



Jardine Cycle & Carriage

Annual Results

2015

Presentation to Analysts

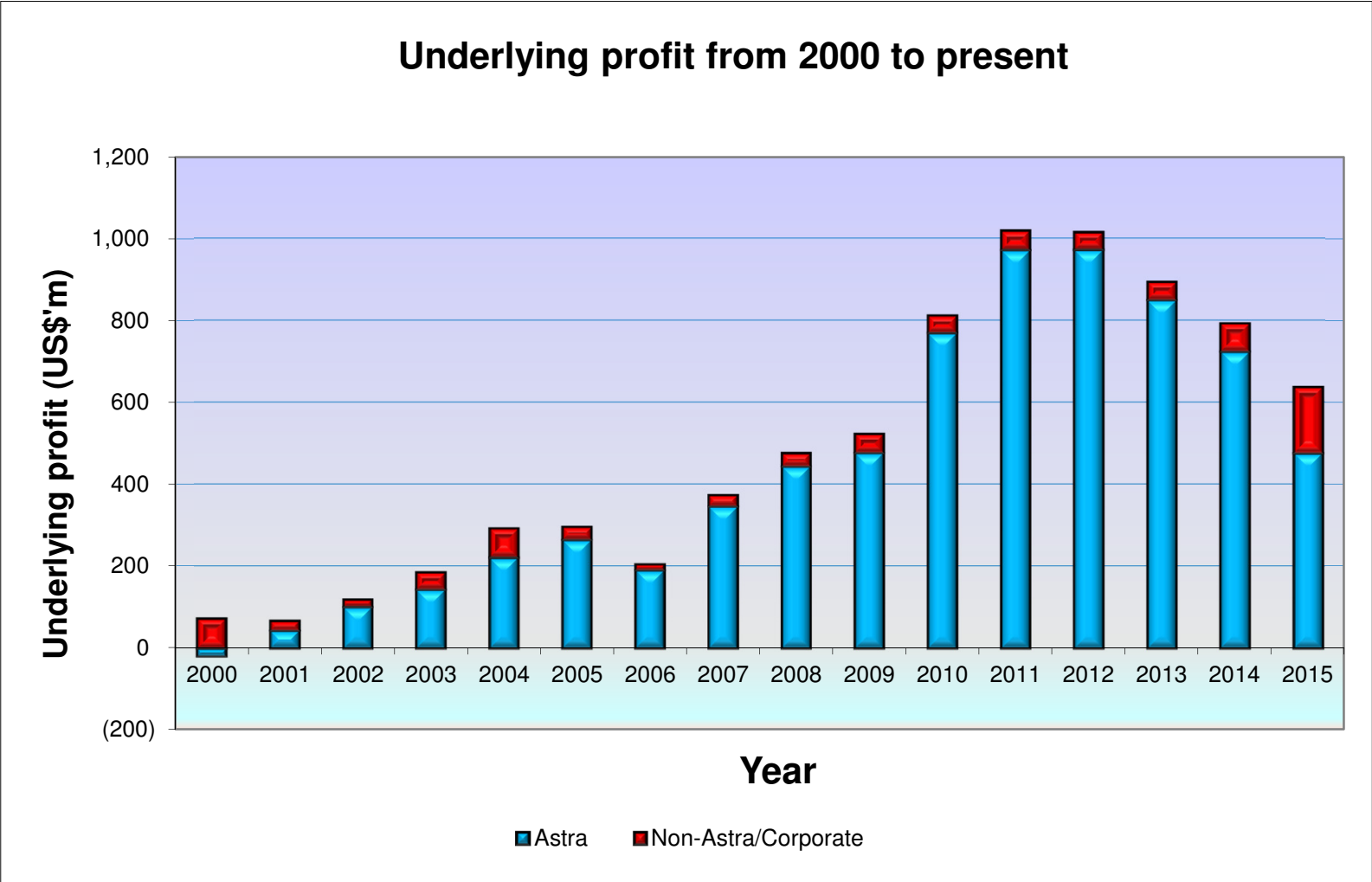
29th Feb 2016

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Highlights

- **Underlying earnings per share 22% down**
- **Astra profit lower and contribution reduced further on translation into US dollars**
- **Good performances from Direct Motor Interests**
- **Contribution from new businesses under Other Interests**

Financial Highlights



Financial Highlights – Profit & Loss Account

	<u>2015</u>	<u>2014</u>	
	US\$m	US\$m	<i>Change</i>
Revenue	<u>15,718</u>	<u>18,675</u>	-16%
Underlying profit	638	793	-20%
Non-trading items	50	27	85%
Attributable profit	<u>688</u>	<u>820</u>	-16%

Financial Highlights – Balance Sheet

	<u>2015</u>	<u>2014</u>	
	US\$m	US\$m	<i>Change</i>
Shareholders' funds	5,267	4,623	14%
Total equity	11,009	10,799	2%
Net debt	(2,977)	(3,925)	-24%
Net debt (excl. FS)	255	(239)	<i>nm</i>
Gearing	27%	36%	
Gearing (excl. FS)	n.a.	2%	

Financial Highlights – Other

<u>2014</u>	<u>2015</u>		<u>2015</u>	<u>2014</u>	
S¢	S¢		US¢	US¢	<i>Change</i>
275	232	Underlying EPS	169	217	-22%
285	251	EPS	182	224	-19%
111	97	Dividend per share	69	85	-19%
\$16.68	\$18.85	Net asset value per share	\$13.33	\$12.63	6%

Group Structure



Underlying Profit



Underlying Profit – By Activity

	<u>2015</u>	<u>2014</u>	
	US\$m	US\$m	<i>Change</i>
Astra	476.5	724.0	-34%
Direct motor interests	141.1	82.3	71%
Other interests	30.0	-	<i>nm</i>
Corporate costs	(10.1)	(13.5)	-25%
Underlying profit	<u>637.5</u>	<u>792.8</u>	-20%

Underlying Profit – Astra

	<u>2015</u>	<u>2014</u>	
	US\$m	US\$m	<i>Change</i>
Automotive	247.2	332.6	-26%
Financial services	132.3	181.6	-27%
Heavy equipment and mining	87.2	137.8	-37%
Agribusiness	18.4	84.1	-78%
Infrastructure, logistics and others	9.1	18.1	-50%
Information technology	7.6	7.2	6%
Withholding tax on dividend	(25.3)	(37.4)	-32%
	<u>476.5</u>	<u>724.0</u>	-34%



ASTRA international



Astra – 2015 Review

- Reported net profit equivalent to US\$1,075m, 25% down in rupiah terms
- Weaker commodity prices and reduced domestic consumption, as well as increased competition in the car sector and a deterioration in corporate credit quality, which together with a higher impairment charge recorded in relation to its coal mining properties, resulted in reduced profit contributions from all its major segments
- Contribution of US\$477m to the Group's underlying profit was 34% down, as the 25% decrease in Astra's rupiah result was translated into a 33% decline in US dollars as the exchange rate was on average 12% weaker than in 2014
- Wholesale 4W market fell by 16% to just over 1.0m units. Astra's sales were 17% lower at 510,000 units (market share down from 51% to 50%):
 - launch of 17 new models and 12 revamped models during the year
- Wholesale 2W market decreased by 18% to 6.5m units. Astra Honda Motor's sales reduced by 12% to 4.5m units (market share up from 64% to 69%):
 - launch of 9 new models and 8 revamped models during the year
- Astra Otoparts' net income fell by 63% to US\$24m, due to decline in OEM market and a weaker rupiah
- Amount financed through automotive-focused consumer finance operations decreased by 6% to US\$4.5bn. Amount financed through the heavy equipment-focused finance operations increased by 7% to US\$290m

Astra – 2015 Review

- Permata Bank reported net income 84% lower at US\$18m, as loan loss provisions increased following a rise in non-performing loans to 2.7% from 1.7% in 2014
- Asuransi Astra Buana recorded net income down 10% at US\$68m primarily due to lower investment earnings
- United Tractors reported a 28% decline in net income to US\$286m, following a 7% decline in revenue and a further impairment charge on coal mining properties
 - Komatsu heavy equipment sales fell by 40% to 2,124 units, although this was partly offset by higher parts revenue
 - Pama reported a 9% decrease in revenue, which saw a 4% decline in contract coal production to 109m tonnes and a 5% reduction in contract overburden removal to 767m bcm
 - revenue from mining subsidiaries down by 18%, with coal sales 18% lower at 4.6m tonnes
 - impairment charge on coal mining properties of US\$192m, compared to US\$130m in 2014
- Astra Agro Lestari reported net income of US\$46m, down 75%. Average CPO prices achieved were 16% lower at Rp6,971/kg, and CPO sales were 24% lower at 1 million tonnes, while olein sales increased by 62% to 412,000 tonnes
- Net income from infrastructure, logistics and other businesses fell by 17% to US\$30m, mainly due to initial losses arising on the commencement of operations of section 1 of the Kertosono-Mojokerto toll road and lower car leasing/rental volumes
- Astra Graphia reported 2% improvement in net income to US\$20m

Direct Motor Interests



Underlying Profit – Direct Motor Interests

	<u>2015</u>	<u>2014</u>	
	US\$m	US\$m	<i>Change</i>
Vietnam (Truong Hai Auto Corporation)	84.9	38.6	<i>120%</i>
Singapore Motors	39.2	33.6	<i>17%</i>
Malaysia (Cycle & Carriage Bintang)	7.8	1.9	<i>311%</i>
Indonesia (Tunas Ridean)	9.4	8.9	<i>6%</i>
Myanmar (Cycle and Carriage Automobile Myanmar)	(0.2)	(0.7)	<i>-71%</i>
	<u>141.1</u>	<u>82.3</u>	<i>71%</i>

Truong Hai Auto Corporation (“Thaco”) – 2015 Review

- An excellent year, with contribution of US\$85m more than twice that of 2014, due to strong vehicle sales and good margins
- Vehicle market grew by 58% to 282,000 units, while Thaco’s overall sales rose 89% to 79,500 units, leading to an increase in market share from 24% to 28%
- Thaco’s passenger car sales doubled to 41,300 units and its commercial vehicle sales increased by 78% to 38,100 units



THACO
TRUONG HAI AUTO

The logo for Thaco, featuring the word "THACO" in large, bold, blue capital letters, with "TRUONG HAI AUTO" in smaller, red capital letters underneath. The logo is set against a light yellow rectangular background.

Singapore Motors – 2015 Review

- Profit contribution rose 17% to US\$39m
- PC market almost doubled to 57,600 units
- PC sales of 8,600 units was 62% higher, while its market share declined from 18% to 15%
 - Mercedes-Benz unit sales grew by 18%
 - Kia unit sales more than doubled
 - Mitsubishi unit sales grew more than 17x, from a low base
 - Citroen unit sales more than doubled



Cycle & Carriage Bintang – 2015 Review

- Profit contribution of US\$8m was significantly higher, reflecting good trading environment and recognition of dividend income from Mercedes-Benz Malaysia
- Mercedes-Benz unit sales were 55% up with good margins earned, particularly from the hybrid models



Tunas Ridean – 2015 Review

- Profit contribution was 6% up at US\$9m, as impact of decline in unit sales and margin pressure in automotive business was more than offset by improved earnings of the 49%-owned Mandiri Tunas Finance
- 4W sales were 19% lower at 43,400 units, while 2W sales were 1% lower at 206,300 units



Other Interests



Underlying Profit – Other Interests

	<u>2015</u>	<u>2014</u>	
	<u>US\$m</u>	<u>US\$m</u>	<i>Change</i>
Siam City Cement	21.3	-	<i>nm</i>
Refrigeration & Electrical Engineering	8.7	-	<i>nm</i>
	<u>30.0</u>	<u>-</u>	<i>nm</i>

Outlook

“The Group remains cautious about the outlook for 2016 given the uncertain external macro-economic environment in the region, although Astra’s strong cash generation and sound balance sheet are enabling it to invest for the future and to benefit from any improvement in trading conditions. The Group’s Direct Motor Interests will face continuing pressure on margins, while earnings from Other Interests will include a full-year’s contribution from its investment in Siam City Cement.”

Ben Keswick, Chairman

25th February 2016