



Jardine Cycle & Carriage

FY 2016 Results

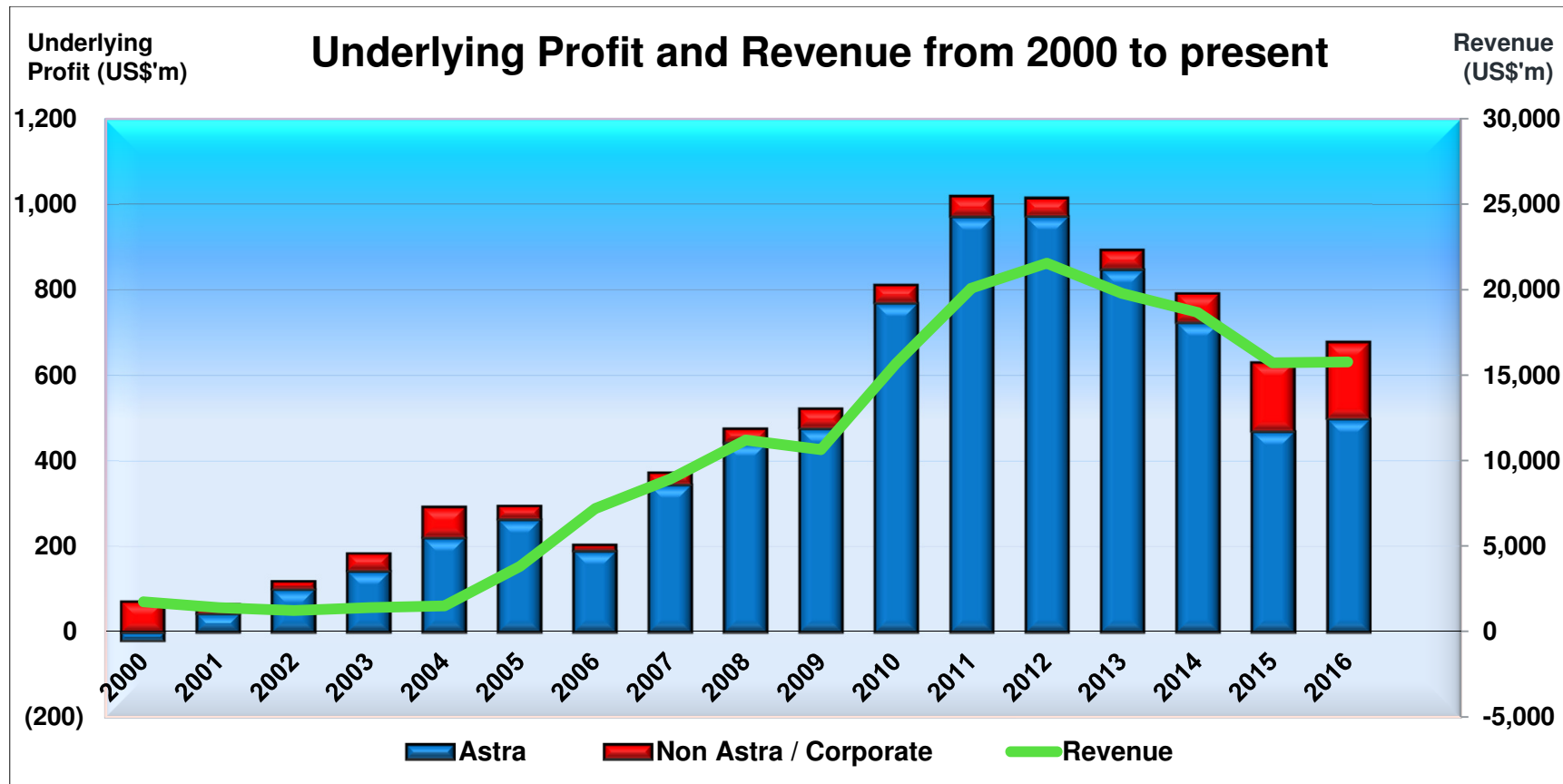
Disclaimer: Jardine Cycle & Carriage accepts no liability whatsoever with respect to the use of this document or its contents.

Highlights

- **Underlying profit up 7%**
- **Underlying earnings per share up 3%***
- **Dividend per share up 7%**
- **Improved contribution from Astra, up 6%**
- **Strong performance across Direct Motor Interests, up 18%**
- **Higher contribution from Other Interests, up 11%**

* Lower increase due to the effect of the rights issue in July 2015

Financial Highlights



Financial Highlights – Profit & Loss Account

	<u>2016</u>	<u>2015</u>	
	US\$m	US\$m	<i>Change</i>
Revenue	<u>15,764</u>	<u>15,718</u>	0%
Underlying profit	679	632	7%
Non-trading items	23	59	-61%
Net profit	<u>702</u>	<u>691</u>	2%

Financial Highlights – Balance Sheet

	<u>Dec-16</u>	<u>Dec-15</u>	
	US\$m	US\$m	<i>Change</i>
Shareholders' funds	5,755	5,166	11%
Total equity	12,076	10,727	13%
Net debt	(2,845)	(2,977)	-4%
Net cash (excl. FS)	709	255	178%
Gearing	24%	28%	
Gearing (excl. FS)	n.a.	n.a.	
	US\$	US\$	
Net asset value per share	14.56	13.07	11%

Financial Highlights – Other

<u>2015</u>	<u>2016</u>		<u>2016</u>	<u>2015</u>	
S¢	S¢		US¢	US¢	<i>Change</i>
230	238	Underlying EPS	172	167	3%
252	246	EPS	178	183	-3%
97	106	Dividend per share	74	69	7%

Group Structure



Jardine Cycle & Carriage



*As at 31 December 2016

Underlying Profit



Underlying Profit – By Activity

	<u>2016</u>	<u>2015</u>	
	US\$m	US\$m	<i>Change</i>
Astra	499.8	470.8	6%
Direct motor interests	166.7	141.1	18%
Other interests	33.2	30.0	11%
Corporate costs [*]	(20.6)	(10.1)	104%
Underlying profit	<u>679.1</u>	<u>631.8</u>	7%

* Higher staff costs in 2016, while 2015 benefited from foreign exchange gains

Underlying Profit – Astra

	<u>2016</u>	<u>2015</u>	
	US\$m	US\$m	<i>Change</i>
Automotive	312.8	246.8	<i>27%</i>
Financial services	29.7	132.3	<i>-78%</i>
Heavy equipment and mining	114.0	87.2	<i>31%</i>
Agribusiness	60.1	18.4	<i>227%</i>
Infrastructure and logistics	9.8	6.4	<i>53%</i>
Information technology	7.4	7.6	<i>-3%</i>
Property	(7.6)	(2.6)	<i>192%</i>
Withholding tax on dividend	(26.4)	(25.3)	<i>4%</i>
	<u>499.8</u>	<u>470.8</u>	<i>6%</i>



Astra – 2016 Review

- Reported net profit equivalent to US\$1,137m under Indonesian accounting standards, 5% increase in local currency terms
- Higher contributions from automotive, heavy equipment and mining, agribusiness and infrastructure and logistics, partially offset by lower contributions from financial services
- US\$500m contribution to the Group's underlying profit, up 6%
- Wholesale 4W market increased by 5% to 1.1m units. Astra's sales were 16% higher at 591,000 units (market share up from 50% to 56%):
 - launch of 14 new models* and nine revamped models@
- Wholesale 2W market down by 8% to 5.9m units. Astra Honda Motor's sales 2% lower at 4.4m units (market share up from 69% to 74%):
 - launch of seven new models^ and eight revamped models#
- Astra Otoparts' net income up 31% to US\$31m, with higher revenue from its OEM and after-market segments combined with higher earnings in its associated companies

* New 4W models: Toyota Fortuner, Sienta, Calya. Daihatsu Sigr, Hi-Max. Isuzu NMR 71T, FTR 90T, FVR 34PHD, LT1 34 (Big Bus). BMW M2, X1 sDrive 18i, X1 sDrive 18i xLine, i8. Lexus GSF.

@ Revamped 4W models: Toyota Rush, Vios, Yaris. Daihatsu Sirion Sport, Terios Custom. Isuzu MU-X 2.5 VGS, D-Max2.5 VGS. Lexus GS, LX.

^ New 2W models: CBR150R, CBR500R, Supra GTR150, CBR250RR, Beat Sporty Esp, CB150R Street Fire, Beat Street Esp CBS

Revamped 2W models: Beat POP Esp, PCX150, Vario125 Esp, Vario150 Esp, CB500F, CB500X, CB650F, Sonic150R

Astra – 2016 Review

- Amount financed through automotive-focused consumer finance operations increased 21% to US\$5.5bn. Amount financed through the heavy equipment-focused finance operations increased 20% to US\$352m
- Permata Bank's net loss of US\$486m (2015: net income of US\$18m) was due to significant increase in loan-loss provisions (Gross NPLs rose to 8.8% from 2.7% at the end of 2015). To further strengthen its capital base, PB will raise US\$640m of new capital:
 - US\$420m was raised in June 2016
 - US\$220m rights issue in H1/2017, of which US\$110m has been injected by Astra and Standard Chartered Bank as a capital advance in Dec 2016
- Asuransi Astra Buana's net income slightly higher at US\$69m, primarily due to increased investment income
- United Tractors' net income 30% higher at US\$375m due to the absence of an impairment charge on the carrying value of its coal mining properties. Excluding the impact of this impairment charge, net income would have been 22% down from lower mining contracting revenue alongside translation loss from its US dollar monetary assets
 - Komatsu unit sales rose 3%
 - Overburden removal lower by 8%
 - Own coal sales 48% higher
 - Acset Indonusa's net income up 63%

Astra – 2016 Review

- Astra Agro Lestari's net income up from US\$46m to US\$150m, due to translation gain from its US dollar monetary liabilities and improved revenue from higher CPO prices. Average CPO prices up 11% at Rp7,768/kg, while CPO sales were 3% lower at 1m tonnes and olein sales were 22% lower at 320,000 tonnes
- Net income from infrastructure and logistics up 35% to US\$20m
- Astra Graphia's net income down 4% to US\$19m, despite an increase in revenue mainly due to lower net margins
- Net income from property division of US\$8m, compared with US\$16m in 2015, primarily due to a lower revaluation gain on its grade A office tower development, Menara Astra

Direct Motor Interests



Underlying Profit – Direct Motor Interests

	<u>2016</u> US\$m	<u>2015</u> US\$m	<i>Change</i>
Vietnam (Truong Hai Auto Corporation)	93.6	84.9	10%
Singapore (Cycle & Carriage Singapore)	49.4	39.2	26%
Indonesia (Tunas Ridean)	18.2	9.4	94%
Malaysia (Cycle & Carriage Bintang)	5.6	7.8	-28%
Myanmar (Cycle & Carriage Myanmar)	(0.1)	(0.2)	-50%
	<u>166.7</u>	<u>141.1</u>	18%

Truong Hai Auto Corporation (“Thaco”) – 2016 Review

- Thaco’s contribution of US\$94m up 10%, due to higher automotive profits following an increase in vehicle unit sales and the recognition of an initial profit from its real estate business through Dai Quang Minh Real Estate Investment Joint Stock Company
- Vehicle market grew 26% to 352,300 units, while Thaco’s overall sales rose 39% to 110,500 units, increasing its market share from 28% to 31%
- Thaco’s passenger car sales grew 54% to 63,500 units and its commercial vehicle sales increased 23% to 47,100 units



THACO
TRUONG HAI AUTO

Cycle & Carriage Singapore

– 2016 Review

- Contribution of US\$49m up 26% on higher PC sales, together with improved contributions from used cars and parts
- PC market grew strongly by 52% to 87,500 units
- PC sales were up by 45% to 12,500 units, while market share declined 1% to 14%
 - Mercedes-Benz unit sales grew by 15%
 - Kia unit sales grew by 49%
 - Mitsubishi unit sales more than doubled
 - Citroen unit sales grew by 19%



Cycle & Carriage Bintang – 2016 Review

- Cycle & Carriage Bintang's contribution of US\$6m down 28% due to lower margins following changes in the sales mix despite an increase in volume
- Higher unit sales of 6% were offset by lower margin C-Class, GLC-Class and E-Class run out models as compared to 2015, which benefited from higher margin E-Class and S-Class hybrid models



Tunas Ridean – 2016 Review

- Tunas Ridean's contribution of US\$18m up 94% due to stronger contributions from its automotive and rental operations as well as its 49%-owned Mandiri Tunas Finance
- 4W sales up 17% to 51,000 units, benefiting from the launch of new Toyota/Daihatsu models alongside improved margins. 2W sales were stable at 206,300 units
- Improved MTF profit due to higher net interest and fee income earned from a larger loan portfolio. New lending volume increased by 9% to US\$1.4bn



Other Interests



Underlying Profit – Other Interests

	<u>2016</u>	<u>2015</u>	
	US\$m	US\$m	<i>Change</i>
Other Interests	<u>33.2</u>	<u>30.0</u>	11%

- Contribution from other interests up 11%
- SCCC's contribution was US\$22m, compared to US\$21m last year due mainly to the incorporation of a full year's results in 2016, compared to 9 months in 2015. On a full year comparison, earnings was down 15% due to lower domestic cement prices and volumes, partly offset by contributions from new acquisitions in Sri Lanka and Bangladesh
- REE's contribution of US\$11m was up 25% due to higher contributions from the M&E business, while the power and water business segments achieved satisfactory performance. The property development and management segment saw improved office leasing rates, alongside higher contribution from its property associate

Outlook

“The outlook for 2017 appears positive as Astra should benefit from improving economic conditions in Indonesia and higher coal prices, while the Group’s Direct Motor Interests and Other Interests are expected to perform satisfactorily.”

Ben Keswick, Chairman

27th February 2017