



**Tan Chong
Motor
Holdings
Berhad**

FY2015 Fourth-Quarter Financial Results



Cautionary Statement with Respect to Forward-Looking Statements

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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

4Q15 Sales Performance & Operation Review

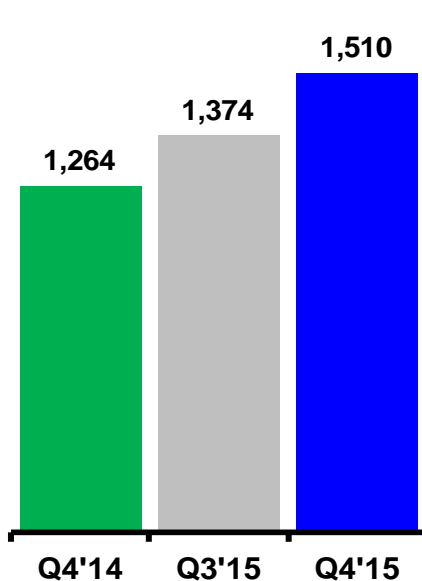
Key Performance Indicators

(RM'million, unless otherwise stated)

Y-o-Y
Q-o-Q

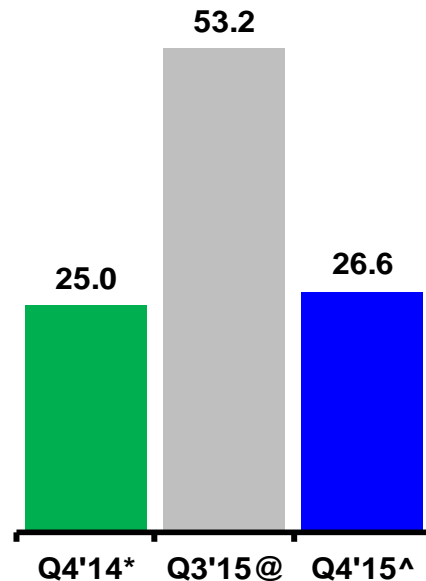
Revenue

19.5%
10.0%



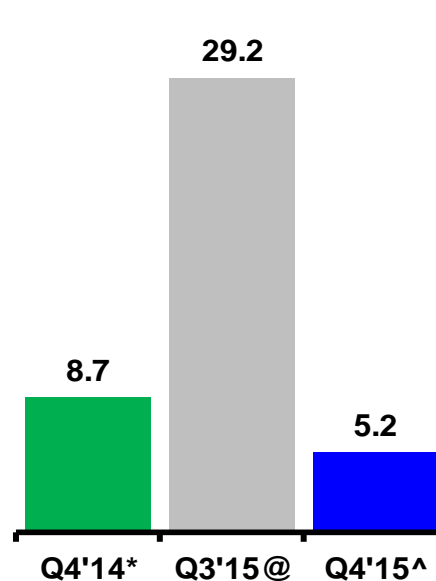
Operating Profit

6.4%
-50.0%



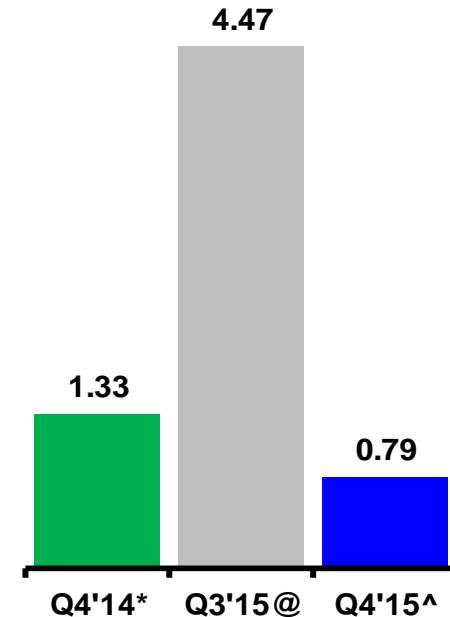
Profit Attributable to Owners of the Company

40.3%
-82.3%



Earnings Per Share (Sen)

40.6%
-82.3%



* Include forex gain of RM3.9mil, revaluation gain on investment properties of RM7.8mil (at gross) or RM6.7mil (net of deferred tax) and write back of aging stocks of RM2.1mil

@ include foreign exchange gain of RM13.8mil

^ include forex gain of RM1.4mil, revaluation gain on investment properties of RM6.8mil (at gross) or RM6.0mil (net of deferred tax) and provision of aging stocks of RM7.8mil

4Q15 Financials Review

In RM'000, unless stated otherwise

3Q15@

4Q15^

Net Revenue	1,373,595	1,510,331
Operating Profit	53,188	26,617
Profit Before Tax	37,654	10,972
Profit Attributable to Owners of the Company	29,181	5,177
Earnings per Share (Sen)	4.47	0.79
Shareholders' Fund	2,794,520	2,793,620
Net Asset per Share (RM)	4.28	4.28

- Q-o-Q, revenue increased by 10.0% due to sales promotion campaigns ahead of announced car price increases in Q1 2016.
- Profitability affected by higher CKD cost arising from unfavourable forex rates.

@ include foreign exchange gain of RM13.8mil

^ include forex gain of RM1.4mil, revaluation gain on investment properties of RM6.8mil (at gross) or RM6.0mil (net of deferred tax) and provision of aging stocks of RM7.8mil

2015 Financials Review

<i>In RM'000 , unless stated otherwise</i>	31-Dec-14*	31-Dec-15^	Changes
Revenue	4,760,628	5,716,654	+20.1%
Operating Profit	209,655	169,008	-19.4%
Profit Before Tax	170,845	115,252	-32.5%
Profit After Tax	119,654	69,902	-41.6%
Profit Attributable to Owners of the Company	105,853	74,865	-29.3%
EPS (Sen)	16.22	11.47	-29.3%

- Higher revenue was due to volume and the launch of all new Nissan X-Trail.
- Profitability is largely a function of forex direction.
- The Group will stay focused on driving sales and maintaining market share.

**include provision of aging stock amounting to RM13.1mil, a write-back of USD17.0mil or RM56.3mil made in NVL for import duties provision, forex gain of RM2.8mil and a revaluation gain on investment properties is RM7.8mil (at gross) or RM6.7mill (net of deferred tax)*

^include provision of aging stock of RM8.2mil, forex gain of RM17.3mil and a revaluation gain on investment properties of RM6.8mil (at gross) or RM6.0mil (net of deferred tax)

Segmental Performance

<i>In RM'000</i>	3Q15	4Q15	Change (%)
Sales			
Automobiles	1,355,260	1,492,942	10.2%
Financial services	14,189	14,956	5.4%
Other operations	4,146	2,433	-41.3%
	1,373,595	1,510,331	10.0%
EBITDA			
Automobiles	78,713	38,450	-51.2%
Financial services	6,126	4,258	-30.5%
Other operations	9,099	15,343	68.6%
	93,938[^]	58,051[*]	-38.2%
EBITDA margin			
Automobiles	5.8%	2.6%	
Financial services	43.2%	28.5%	
Other operations	219.5%	630.6%	
	6.8%	3.8%	

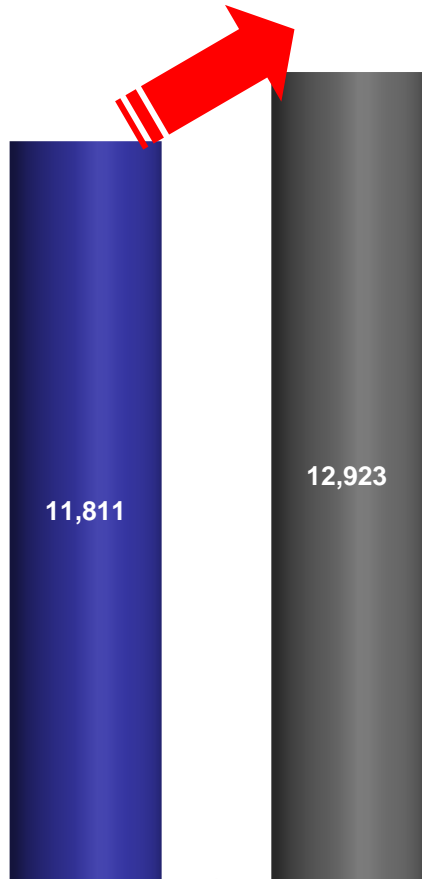
[^] include foreign exchange gain of RM13.8mil

^{*} include forex gain of RM1.4mil, revaluation gain on investment properties of RM6.8mil (at gross) or RM6.0mil (net of deferred tax) and provision of aging stocks of RM7.8mil

Malaysia Sales Performance

Q-o-Q

+9.4%



3Q'15

4Q'15



12,476 units
+9%



220 units
-13%



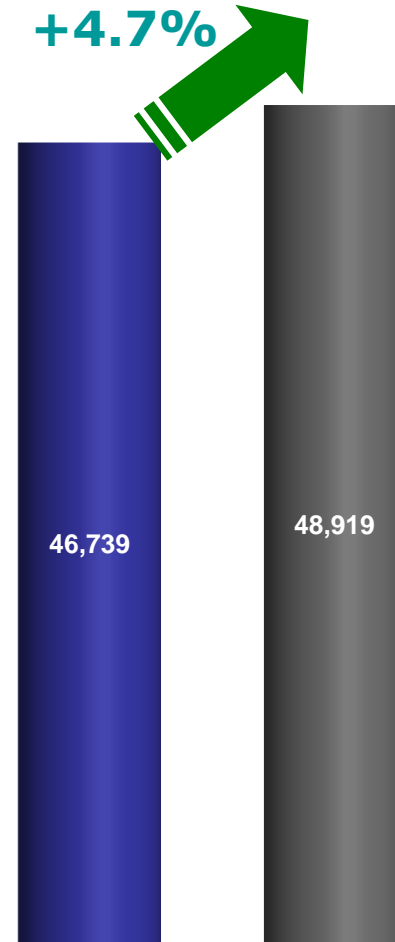
183 units
+59%



44 units
+19%

Y-o-Y

+4.7%



4Q'14

4Q'15



47,235 units
+5%



1,037 units
-20%



474 units
+84%



173 units
+33%

Source: MAA

Malaysia Sales Performance (Cont'd)

Malaysia

- **Nissan sales picked up 5% Y-o-Y on the back of new launches of Almera Facelift and new X-Trail.**
- **Q-o-Q sales increased on all brands except UD Trucks due to enhanced marketing strategy.**
- **Uncertainties over the increased in price of passenger vehicles had induced the increased in sales in this quarter as well.**



Top 5 manufacturers

TIV

Q-o-Q

+11.1%

163,204

181,247

3Q'15

4Q'15

Y-o-Y

0.0%

666,465

666,674

4Q'14

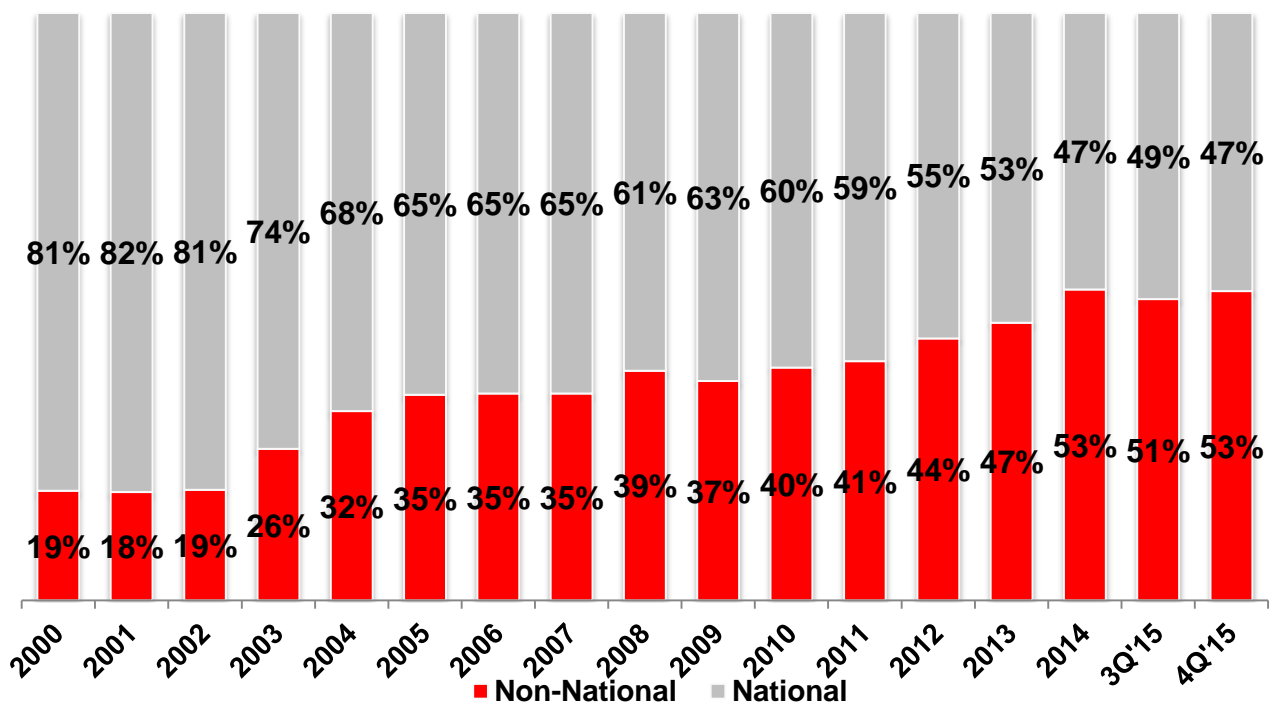
4Q'15

Top 5 manufacturers

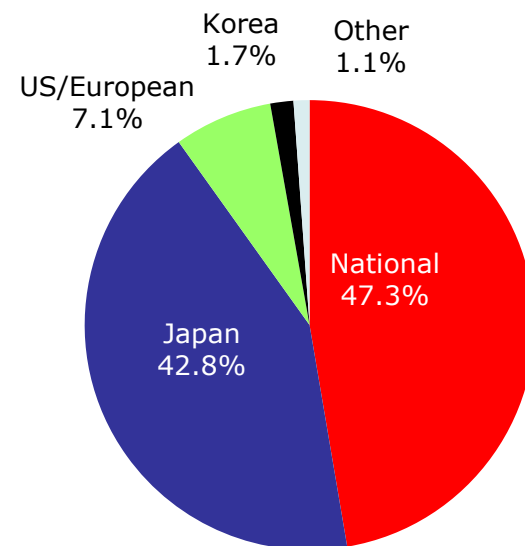
	Units			Market Share		
	4Q'15	3Q'15	Changes	4Q'15	3Q'15	FY'15
Perodua	55,240	49,025	+12.7%	30.5%	30.0%	32.0%
Proton	23,339	28,630	-18.5%	12.9%	17.5%	15.3%
Honda	28,491	22,815	+24.9%	15.7%	14.0%	14.2%
Toyota	31,663	23,301	+35.9%	17.5%	14.3%	14.1%
Nissan	12,476	11,465	+8.8%	6.9%	7.0%	7.1%

Source: MAA

Non-National brands regaining market share



4Q'15



	Q-o-Q %
Perodua	+12.7%
Proton	-18.5%

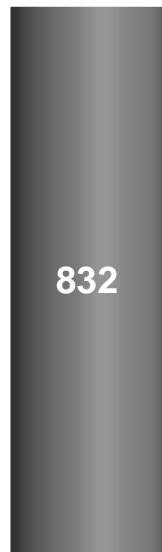
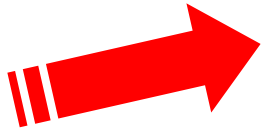
	Q-o-Q %
Toyota	+35.9%
Nissan	+8.8%
Honda	+24.9%
Mitsubishi	+17.8%
Isuzu	+22.6%
Mazda	+3.5%

	Q-o-Q %
Ford	+4.6%
VW	-44.1%
BMW	+6.8%
Peugeot	-2.1%

Indochina Sales Performance

Q-o-Q

+27%



3Q'15

4Q'15



**929 units
+37%**



**77 units
-28%**



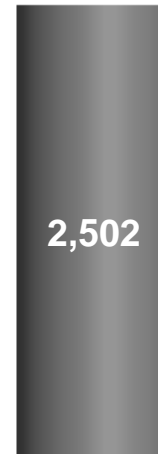
**0 unit
-100%**



**48 units
+37%**

Y-o-Y

+53%



4Q'14



4Q'15



**3,360 units
+72%**



**239 units
+64%**



**39 units
-65%**



**187 units
-37%**

Ytd Sales

Indochina Sales Performance (Cont'd)

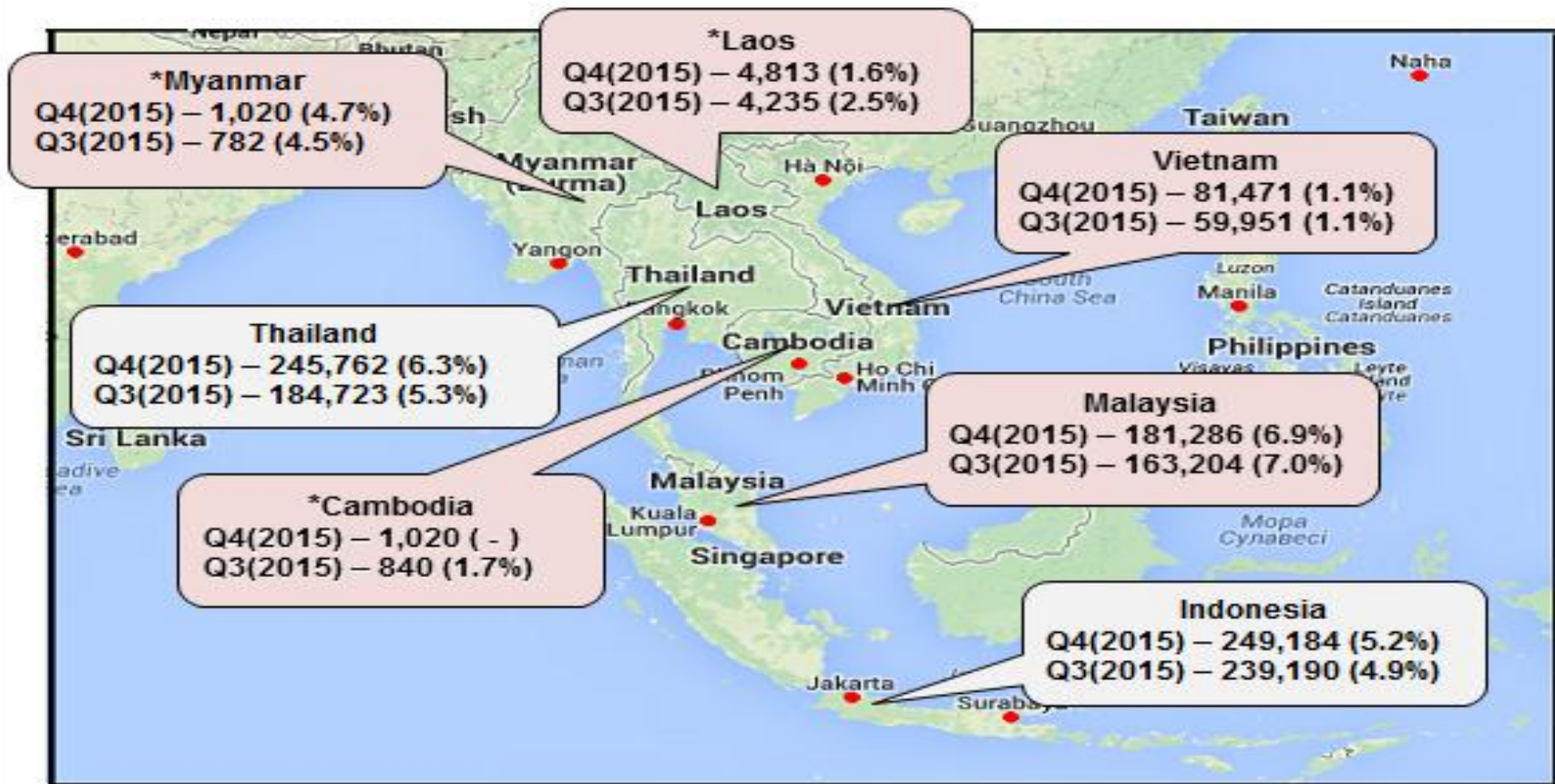
Indochina

- Y-o-Y, sales in Indochina increased 53% after resolution of Import Duty issues in Vietnam.
- Higher unit sales Y-o-Y seen in Laos due to launched of new Navara.
- The overseas assembly plant operation is impacted by negative production variances.



Nissan Penetration in the Region

Total Industry Volume By Country



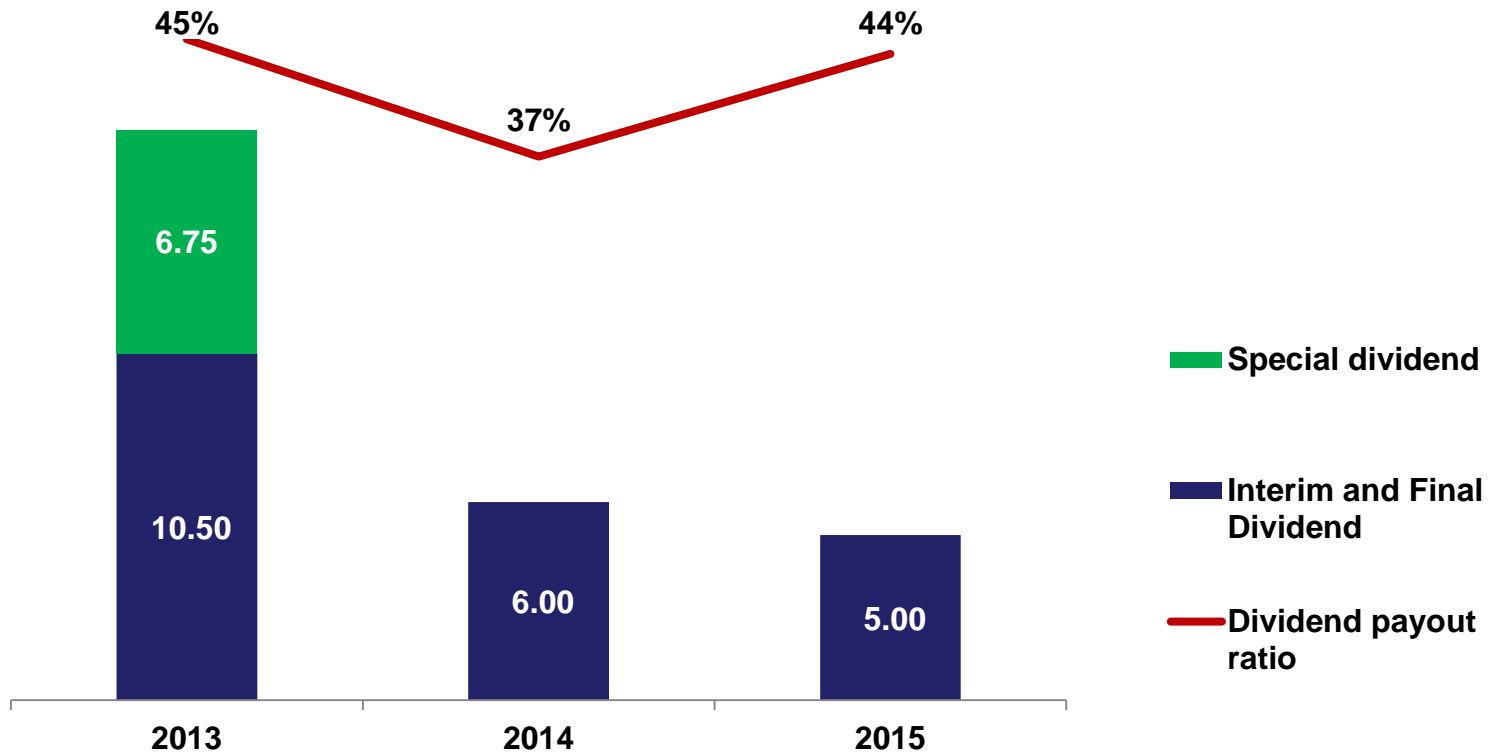
* Management best estimate, no official TIV

Business Review

4Q15 Sales Performance & Operation Review

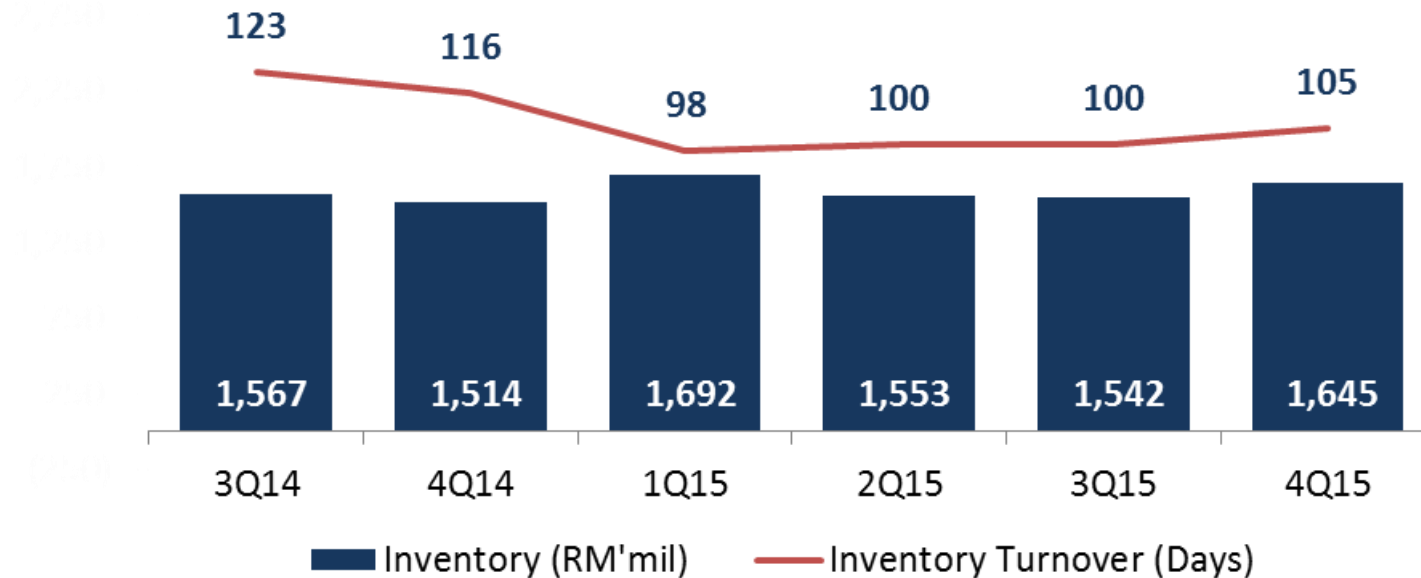
Appendices

Dividend per share (sen)



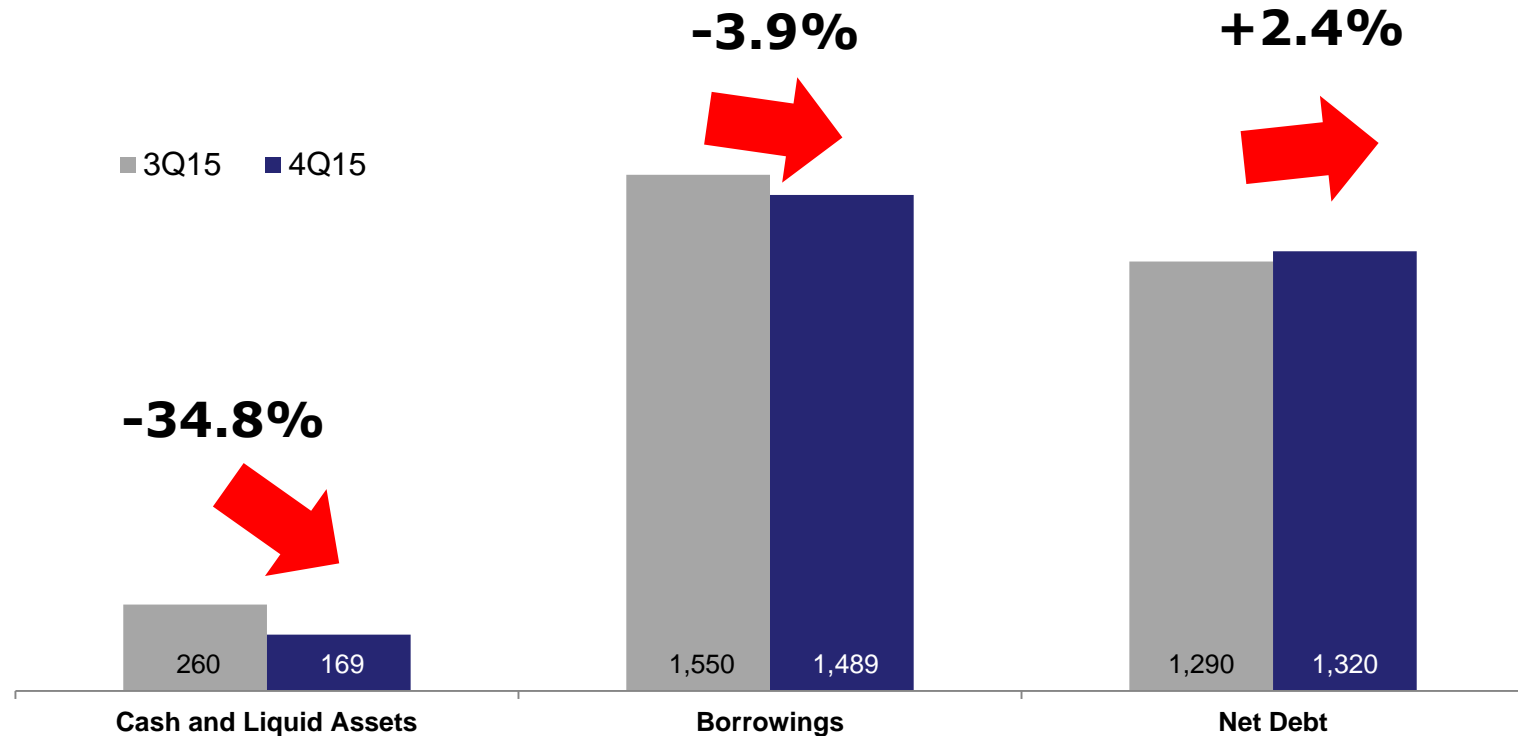
- Dividend per share affected due to lower profitability while maintaining the dividend payout.

Inventory Management



- Front loaded in 1Q15 and taper off in 2Q15 – 3Q15, loaded again during 4Q15 for next year's orders.
- Limit CKD import order until existing stocks cleared and inventory level brought down

Cash Balance & Borrowings (RM'mil)



- Excess cash was used to reduce the borrowings level
- Net gearing stood at 47.3%.

Foreign Exchange Management



- We will take diligent steps to monitor the foreign currency risk and continues to forward hedge on any weakness in the USD.

Source: Bloomberg

Thank you

