



**APM Automotive Holdings  
Berhad**

# **FY2015 second-quarter financial results**

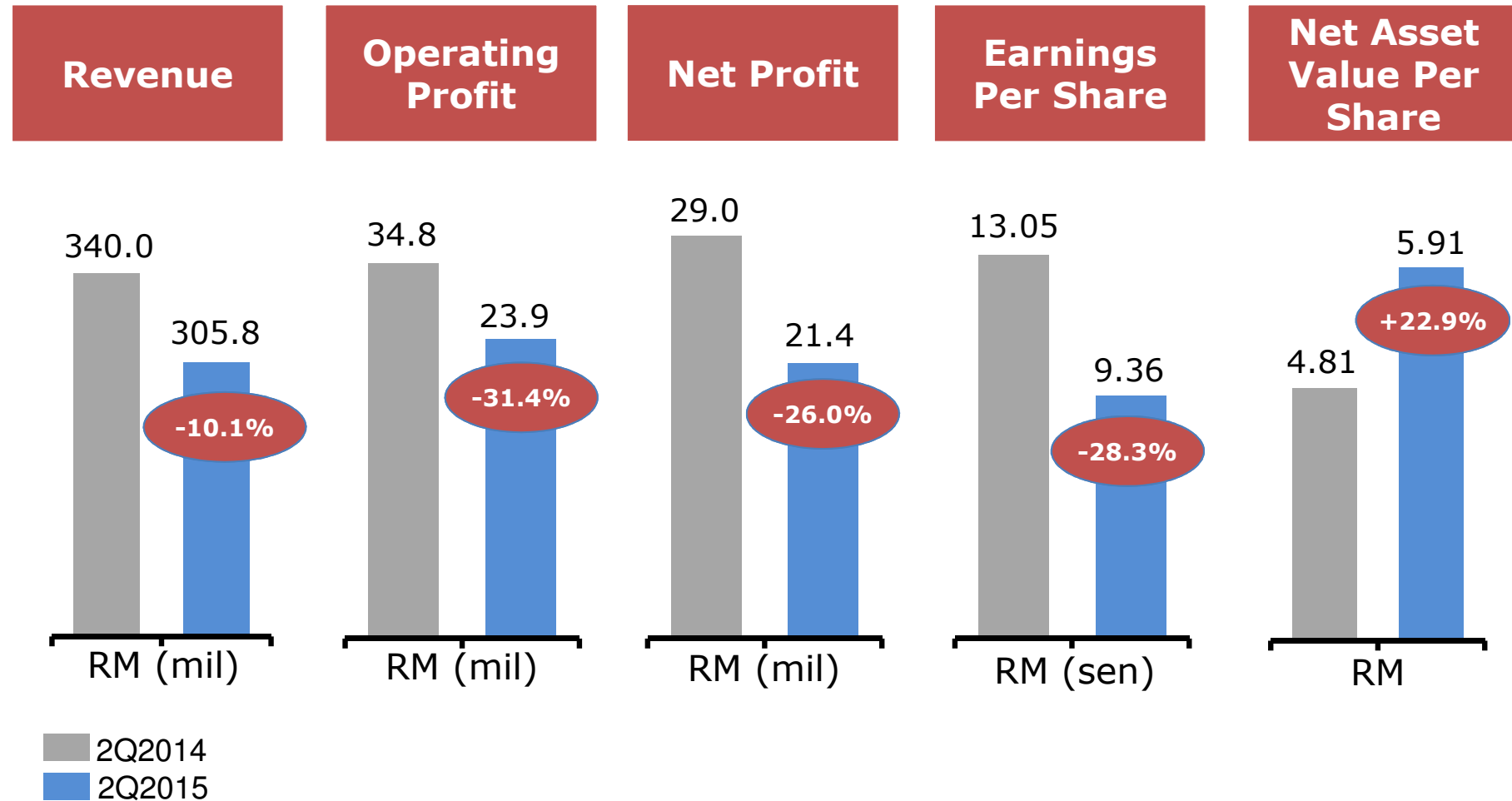
## **Cautionary Statement with Respect to Forward-Looking Statements**

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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



**Reduced demand for OEM parts**

# **2Q15 Operation & Financial Review**

## **Business Update**

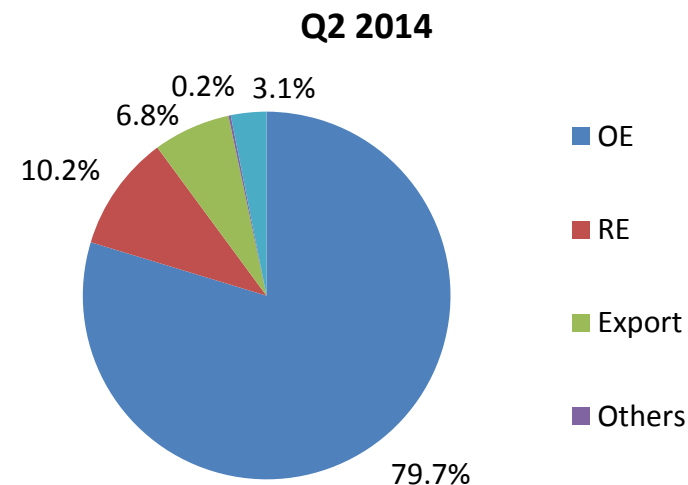
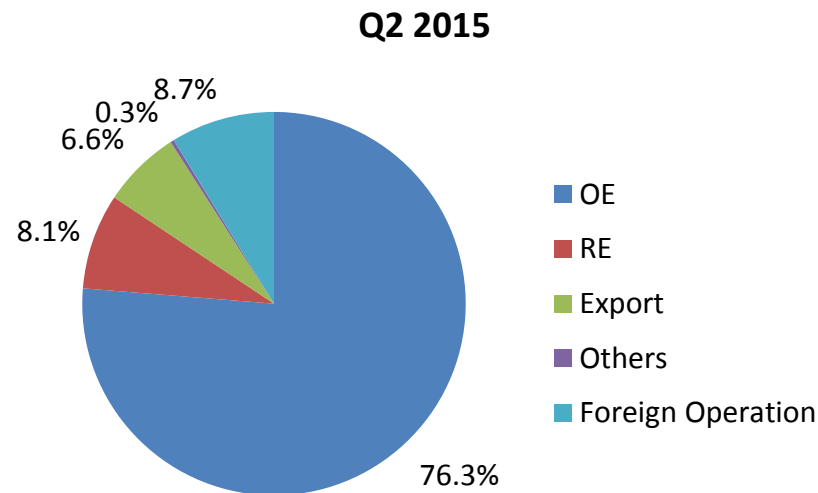
## 2Q15 financial review

RM'000	2Q15	1Q15	2Q14	QoQ	YoY
Net revenues	305,763	318,255	340,001	-3.9%	-10.1%
Profit before tax	27,057	33,328	37,687	-18.8%	-28.2%
Net Income	21,449	21,165	28,972	1.3%	-26.0%
Profits Attr. to SH	18,300	17,827	25,546	2.7%	-28.4%
EPS (Sen)	9.36	9.11	13.05	2.7%	-28.3%
Net assets per share	5.91	5.95	4.81	-0.7%	22.9%
Return on equity (annualised)	6.3%	6.1%	10.8%		
Net Dividend per share (sen)	7.50	-	7.50		
Net Profit Margin	7.0%	6.7%	8.5%		

**Lower profit (YoY) as a result of aggressive pricing and benchmarking to global peers**

# Segmental sales

RM'000	Q2 2015	%	Q2 2014	%
OE	233,224	76.3%	270,897	79.7%
RE	24,690	8.1%	34,720	10.2%
Export	20,171	6.6%	23,107	6.8%
Others	996	0.3%	607	0.2%
Foreign Operations	26,682	8.7%	10,670	3.1%
<b>TOTAL REVENUE</b>	<b>305,763</b>	<b>100%</b>	<b>340,001</b>	<b>100%</b>



**Decreased revenue from local operations was mitigated by higher overseas sales**

## Segmental performance

Revenue (RM'000)	2Q15	2Q14	Change (%)
Suspension	30,008	36,271	-17.3%
Interior & Plastics	166,589	189,725	-12.2%
Electrical & Heat Exchange	38,944	50,952	-23.6%
Marketing	47,252	51,775	-8.7%
Others	997	608	64.0%
<b>Malaysia Operation</b>	<b>283,790</b>	<b>329,331</b>	<b>-13.8%</b>
<b>Operations outside Malaysia</b>	<b>21,973</b>	<b>10,670</b>	<b>105.9%</b>
<b>TOTAL REVENUE</b>	<b>305,763</b>	<b>340,001</b>	<b>-10.1%</b>

**Reduced dependence on Malaysia as Australia, Vietnam and USA continued to register strong growth**

## 2Q15 Operation & Financial Review

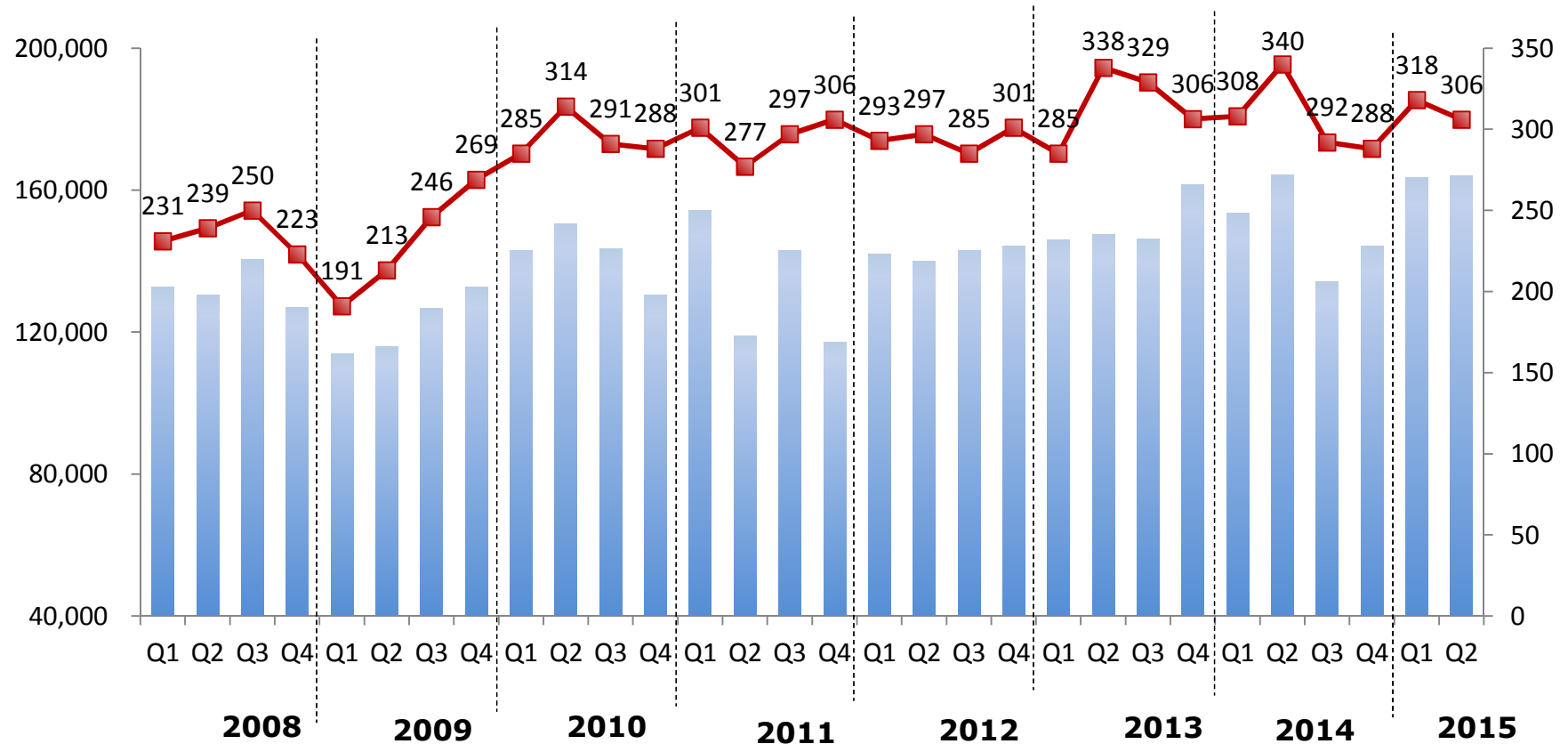
### Business Update



# Stagnant Production TIV

Production TIV

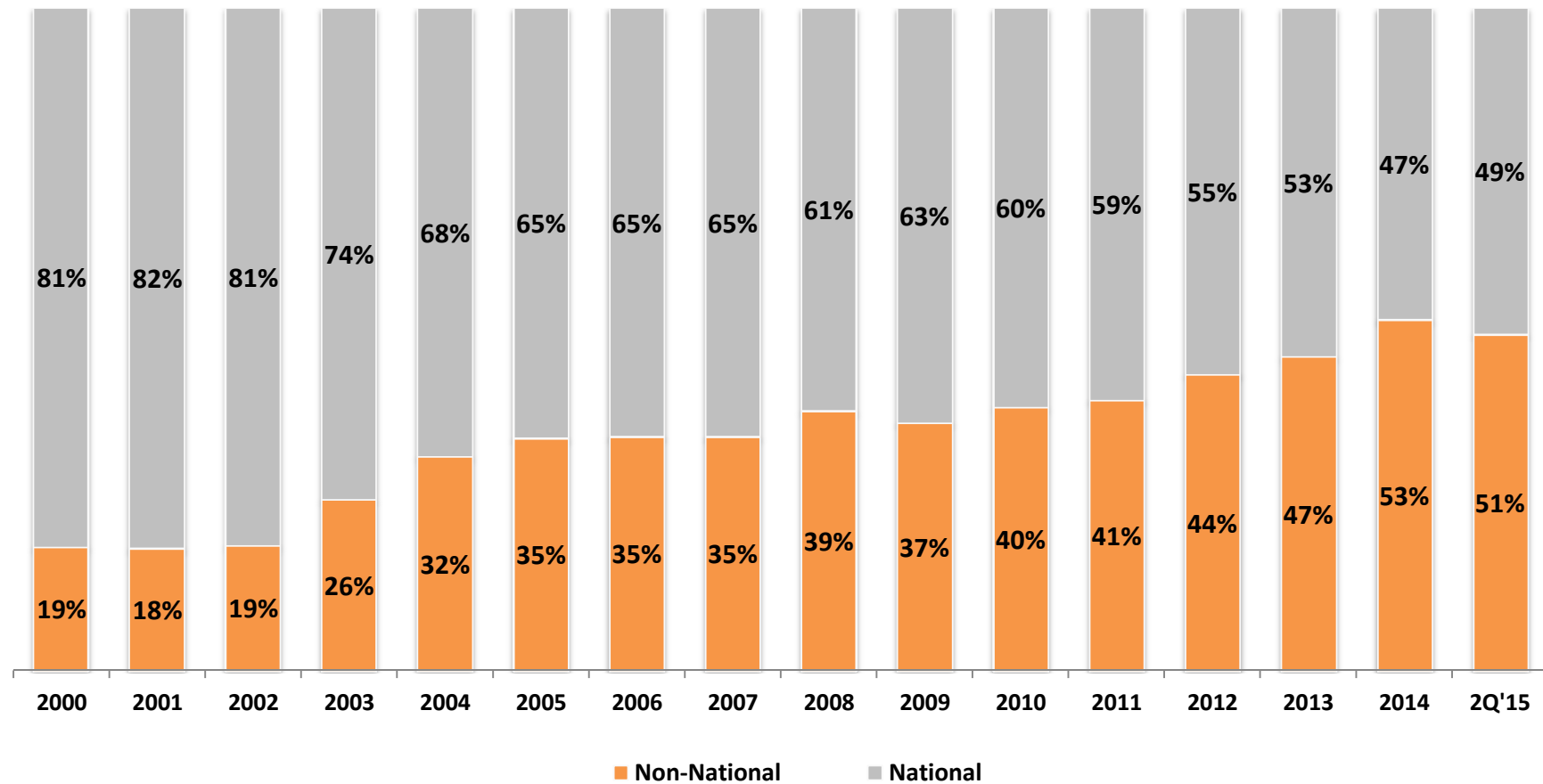
APM Revenue (RM'mil)



Source: MAA (as for Production TIV)

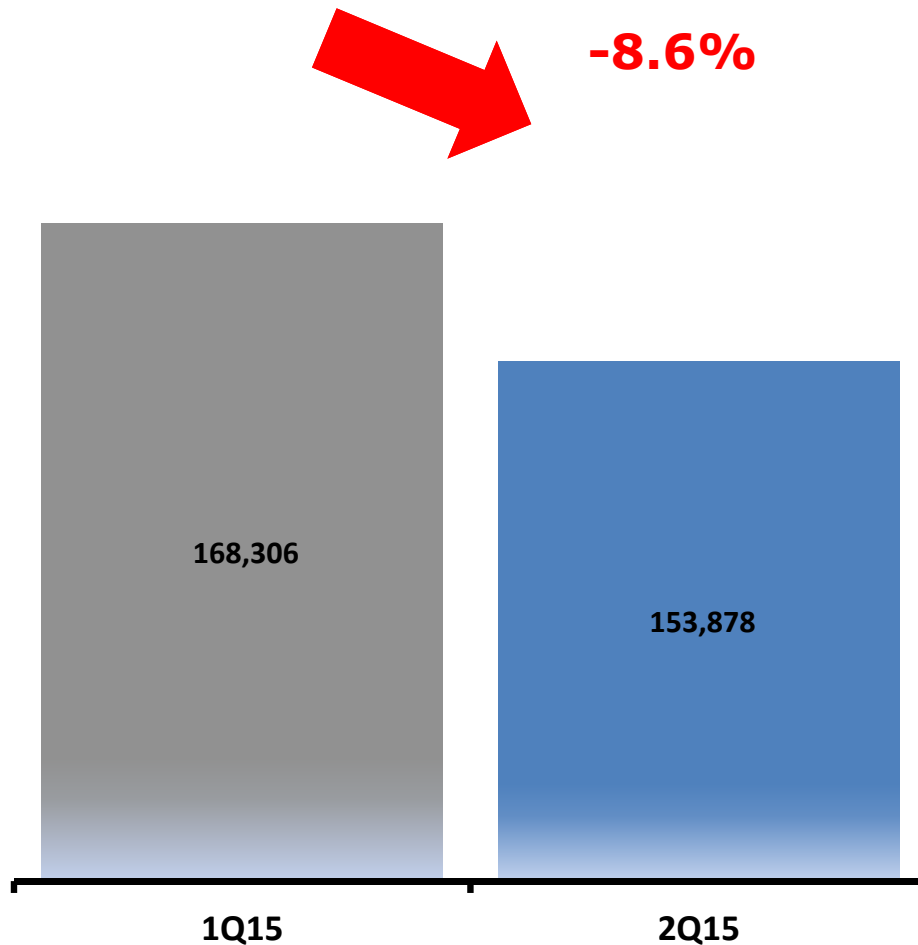
**Lower revenue due to dependency on OEM parts**

# National & Non-national Market Share



**National brands regain market share**

## 2Q15 TIV



	Q-o-Q %
Perodua	-10.2%
Proton	-18.6%

	Q-o-Q %
Toyota	+38.9%
<b>Nissan</b>	<b>-23.9%</b>
Honda	-3.1%
Mitsubishi	-44.8%
Isuzu	-1.9%
Mazda	-4.8%

	Q-o-Q %
Ford	-56.3%
VW	+12.1%
BMW	+26.3%
Peugeot	-30.7%

**TIV decreased post GST implementation**

# FY15 business update

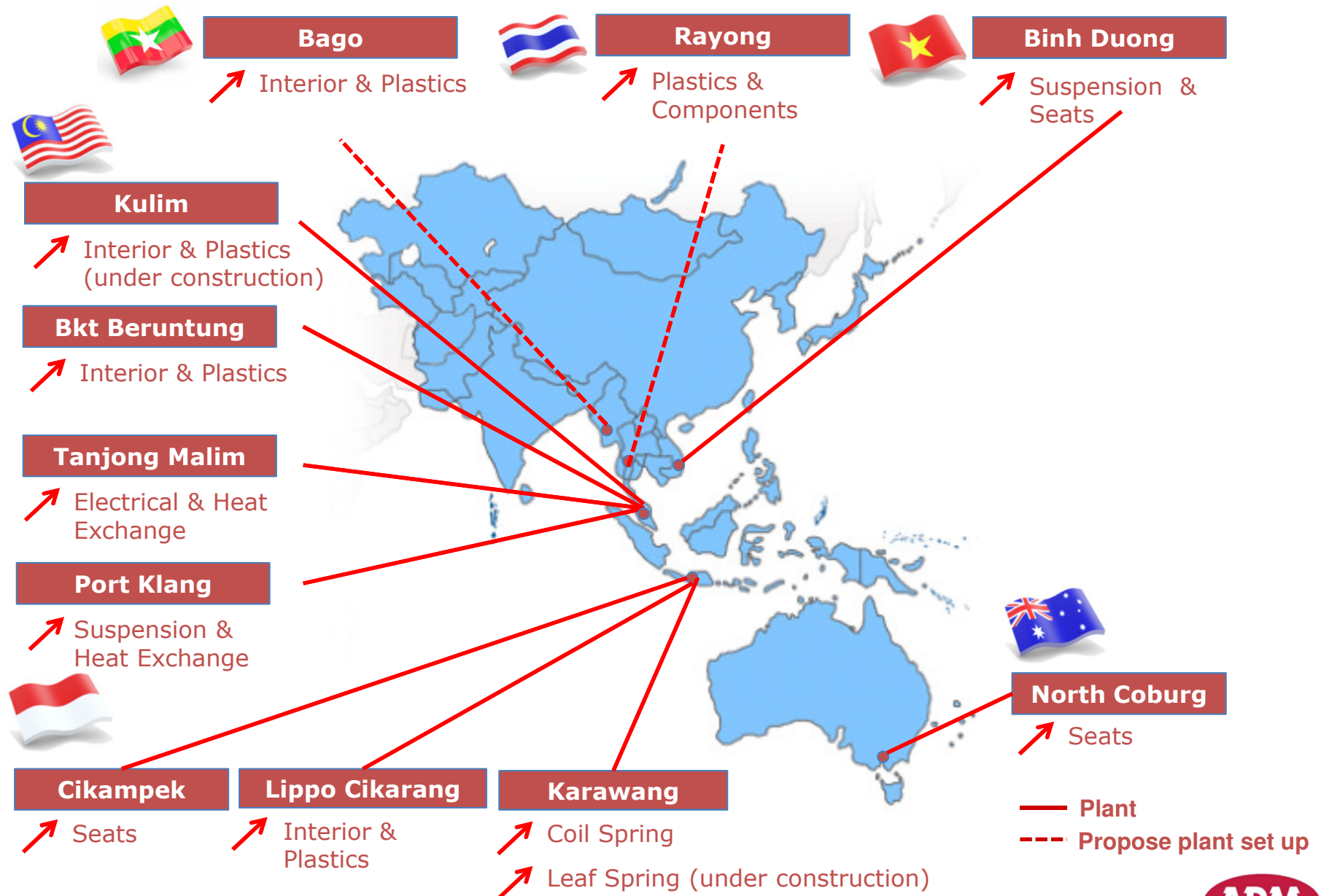
- ❖ 2Q15 TIV 153.8K; -8.6% QoQ. 2H15 TIV 322.2K; -3.3%
- ❖ Post GST effects were immediately felt in 2Q2015, leading to the lower TIV and correspondingly our revenue. Counter measures include:
  - Expansion of new business - new products / segment
  - Intensify the development of parts for replacement markets
  - Consolidate certain operations to reduce overhead costs
  - Expansion into new products via JV or acquisition of business

# M&A Opportunities

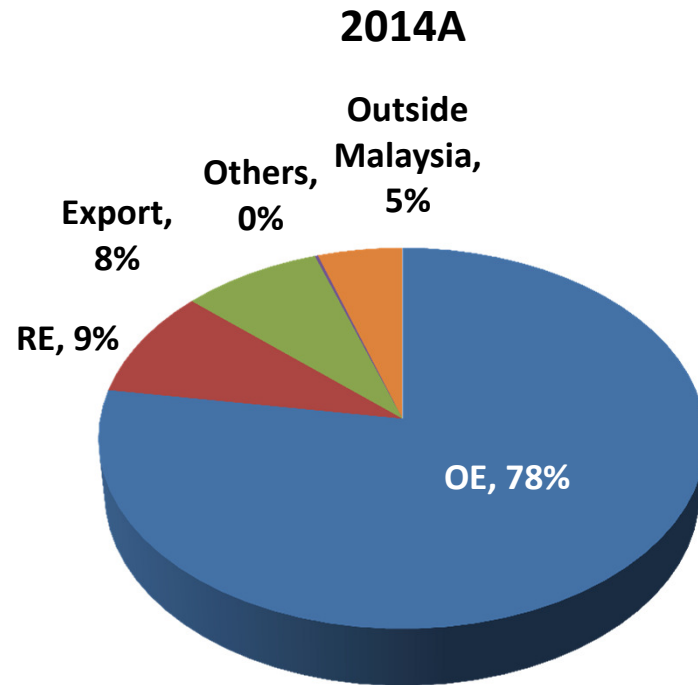
<b>Strategic Purpose</b>	Our Vision		Our Strategy	
<b>Environment</b>	Global Market Review	Asia Pacific Market Review		Malaysia Market Review
<b>Market Assessment</b>	Economy & Environment	Tier 1 Competition	Local Supplier	Lessons Learned
<b>Target Opportunities</b>	Targeted Research			
<b>Growth Opportunities</b>	M&A Opportunities	Tier 1 Supplier		Tier 2 Supplier
<b>Risk Management</b>	Due Diligence	IP Production	Legal & HR Partnerships	Detailed Planning
<b>Implementation Plan</b>	JV	Local Resources	Quotation & Proposals	Supplier/Tool Resource

## Moving Forward

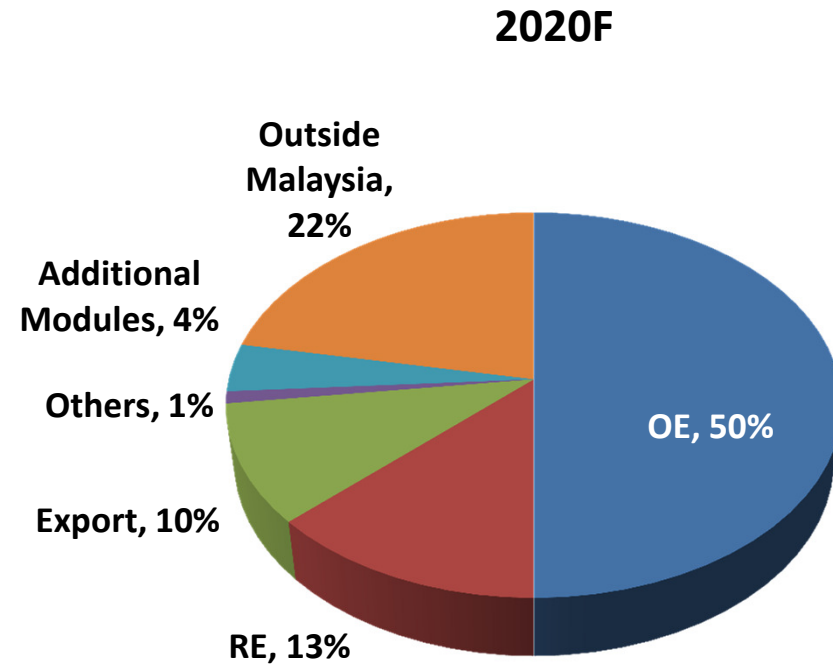
# Geographical Diversification



# Sales Guidance through Balance & Diversity



Turnover: RM 1.2b

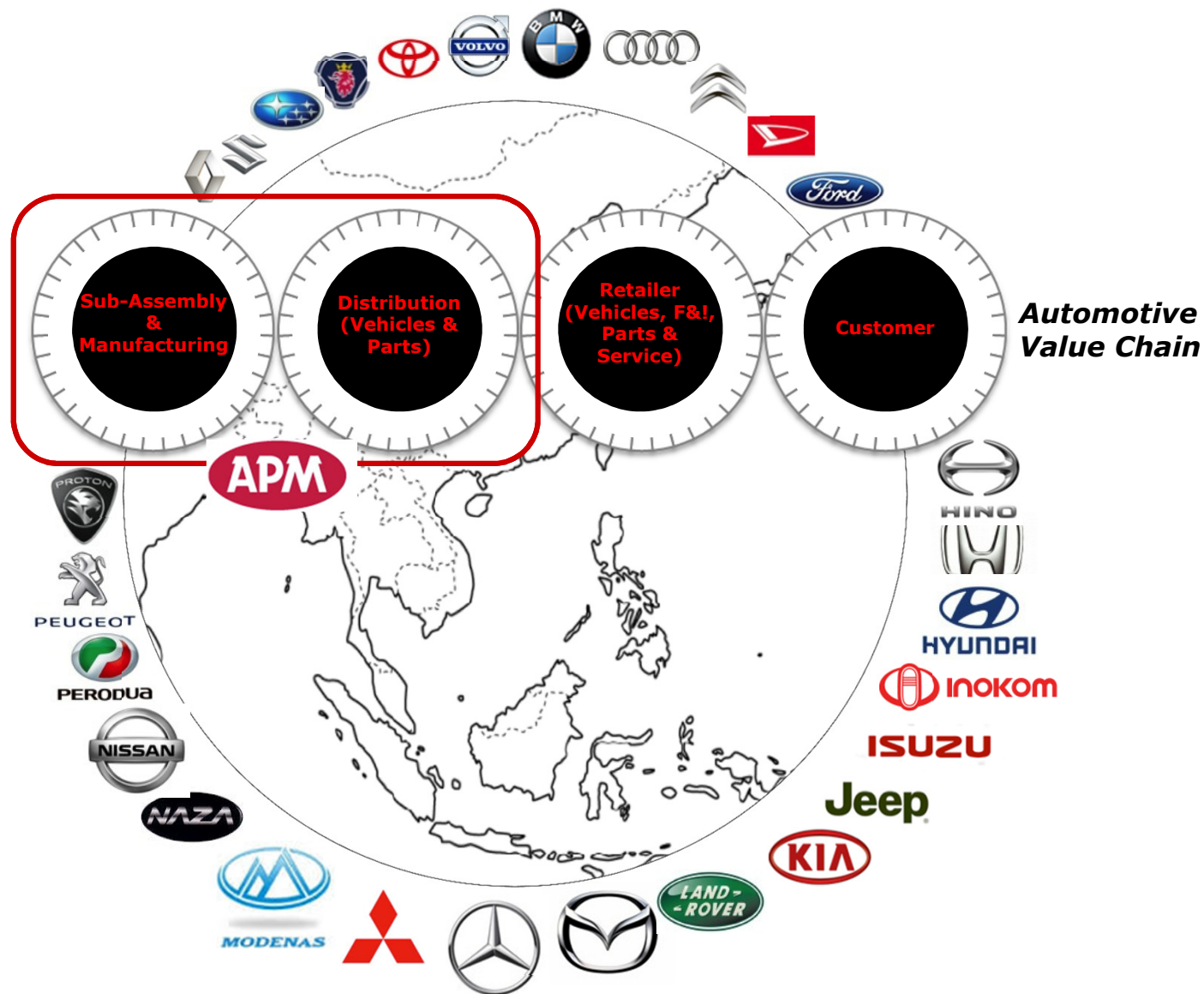


Turnover: RM 2.0b

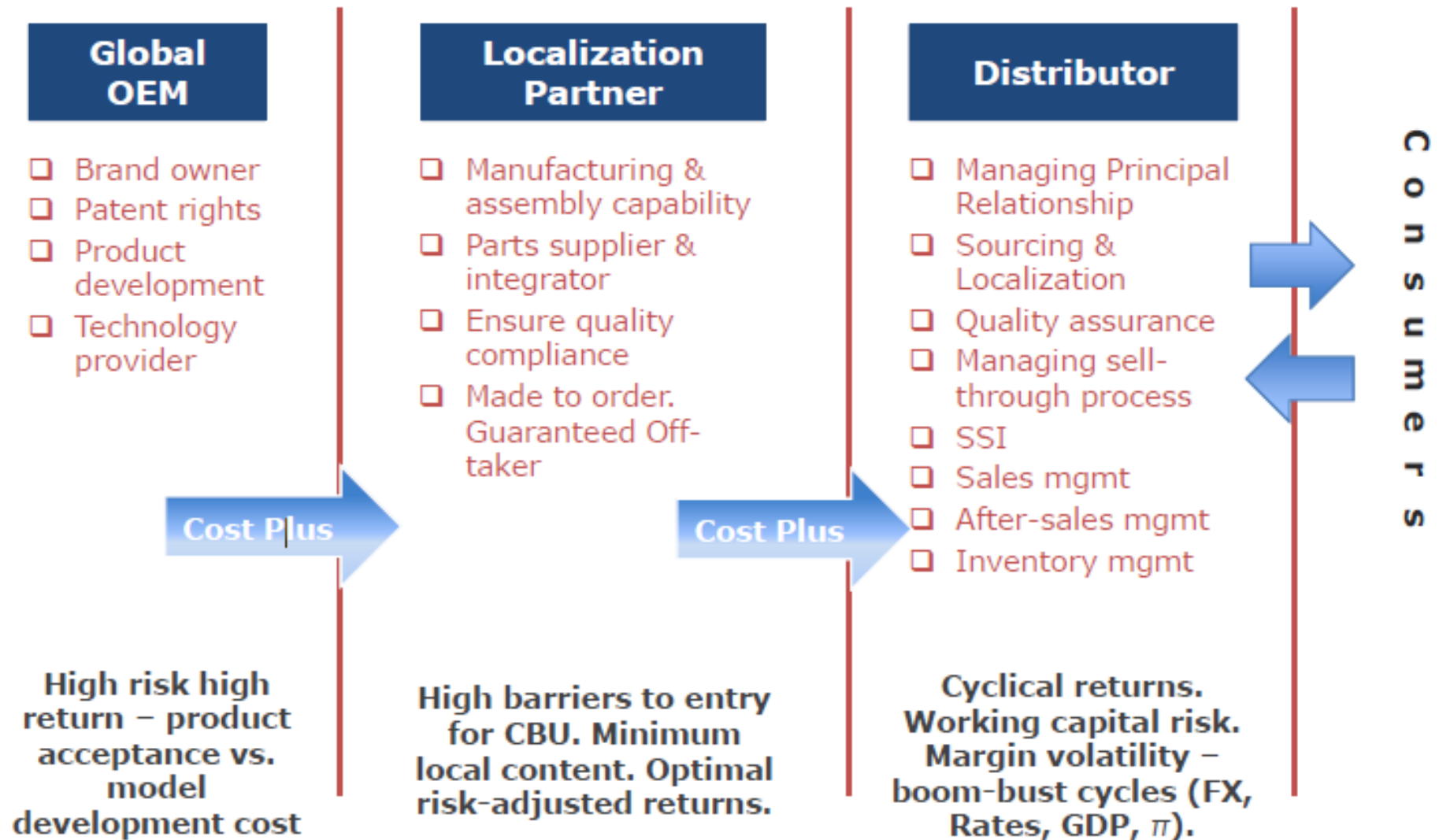
**RM2b sales target (RM1b existing OE & RM1b exports, overseas & others)**



# Integral Player within Local Automotive Eco-systems



# Auto Cycle Investing



# Thank You