 Other reserves (continued)

Six months ended 30th June	Group		Company	
	2019 US\$m	2018 US\$m	2019 US\$m	2018 US\$m
<i>Movements:</i>				
<i>Asset revaluation reserve</i>				
Balance at 1st January	403.3	402.4	-	-
Revaluation surplus	-	1.5	-	-
Reserve realised on disposal of assets	-	-	-	-
Balance at 30th June	<u>403.3</u>	<u>403.9</u>	<u>-</u>	<u>-</u>
<i>Translation reserve</i>				
Balance at 1st January	(1,852.6)	(1,521.5)	305.3	357.1
Effect of adoption of IFRS 16	0.1	-	-	-
Balance at 1st January as restated	<u>(1,852.5)</u>	<u>(1,521.5)</u>	<u>305.3</u>	<u>357.1</u>
Translation difference	138.6	(298.9)	21.2	(53.7)
Balance at 30th June	<u>(1,713.9)</u>	<u>(1,820.4)</u>	<u>326.5</u>	<u>303.4</u>
<i>Fair value reserve</i>				
Balance at 1st January	0.5	15.1	-	-
Financial assets at FVOCI				
- fair value changes	6.9	(10.0)	-	-
- deferred tax	(0.1)	0.3	-	-
- transfer to profit and loss	(0.2)	(1.8)	-	-
Share of associates' and joint ventures' fair value changes of financial assets at FVOCI, net of tax	2.5	(3.7)	-	-
Balance at 30th June	<u>9.6</u>	<u>(0.1)</u>	<u>-</u>	<u>-</u>
<i>Hedging reserve</i>				
Balance at 1st January	5.8	(19.4)	-	-
Cash flow hedges				
- fair value changes	(29.7)	23.8	-	-
- deferred tax	7.4	(5.7)	-	-
- transfer to profit and loss	0.8	0.2	-	-
Share of associates' and joint ventures' fair value changes of cash flow hedges, net of tax	(12.8)	7.3	-	-
Balance at 30th June	<u>(28.5)</u>	<u>6.2</u>	<u>-</u>	<u>-</u>
<i>Other reserve</i>				
Balance at 1st January and 30th June	<u>3.3</u>	<u>3.3</u>	<u>-</u>	<u>-</u>

10 Cash flows from operating activities

	Group			
	Three months ended		Six months ended	
	30.6.2019 US\$m	30.6.2018 US\$m	30.6.2019 US\$m	30.6.2018 US\$m
Profit before tax	480.0	473.2	1,194.6	1,006.4
Adjustments for:				
Financing income	(21.9)	(22.2)	(44.4)	(44.6)
Financing charges ⁽¹⁾	90.8	61.1	178.0	110.5
Share of associates' and joint ventures' results after tax	(124.4)	(147.0)	(248.4)	(273.1)
Depreciation of property, plant and equipment	184.0	141.4	369.0	279.9
Depreciation of bearer plants	6.7	6.2	13.5	12.5
Amortisation of right-of-use assets	25.3	26.8	53.8	49.1
Amortisation of intangible assets	45.4	16.4	86.2	33.1
Fair value changes of:				
- other investments	93.0	155.3	(17.1)	238.6
- agricultural produce	(0.1)	0.9	(2.8)	0.8
(Profit)/loss on disposal of:				
- right-of-use assets	(0.2)	-	(0.8)	(0.2)
- property, plant and equipment	0.4	(3.9)	1.3	(4.6)
- investment properties	-	-	-	-
- investments	(0.5)	(1.7)	(2.6)	(3.1)
- associate and joint venture	(0.5)	-	(0.5)	-
Loss on disposal/write-down of repossessed assets	13.9	13.3	28.0	27.5
Amortisation of borrowing costs for financial services companies	2.5	2.4	4.9	5.0
Write-down of stocks	4.7	1.8	7.8	6.0
Impairment of debtors	28.9	45.3	52.2	81.3
Changes in provisions	8.5	8.6	17.7	18.3
Foreign exchange loss	4.0	34.4	3.1	13.8
	360.5	339.1	498.9	550.8
Operating profit before working capital changes	840.5	812.3	1,693.5	1,557.2
Changes in working capital:				
Properties for sale	0.1	(76.2)	6.1	(76.2)
Stocks	32.7	(107.3)	41.2	(42.4)
Concession rights	(12.3)	(5.1)	(39.0)	(6.7)
Financing debtors ⁽²⁾	(111.9)	(141.5)	(245.9)	(145.7)
Debtors ⁽²⁾	(183.5)	(211.4)	(222.4)	(560.0)
Creditors ⁽³⁾	(202.3)	194.5	(271.3)	262.2
Pensions	6.8	6.6	13.7	13.4
	(470.4)	(340.4)	(717.6)	(555.4)
Cash flows from operating activities	370.1	471.9	975.9	1,001.8

(1) Increase in financing charges mainly due to higher level of net debt

(2) Increase in debtors balance due mainly to higher sales and financing activities

(3) Decrease in creditors balance due mainly to lower trade purchases

11 Dividend and closure of books

The Board has declared an interim one-tier tax exempt dividend of US¢18 per share (2018: US¢18 per share).

NOTICE IS HEREBY GIVEN that the Transfer Books and the Register of Members of the Company will be closed from 5.00 p.m. on Wednesday, 28th August 2019 ("Books Closure Date") up to, and including Thursday, 29th August 2019 for the purpose of determining shareholders' entitlement to the interim dividend.

Duly completed transfers of shares of the Company in physical scrip received by the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902 up to 5.00 p.m. on the Books Closure Date will be registered before entitlements to the interim dividend are determined. Shareholders (being Depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with shares of the Company as at 5.00 p.m. on the Books Closure Date will rank for the interim dividend.

The interim dividend will be paid on Monday, 7th October 2019. Shareholders will have the option to receive the interim dividend in Singapore dollars and in the absence of any election, the interim dividend will be paid in US dollars. Details on this elective will be furnished to shareholders in due course.

12 Interested person transactions

<u>Name of interested person</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)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	US\$m	US\$m
Three months ended 30th June 2019		
Jardine Matheson Limited		
- management support services	-	2.1
Hongkong Land Ltd		
- management support services	-	0.1
	<hr/>	<hr/>
	-	2.2
Six months ended 30th June 2019		
Jardine Matheson Limited		
- management support services	-	2.1
Hongkong Land Ltd		
- management support services	-	0.2
	<hr/>	<hr/>
	-	2.3

13 Additional information

	Group					
	Three months ended			Six months ended		
	30.6.2019 US\$m	30.6.2018 US\$m	Change %	30.6.2019 US\$m	30.6.2018 US\$m	Change %
Astra International						
Automotive	49.1	70.2	-30	111.5	142.2	-22
Financial services	49.9	38.5	30	99.7	77.5	29
Heavy equipment, mining, construction & energy	53.2	62.5	-15	117.3	118.7	-1
Agribusiness	0.1	12.2	-99	0.4	22.6	-98
Infrastructure & logistics	2.1	0.9	133	2.7	0.1	nm
Information technology	0.9	1.5	-40	1.6	2.4	-33
Property	0.9	(0.5)	nm	2.3	(0.5)	nm
	<u>156.2</u>	<u>185.3</u>	-16	<u>335.5</u>	<u>363.0</u>	-8
Less: Withholding tax on dividend	(9.2)	(8.7)	6	(9.2)	(8.7)	6
	<u>147.0</u>	<u>176.6</u>	-17	<u>326.3</u>	<u>354.3</u>	-8
Direct Motor Interests						
Singapore	15.3	14.3	7	28.8	27.0	7
Malaysia	(0.1)	2.6	nm	(0.7)	0.7	nm
Indonesia (Tunas Ridean)	4.4	4.2	5	9.9	9.1	9
Myanmar	(1.0)	(0.9)	11	(2.8)	(1.5)	87
Vietnam						
- automotive	10.0	21.4	-53	22.3	33.5	-33
- real estate	0.4	4.0	-90	0.4	4.0	-90
	10.4	25.4	-59	22.7	37.5	-39
Less: Central overheads	(1.6)	(0.7)	129	(2.4)	(1.3)	85
	<u>27.4</u>	<u>44.9</u>	-39	<u>55.5</u>	<u>71.5</u>	-22
Other Strategic Interests						
Siam City Cement	12.1	13.2	-8	12.1	13.2	-8
Refrigeration Electrical Engineering	3.8	4.0	-5	3.8	4.0	-5
Vinamilk	27.8	14.2	96	27.8	23.8	17
	<u>43.7</u>	<u>31.4</u>	39	<u>43.7</u>	<u>41.0</u>	7
Corporate costs						
Central overheads	(5.9)	(5.1)	16	(11.5)	(10.2)	13
Dividend income from other investments, net of tax	2.7	2.7	-	2.7	2.7	-
Net financing charges	(10.5)	(7.6)	38	(20.1)	(14.1)	43
Exchange differences	1.6	(48.9)	nm	10.7	(32.3)	nm
	<u>(12.1)</u>	<u>(58.9)</u>	-79	<u>(18.2)</u>	<u>(53.9)</u>	-66
Underlying profit attributable to shareholders	<u>206.0</u>	<u>194.0</u>	6	<u>407.3</u>	<u>412.9</u>	-1

nm – not meaningful

14 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 July 2019 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:

Jardine Cycle & Carriage Limited

Jeffery Tan Eng Heong

Tel: 65 64708111

The full text of the Financial Statements and Dividend Announcement for the period ended 30th June 2019 can be accessed through the internet at 'www.jcclgroup.com'.