



**Tan Chong
Motor
Holdings
Berhad**

FY2013 Third-Quarter Financial Results

20-Nov-2013



Cautionary Statement with Respect to Forward-Looking Statements

Information contained in this presentation is intended solely for your reference. Such information is subject to change without notice, its accuracy is not guaranteed and it may not contain all material information concerning the Company. We do not make representation regarding, and assumes no responsibility or liability for, the accuracy or completeness of, or any errors or omissions in, any information contained herein.

Statements or comments made during this presentation that are not historical facts are forward-looking statements that reflect our plans and expectations. These forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause our actual results, performance, or achievements to differ materially from that anticipated in these statements.

These factors include (i) changes in economic conditions, currency exchange rates, the laws, regulations, government policies, or political instability in the market place, (ii) circumstances relating to our ability to introduce, in a timely manner, and achieve market acceptance of new products, and (iii) shortage of fuel or interruptions in transportation systems, labor strikes, work stoppages, or other interruptions to or difficulties in the employment of labor in the major markets where we purchase materials, components, and supplies for the production of our products or where our products are produced, distributed, or sold.

Business Review

3Q FY 2013 Sales Performance & Operation Review

New Product Launches

MALAYSIA'S 1ST HYBRID MPV

THE ALL NEW NISSAN SERENA S-HYBRID



New Product Launches



EDARAN TAN CHONG MOTOR

	Grand Livina 1.6 (M) (RM)	Grand Livina 1.6 (A) (RM)	Grand Livina 1.8 (A) (RM)
Peninsular Malaysia	86,880.00	89,880.00	99,880.00

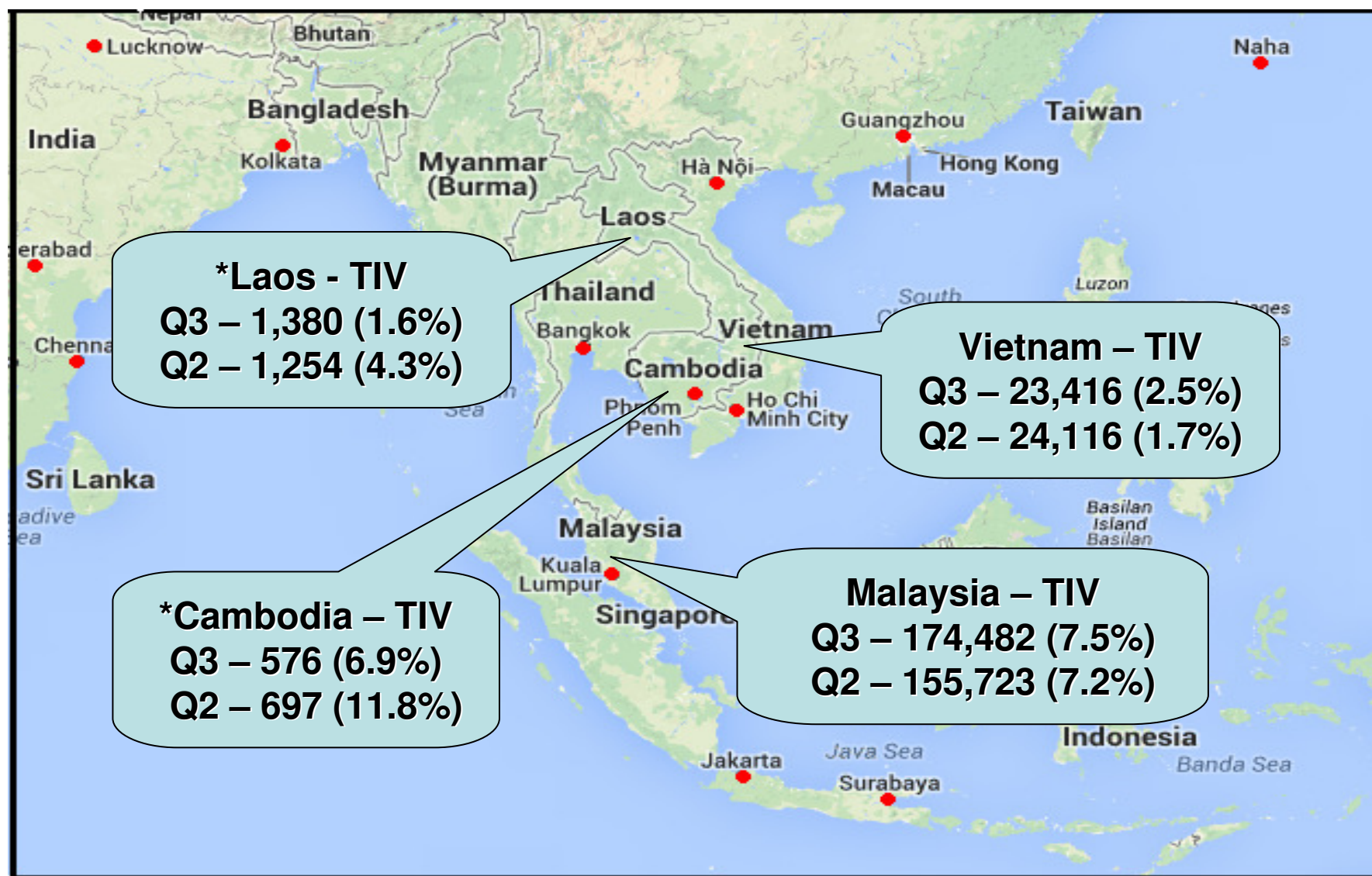
New Product Launches



**DISCOVER A NEW WORLD WITH
NISSAN NAVARA**

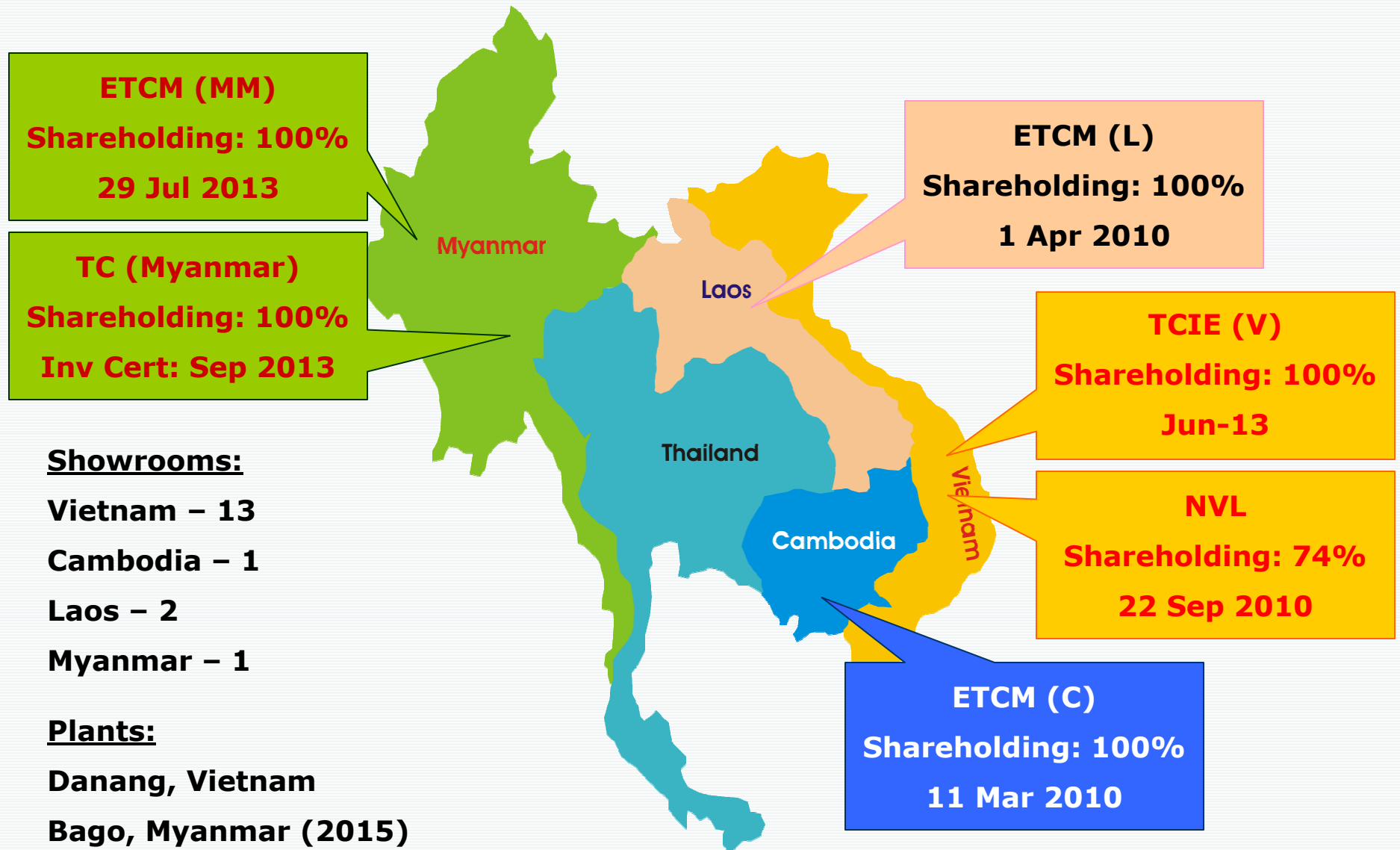
	Navara 2.5L(A) LE (4WD) (RM)	Navara 2.5L(M) SE (4WD) (RM)	Navara 2.5L(M) Standard (4WD) (RM)	Navara 2.5L(A) Calibre (2WD) (RM)	Navara King Cab 2.5L(M) Standard (4WD) (RM)
Peninsular Malaysia	105,834.20	94,834.20	89,834.20	89,934.20	82,817.10

Market Share by Country



* Management best estimate, no official TIV

Indochina Presence



Planned CKD Operation in Myanmar



Picture with Myanmar's Vice President U Nyan Tun

Land size	324,000 m2
Indicative Investment (incl. construction of assembly plant and showroom, purchase of machineries and equipment)	USD50 mil for 1 st 3 years
Target Completion	2015

Nissan/Tan Chong is the 1st global vehicle manufacturer in Myanmar after the market reopened in 2011

Capacity

Initial capacity	9,100 units/year (single shift)
Employment	300
First Model	Nissan Sunny



Business Review

3Q FY 2013 Sales Performance & Operation Review

Key Performance Indicators

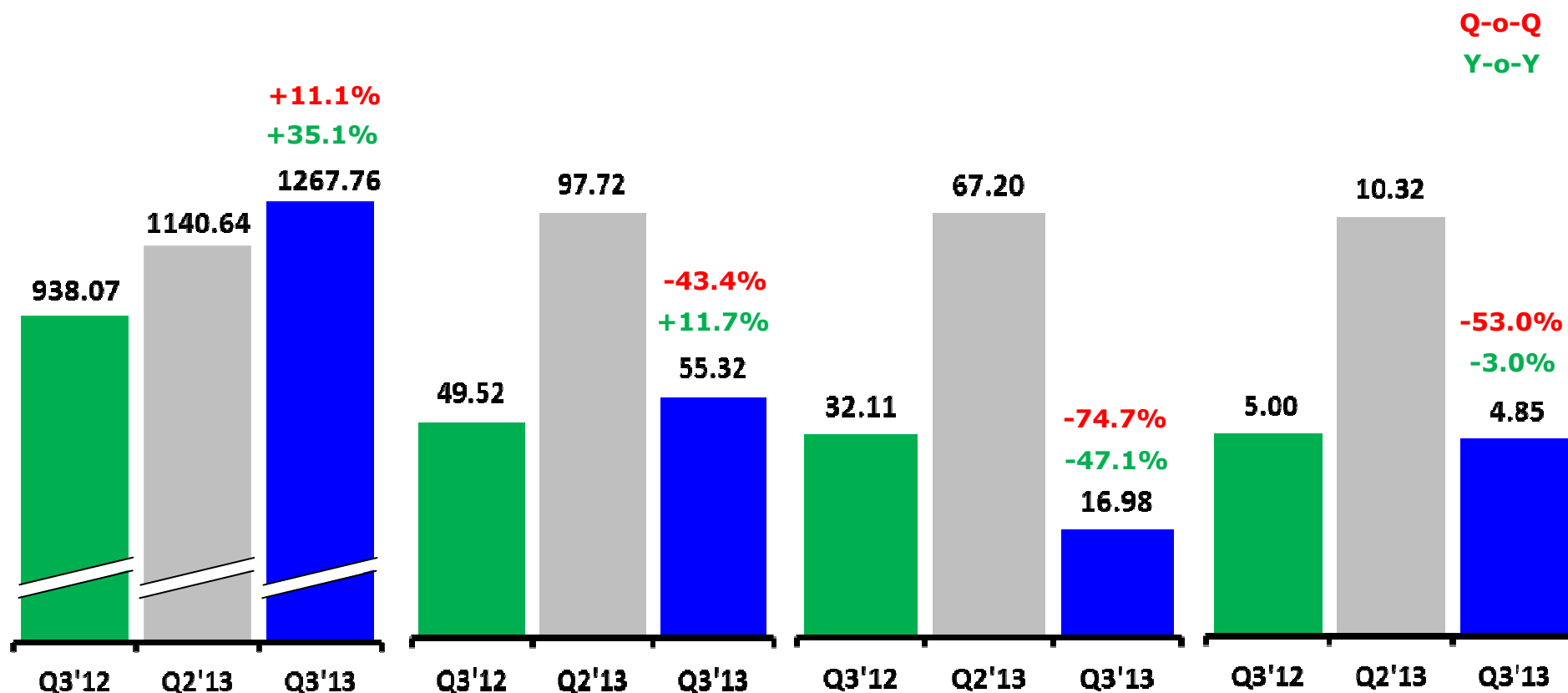
(RM 'million)

Revenue

Operating Profit

Net Profit

Earnings Per Share (Sen)



Q2 Financials Review

In RM'000, unless stated otherwise

30-Sep-13

30-Sep-12

Consolidated Income Statement

Net Revenue	1,267,761	938,074
Operating Profit	111,586	49,524
Profit Before Tax	105,932	44,451
Profit After Tax	73,251	32,110
Extraordinary Item	56,268	-
Profit After Tax (after XO item)	16,983	32,110
Profit Attributable to Owners of the Parent (before XO item)	73,303	32,624
Earnings per Share (Sen)	11.23	5.00
Profit Attributable to Owners of the Parent (after XO item)	31,665	32,110
Earnings per Share (Sen)	4.85	5.00

- **Higher sales were masked by tax provision of RM 56.3mil in Vietnam operation.**
- **Sales margins expansion as the Group managed to lock in favourable exchange rate and better economies of scale.**

Financials Highlight

In RM'000, unless stated otherwise

30-Sep-13

30-Sep-12

Consolidated Income Statement

Net Revenue	3,844,742	2,906,983
Operating Profit	336,777	165,078
Profit Before Tax	320,680	150,783
Profit After Tax	224,611	106,224
Extraordinary Item	56,268	-
Profit After Tax (after XO item)	168,343	106,224
Profit Attributable to Owners of the Parent (before XO item)	224,751	107,442
Earnings per Share (Sen)	34.43	16.46
Profit Attributable to Owners of the Parent (ex XO item)	183,113	107,442
Earnings per Share (Sen)	28.05	16.46

Balance Sheet

Total Assets	4,440,963	3,934,483
Total Current Assets	2,949,043	2,716,737
Property, Plant and Equipment - Net	927,613	858,684
Total Current Liabilities	2,013,641	1,583,868
Total Liabilities	2,431,299	1,994,752
Net Working Capital	2,002,412	1,620,794
Total Equity (Exclude Non-controlling Interest)	2,022,113	1,937,093
Non Controlling Interests	(12,449)	2,638

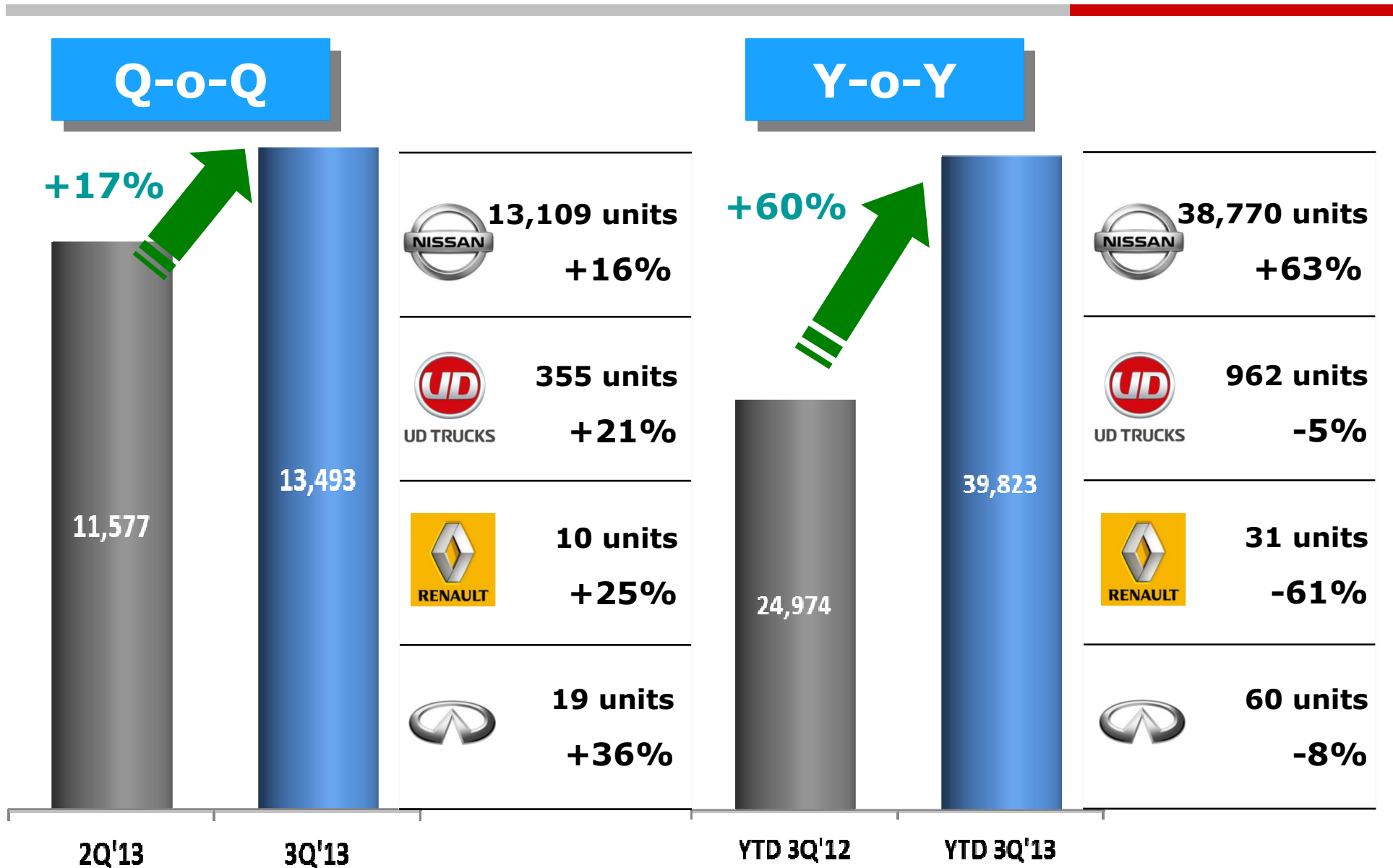
Ratio Analysis and Other Information

Operating Margin	8.76%	5.68%
Net Asset Value per Share (RM)	3.10	2.97
Return on Assets (annualized, ex XO item)	6.75%	3.64%
Return on Equity (annualized, ex XO item)	14.82%	7.40%
Current Ratio	1.46	1.72
Debt to Equity Ratio	79.86%	72.87%
Debt to Equity Ratio (Net)	46.49%	29.75%
Debt to Assets Ratio	36.14%	35.93%
Outstanding Shares (in '000)	652,814	652,816

Segmental performance

	3Q 2013 RM '000	3Q 2012 RM '000	Change %
Sales			
Automobiles	1,254,788	926,314	35.5%
Financial services	11,005	10,437	5.4%
Other operations	1,968	1,323	48.8%
	1,267,761	938,074	15.70%
EBITDA			
Automobiles	80,487	66,441	21.1%
Financial services	3,841	4,052	-5.2%
Other operations	(6,843)	2,524	-371.1%
	77,485	73,017	42.11%
EBITDA margin			
Automobiles	6.4%	7.2%	
Financial services	34.9%	38.8%	
Other operations	(347.7%)	190.8%	
	6.1%	7.8%	

Malaysia Sales Performance



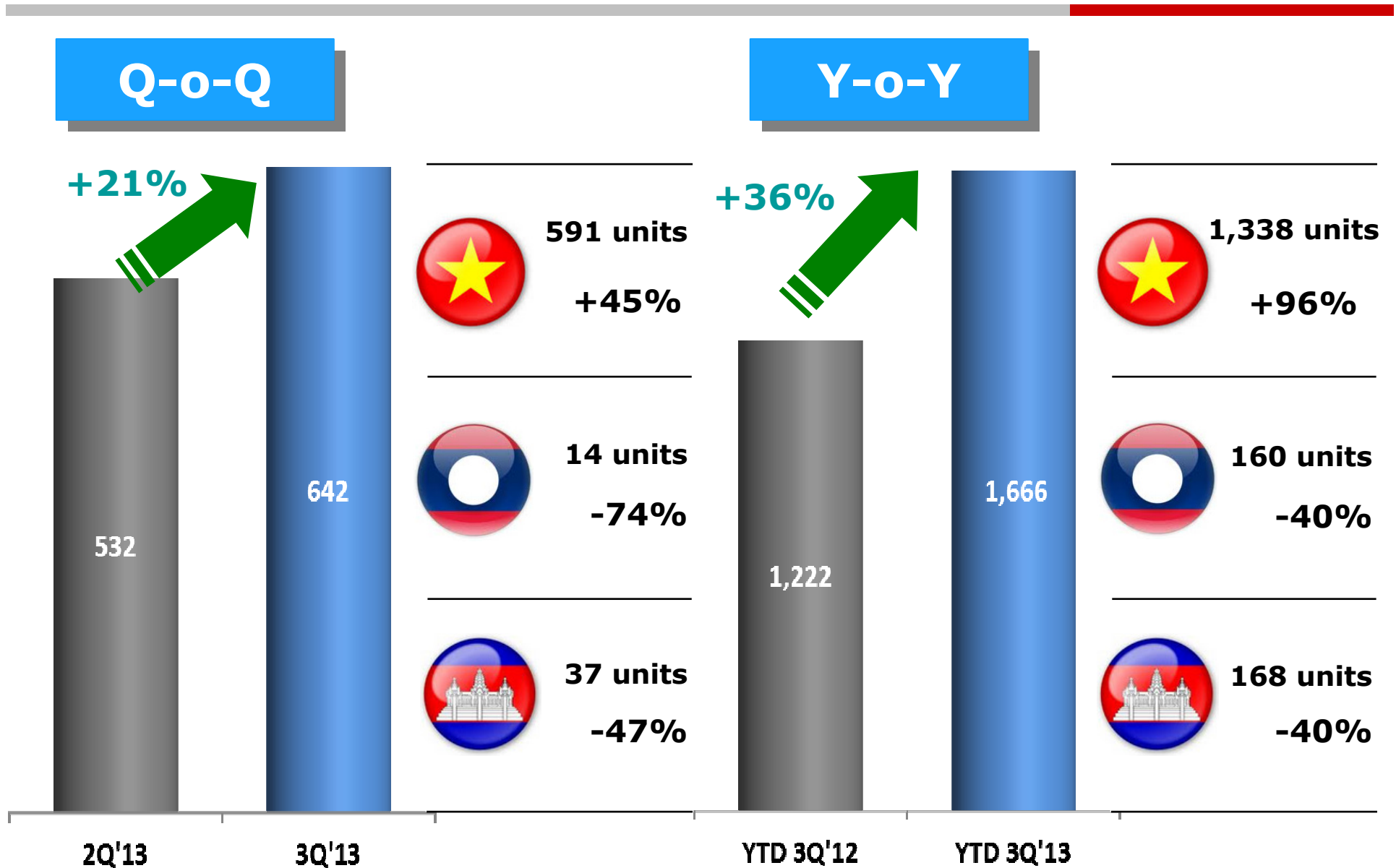
Malaysia Sales Performance (Cont'd)

Malaysia

- Sales picked up again in Q3 as demand for new vehicles rose prior to the Hari Raya festival.
- Almera continues to be our top selling model, accounted for more than 50% units sold during the quarter.
- Encouraging sales from Serena S Hybrid, the first hybrid MPV introduced in Malaysia. 938 units were sold during the quarter with more than 1,500 units in delivery pipelines.
- New products: Grand Livina, Navara.
- Nissan Leaf was officially launched during KLIMS.



Indochina Sales Performance



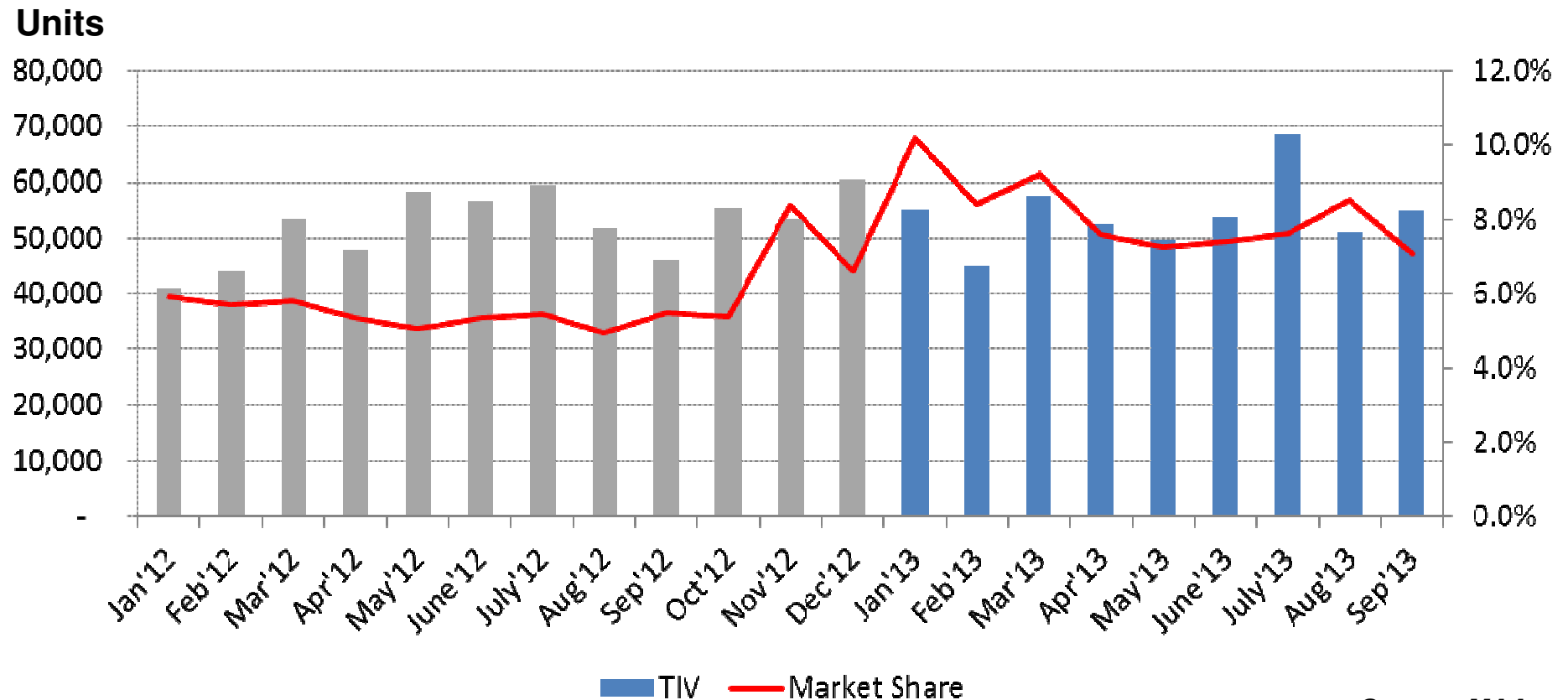
Indochina Sales Performance (*Cont'd*)

Indochina

- Nissan Sunny continues to sell in Vietnam growing from a low base. Overall sales in Vietnam +45% units Q-o-Q (+96% Y-o-Y) during the quarter.
- 318 units of Nissan Sunny were sold after CKD in June.
- Cambodia and Laos suffered drop in sales.
- Indochina operation continues to suffer losses. Loss before tax rose to RM17.36m for the 9 months period, mainly arising from the depreciation charge of Danang plant.
- Obtained license to manufacture and distribute Nissan in Myanmar.



Nissan's Market Shares VS TIV



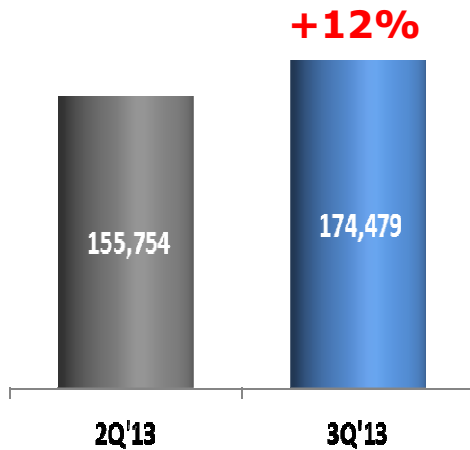
Source: MAA

Total Industry Volume YTD 3Q' 2013= 487,967 units (YTD 3Q' 2012: 458,471 units; +6.4% y-o-y)

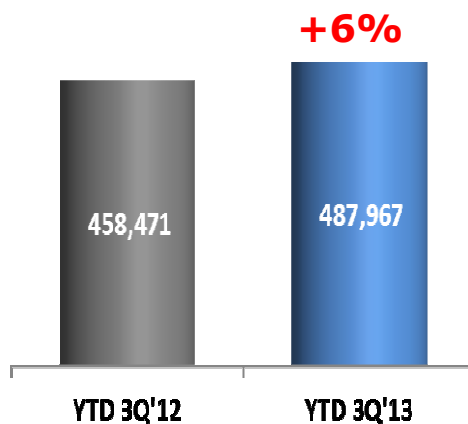
Nissan Market Share YTD 3Q' 2013 = 8.1% (YTD 3Q' 2012: 5.4%)

Nissan as 2nd Non-National Brand

Q-o-Q



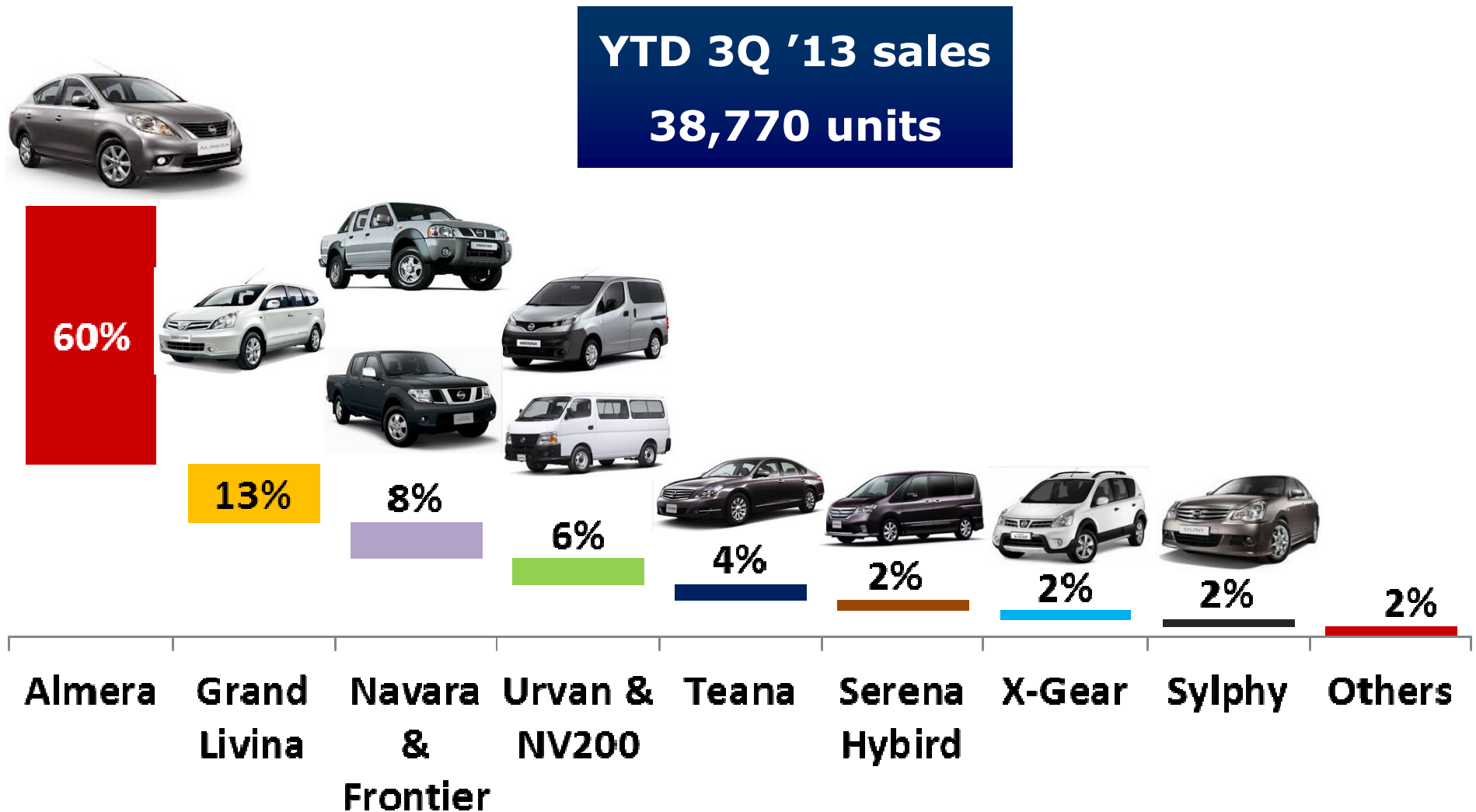
Y-o-Y



Top 5 manufacturers

	Units			Market Share			
	Q2'13	Q3'13	Changes	Q1'13	Q2'13	Q3'13	YTD'13
Perodua	50,177	50,525	+0.7%	29.6%	32.2%	29.0%	30.2%
Proton	30,439	43,260	+42.1%	21.8%	19.5%	24.8%	22.1%
Toyota	23,610	20,239	-14.3%	12.8%	15.2%	11.7%	13.1%
Nissan	11,261	13,109	+16.4%	9.1%	7.2%	7.5%	7.9%
Honda	9,856	14,713	+49.3%	7.6%	6.3%	8.4%	7.5%

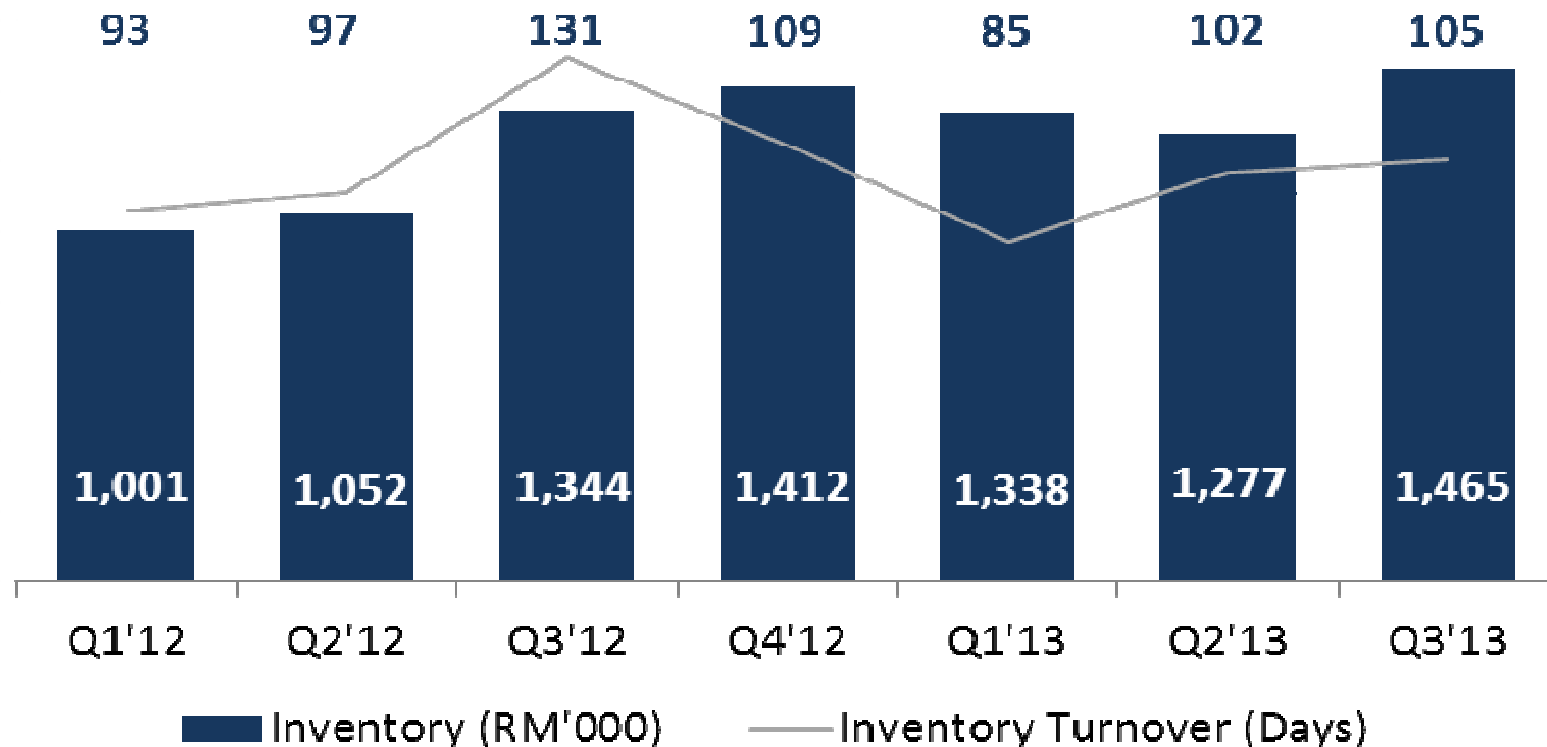
Nissan Sales by Models



Nissan Model Mix

	YTD 3Q' 2013		YTD 3Q' 2012	
Passenger Vehicles	34,378	87%	18,728	75%
Commercial Vehicles	5,354	13%	6,102	25%
Total	39,732	100%	24,830	100%

Inventory Management

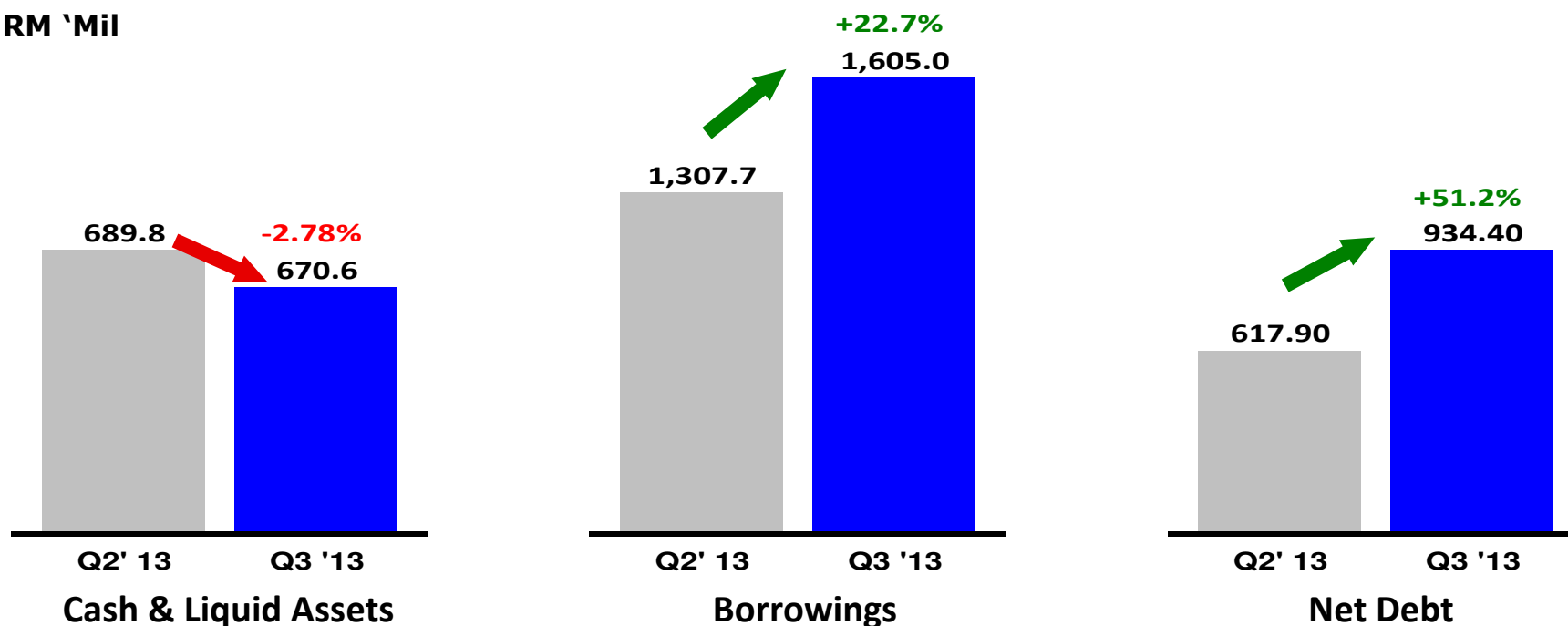


- Inventory increased by RM188m mainly due to higher stock holding of Grand Livina which was launched in end-Sep.
- Inventory is expected to trend down in 4Q in anticipation of stronger sales in 4Q coupled with attractive year end promotion activities.

Liquidity Management

Cash Balance & Borrowings

RM 'Mil



- Higher borrowings mainly to finance working capital requirements and HP underwriting activities.
- Net gearing ratio stood at 46.5% of shareholders' equity.



Future Mobility

Introducing the Nissan LEAF

An Electric Vehicle built for the real world.



Unveiled at KLIMS 2013



Emerging Markets Presence

	Cambodia	Laos	Vietnam	Myanmar	Indochina	Malaysia
Population	14.9m	6.5m	90.4m	60.3m	173.8m	29.2m
GDP (USD)	14.2b	9.3b	138b	53b	218.4b	303.5b
GDP per head (USD)	931	1,320	1,527	854	1,273	10,394
GDP Growth 2012	7.2%	8.1%	5.0%	6.3%	5.6%	5.6%
GDP Growth 2013 (forecast)	7.2%	7.6%	5.3%	6.5%	6% - 7%	4.1%
GDP composition (by sectors)	Agri – 29% Ind – 30% Serv – 41%	Agri – 39% Ind – 34% Serv – 27%	Agri – 19% Ind – 43% Serv – 38%	Agri – 41% Ind – 16% Serv – 43%	Agri – 26% Ind – 35% Serv – 39%	Agri – 12% Ind – 41% Serv – 47%
Total Industry Vol (Est. 2013)	4K	7K	100K	122K (95% used cars)	233K	640K
Car Ownership Per 1'000 Capita (2010)	n/a	n/a	16	7	<10	361

TAN CHONG is serving more than 200m population in 5 countries

Thank you



