



**APM Automotive Holdings
Berhad**

FY2014 first-quarter financial results

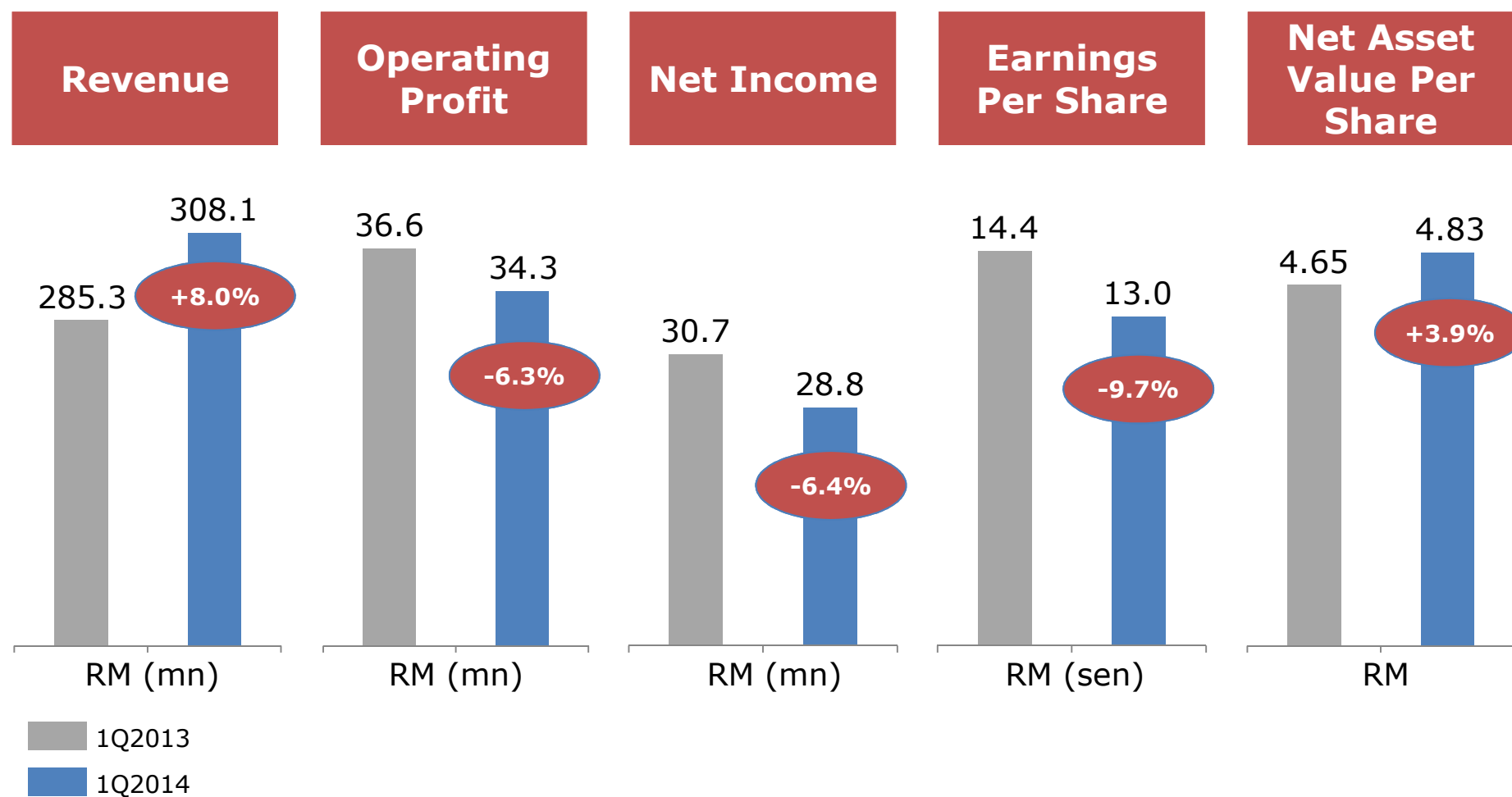
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These factors include (i) changes in economic conditions, currency exchange rates, the laws, regulations, government policies, or political instability in the market place, (ii) circumstances relating to our ability to introduce, in a timely manner, 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.

Key performance indicators

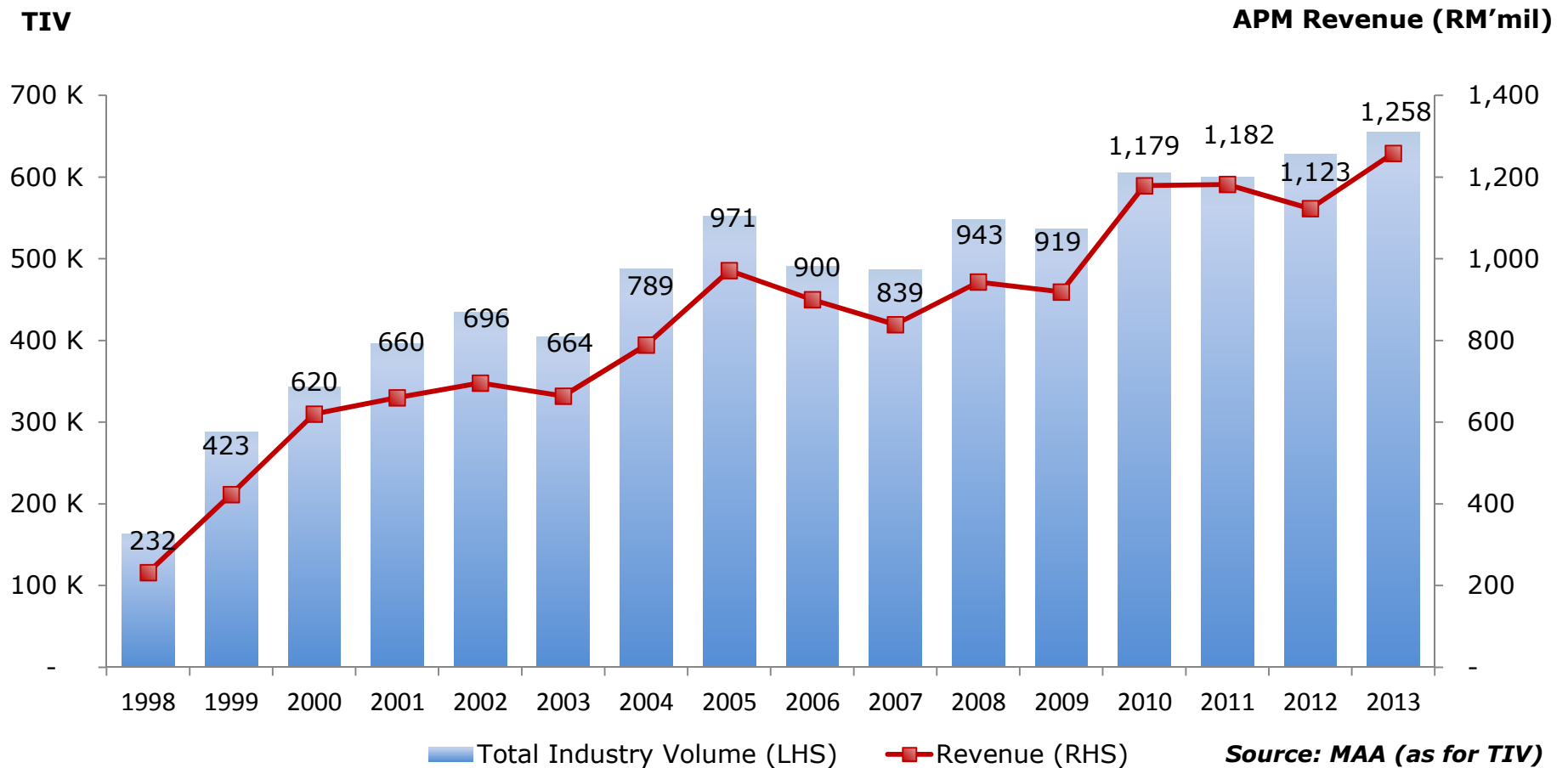


Lower profits due to tightening of input cost by customers.

Business Update

1Q14 Operation & Financial Review

APM – Proxy to Auto Sector

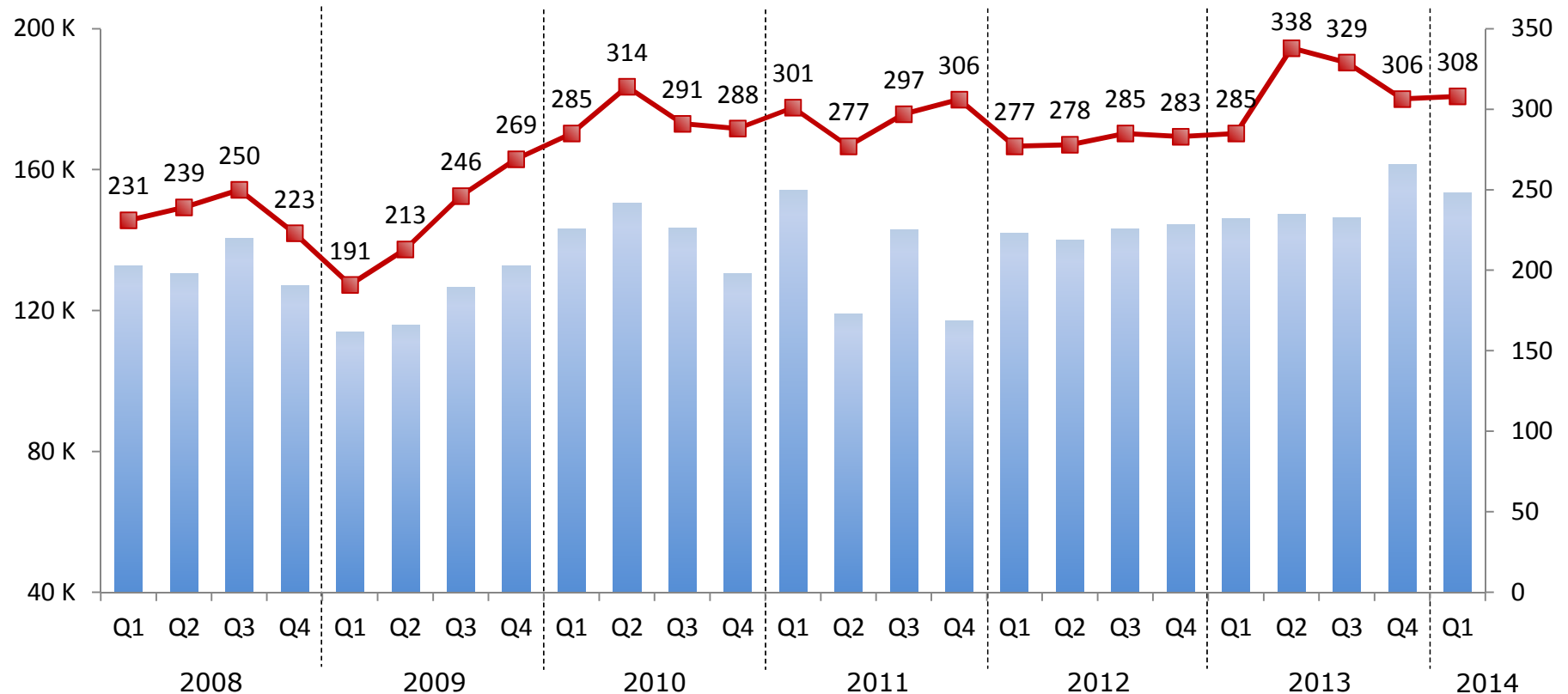


Revenue growing in line with TIV.

Revenue grows faster than Production TIV

Production TIV

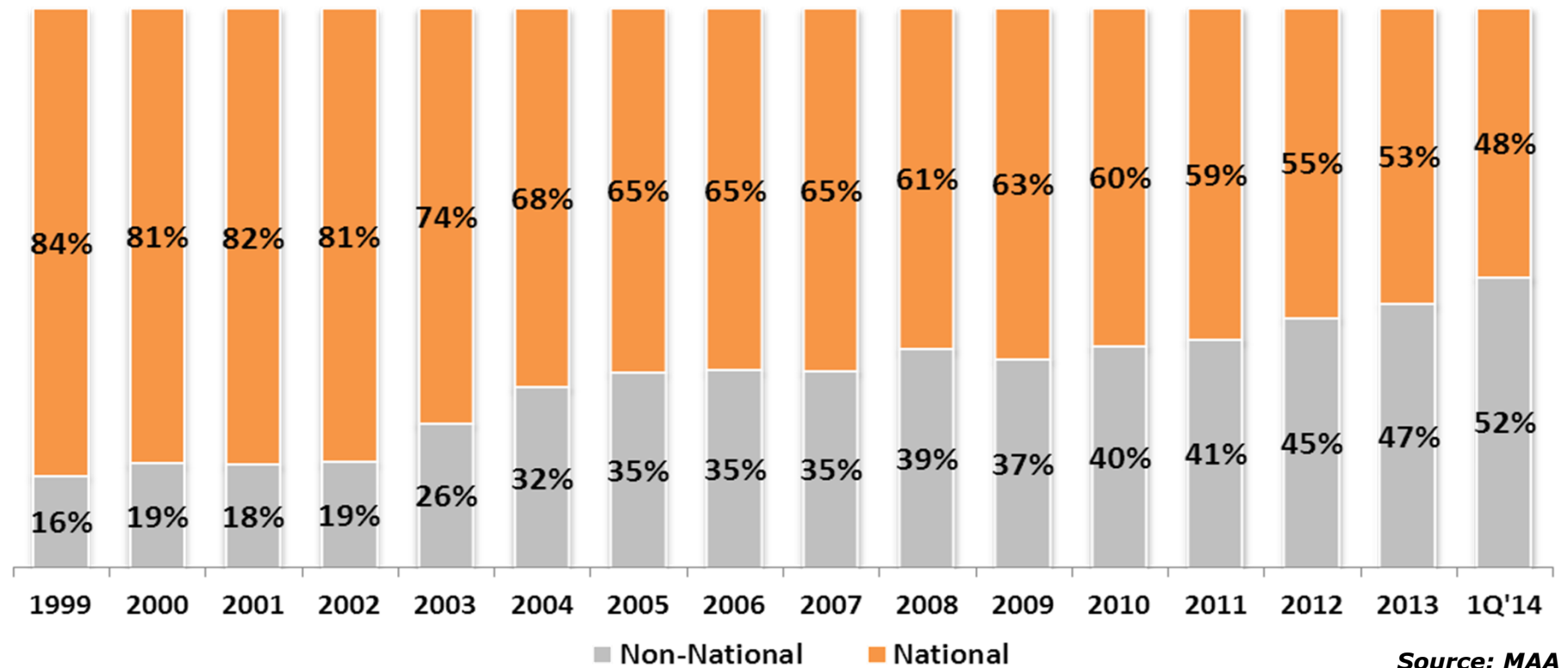
APM Revenue (RM'mil)



Source: MAA (as for Production TIV)

Correlating with new model development cycles.

National & Non-national Market Share



Non-national brands' market share outpaced national in 1Q14.

FY14 Business Update

- ❖ 1Q14 TIV 159.9K; +1.4% YoY. 4M14 TIV 218.6K; +4.0% YoY.
- ❖ 2014 TIV is expected to break another record year at more than 670K units; +4% YoY.
- ❖ High number of new model launches in pipeline for 2014: estimated 60+ new models.
- ❖ From engineering design stage to supplier on-site for OEMs in the region.
- ❖ Benefit from increased localization activities by non-national manufacturers.
- ❖ Shift to high value modules and systems for localization of newer models.
- ❖ Dispersed manufacturing footprint in the region:
 - New auto component plant (interior systems) in Thailand
 - Capacity expansion by 80% (coil spring) in Indonesia.
 - Plants in VSIP1 (Binh Duong Province) is unaffected by the May 13 unrest.

Business Update

1Q14 Operation & Financial Review

1Q Financial Review

In RM thousands	1Q14	4Q13	1Q13	QoQ	YoY
Net revenues	308,124	306,376	285,327	+0.6%	+8.0%
Profit before tax	37,209	37,119	39,521	+0.2%	-5.9%
Net Income	28,759	29,121	30,719	-1.2%	-6.4%
Profits Attr. to SH	25,409	24,994	28,142	+1.7%	-9.7%
EPS (Sen)	12.98	12.77	14.38	+1.7%	-9.7%
Net assets per share	4.83	4.68	4.65	+3.0%	+3.0%
Return on equity (annualised)	10.5%	13.7%	11.9%		

Margin squeeze by customers.

Segmental Performance

REVENUE (RM'000)	1Q14	1Q13	Change (%)
Suspension	29,801	26,650	11.8%
Interior & Plastics	165,976	156,399	6.1%
Electrical & Heat Exchange	57,762	49,285	17.2%
Marketing	45,547	47,385	-3.9%
Others	584	580	0.7%
Malaysia Operations	299,670	280,299	6.9%
Operations outside Malaysia	8,454	5,028	68.1%
TOTAL REVENUE	308,124	285,327	8.0%

* after eliminations

Higher revenue across the product segments.

Moving Forward Strategy

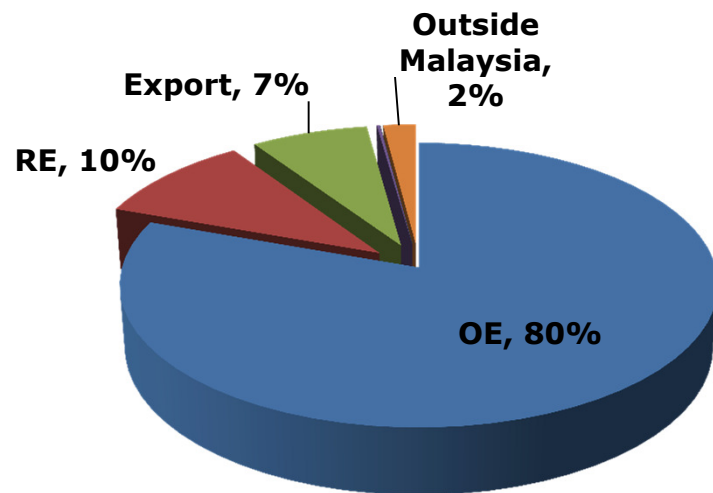
APM's Mid Term Strategy

- Defend existing Original Equipment ("OE") & Replacement Equipment ("RE") market share locally, whilst increasing overseas contributions to reduce dependency on domestic OE segment.
- OEM growth potential from new manufacturing licenses under NAP.
- Continue investments in the region
 - ❖ To add capacity and broaden range of generic suspension and interior products
 - ❖ Geographical Diversification (Indonesia, Thailand, Myanmar)
 - ❖ New Business (die making, tooling, stabilizer bar, safety systems)
- Strengthening in-house core engineering capability. Target 1.5-2% of revenue to be reinvested for APM Engineering Research.
- Target synergistic companies for growth through M&A.
- Growing exports to US, Europe and within ASEAN.

Pursuit of balance and diversity.

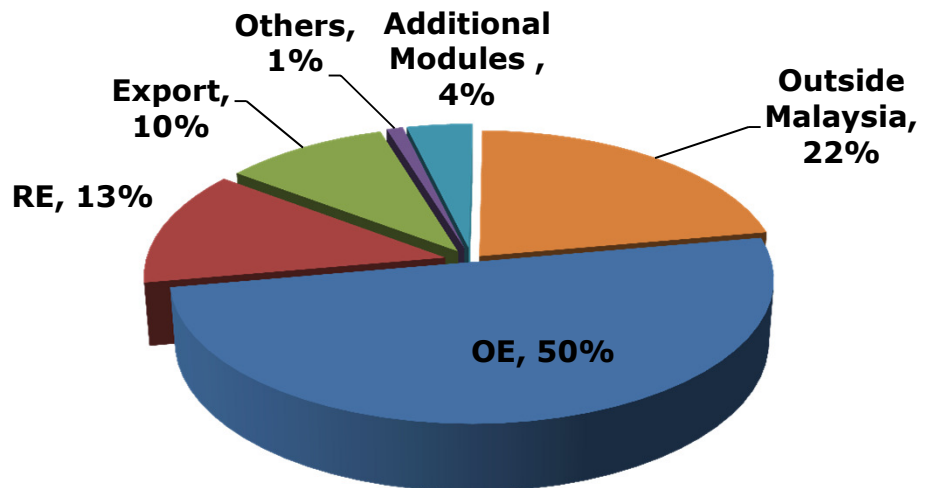
Sales Guidance through Balance & Diversity

2013A



Turnover: RM1.3b

2020F



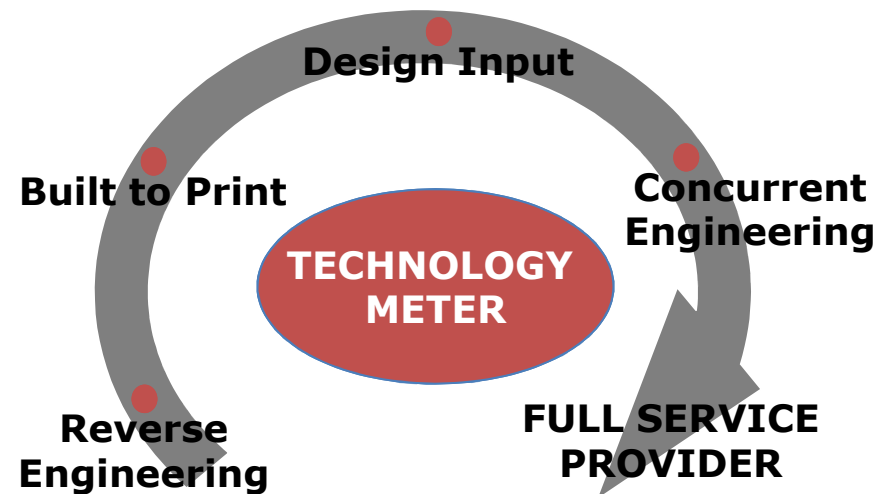
Turnover: RM2.0b

RM2b sales target (RM1b existing OE & RM1b exports, overseas & others)

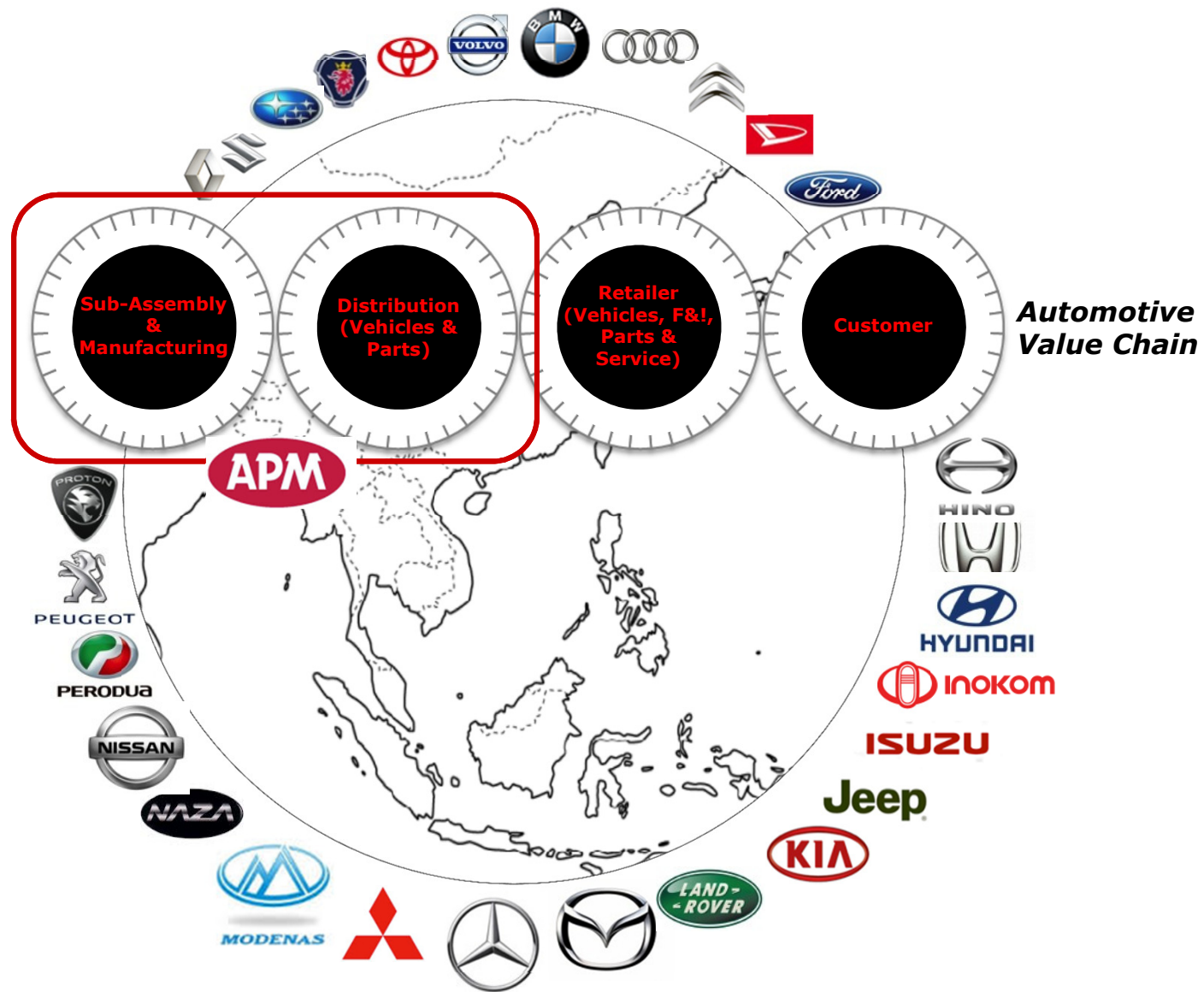
One-stop Tier-1 Service Provider

❖ Partner of choice for global Tier 1s entering ASEAN

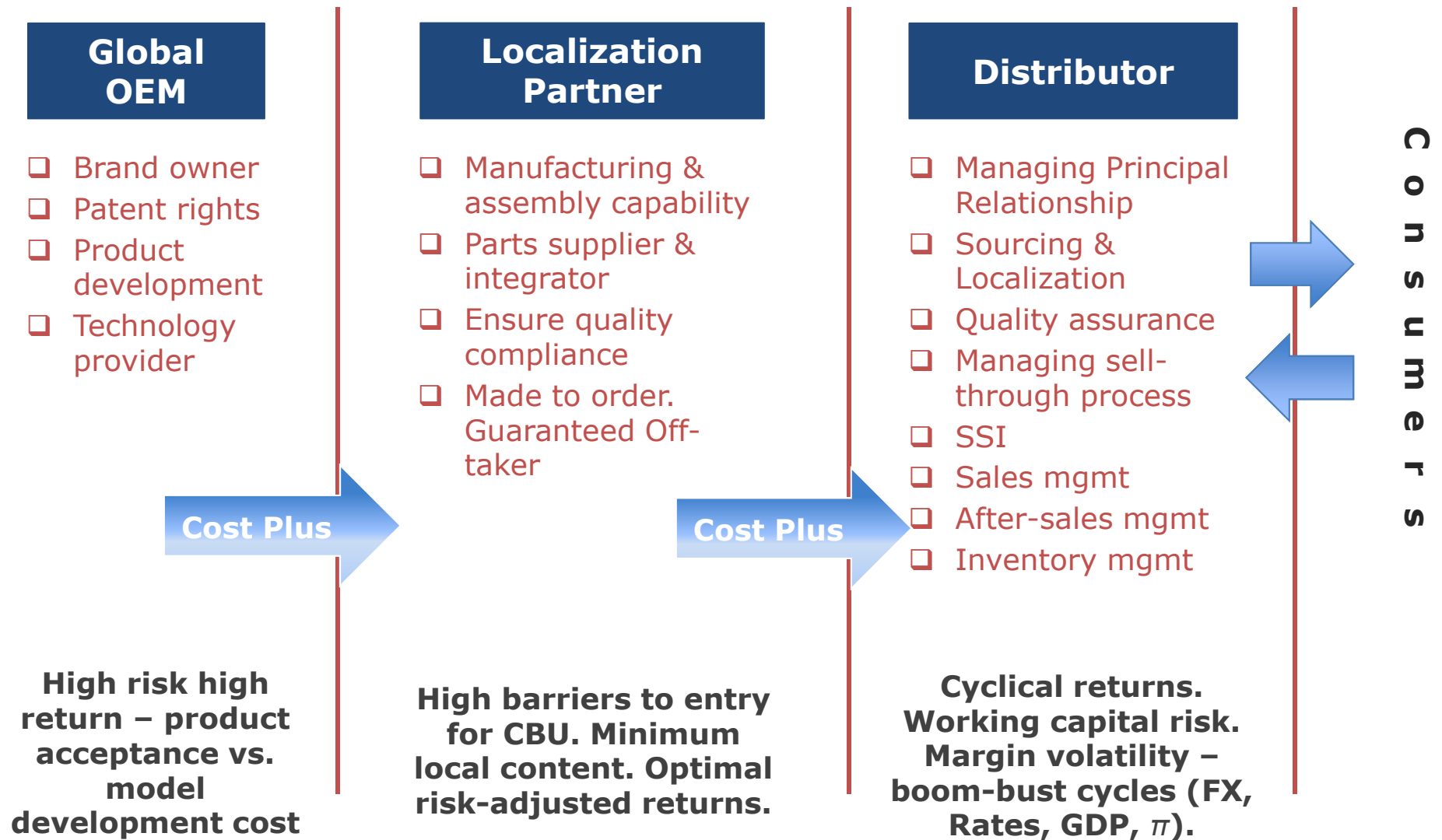
❖ Move up the technology meter



Integral Player within Local Automotive Eco-systems



Auto Cycle Investing



Thank You