



**APM Automotive Holdings
Berhad**

FY2016 Second-quarter financial results

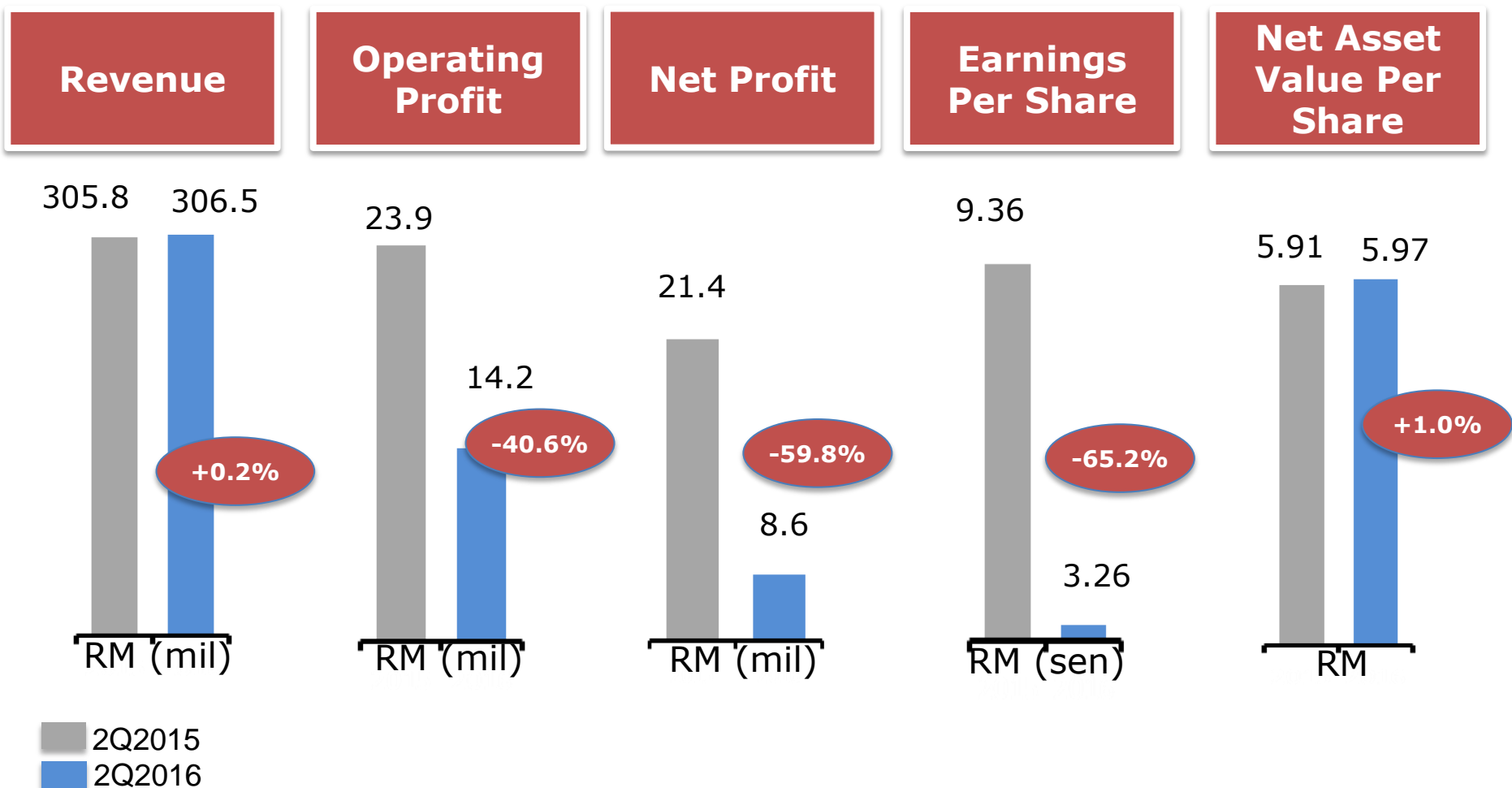
Cautionary Statement with Respect to Forward-Looking Statements

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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.

Key performance indicators



Growth in overseas sales

2Q16 Operation & Financial Review

Business Update

2Q16 financial review

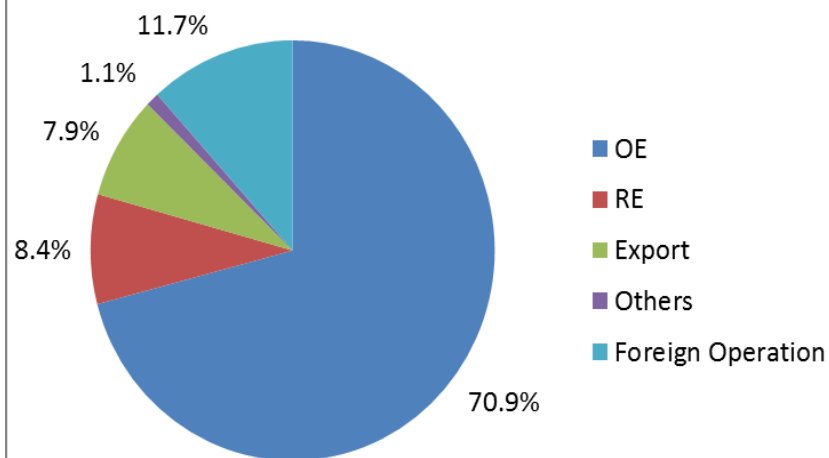
RM'000	2Q16	1Q16	2Q15	QoQ	YoY
Net revenues	306,493	276,135	305,763	11.0%	0.2%
Profit before tax	16,488	13,636	27,057	20.9%	-39.0%
Net Income	8,570	10,690	21,449	-19.8%	-60.0%
Profits Attributable to Shareholders	6,376	9,343	18,300	-31.8%	-65.2%
EPS (Sen)	3.26	4.78	9.36	-31.8%	-65.2%
Net assets per share	5.97	6.02	5.91	-0.8%	1.0%
Return on equity (annualised)	2.18%	3.17%	6.33%		
Net Dividend per share (sen)	-	-	7.50		
Net Profit Margin	2.80%	3.87%	7.0%		

Lower profit (YoY) largely a function of forex direction

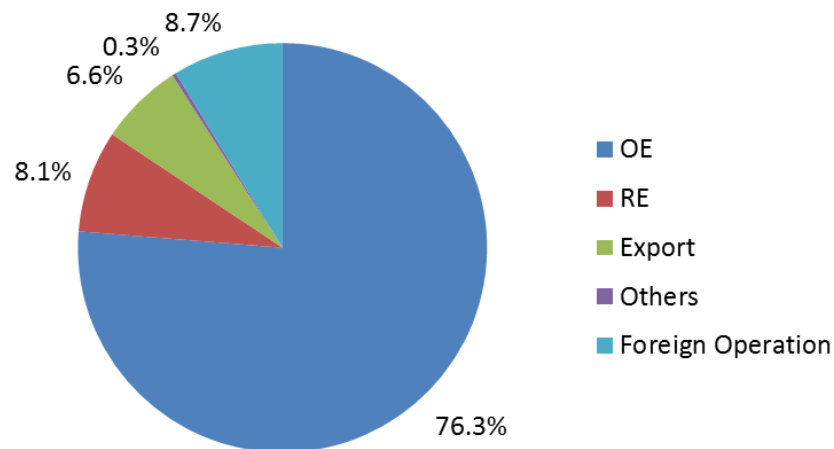
Segmental sales

RM'000	Q2 2016	%	Q2 2015	%
OE	217,264	70.9%	233,224	76.3%
RE	25,832	8.4%	24,690	8.1%
Export	24,313	7.9%	20,171	6.6%
Others	3,287	1.1%	996	0.3%
Foreign Operations	35,797	11.7%	26,682	8.7%
TOTAL REVENUE	306,493	100%	305,763	100%

Q2 2016



Q2 2015



Slight increase in revenue due to increase in overseas sales

Segmental performance

REVENUE (RM'000)	Q2 2016	Q2 2015	Change (%)
Suspension	24,682	30,008	-17.7%
Interior & Plastics	157,150	166,589	-5.7%
Electrical & Heat Exchange	38,397	38,944	-1.4%
Marketing	47,180	42,545	10.9%
Others	3,289	997	229.9%
Malaysia Operation	270,698	279,083	-3.0%
Operations outside Malaysia	35,795	26,680	34.2%
TOTAL REVENUE	306,493	305,763	0.2%

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

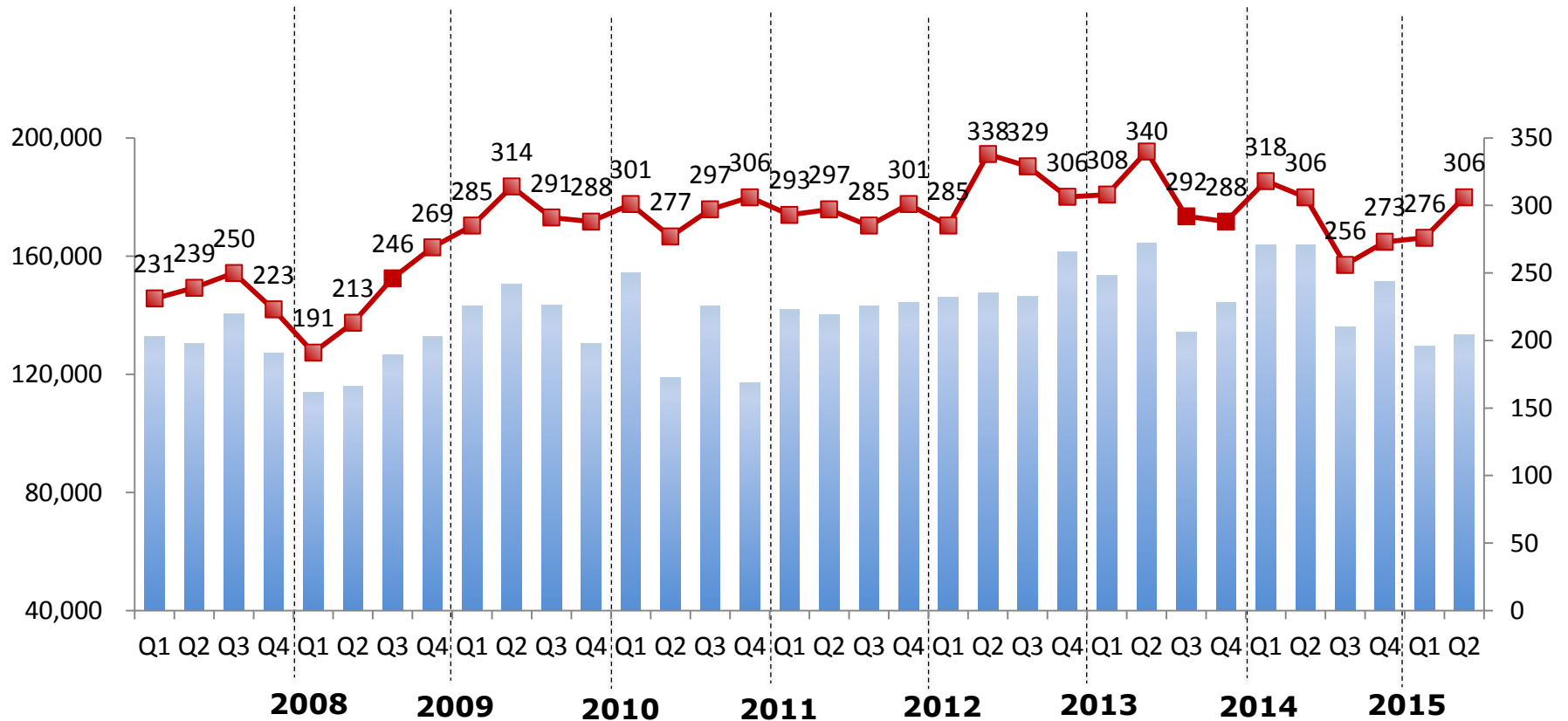
2Q16 Operation & Financial Review

Business Update

Production TIV Contracting

Production TIV

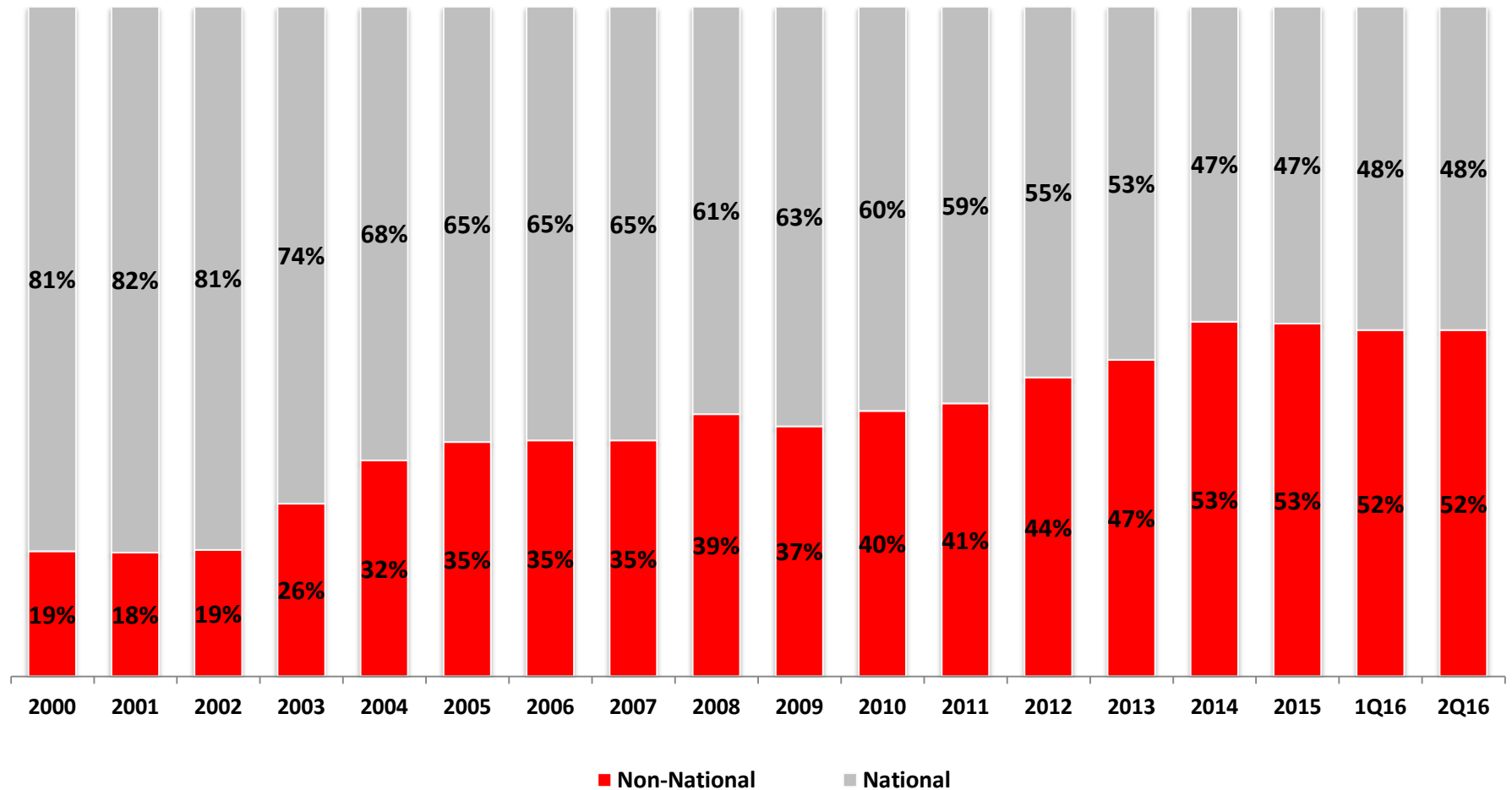
APM Revenue (RM'mil)



Source: MAA (as for Production TIV)

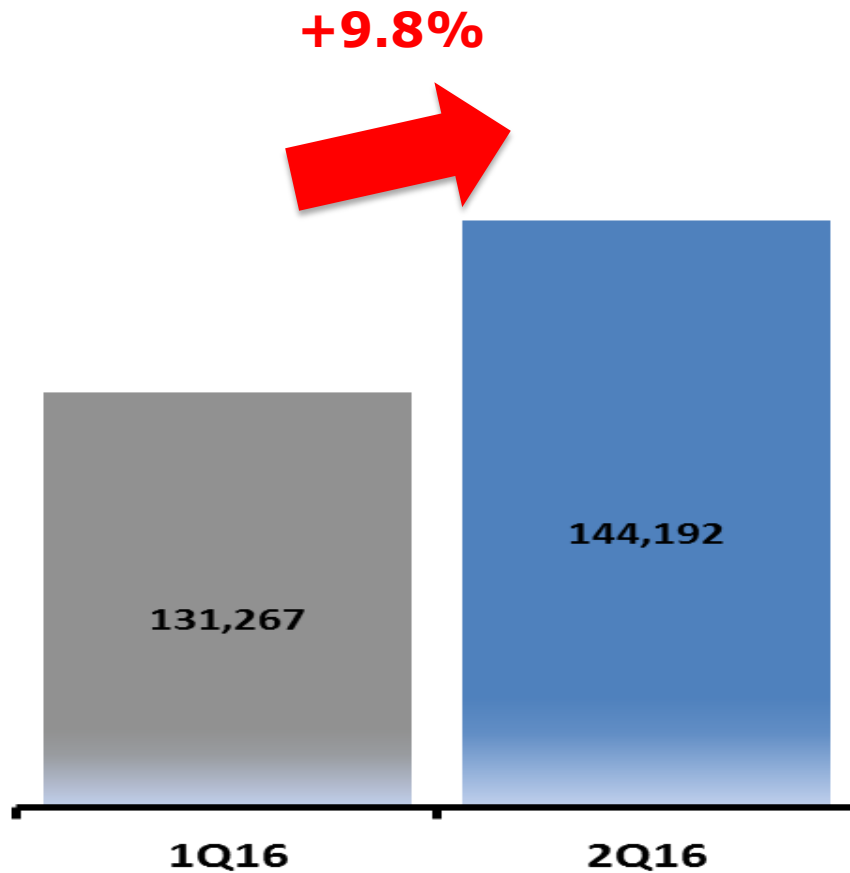
Revenues increase in line with production

National & Non-national Market Share



Non- National brands regain market share

1Q16 TIV



	Q-o-Q %
Perodua	6.40%
Proton	-14.20%

	Q-o-Q %
Toyota	66.70%
Nissan	-3.70%
Honda	11.20%
Mitsubishi	-16.40%
Isuzu	29.80%
Mazda	6.80%

	Q-o-Q %
Ford	16.00%
VW	79.30%
BMW	18.60%
Mercedes	26.20%

TIV increased due to post-price hike buying

FY16 business update

- ❖ 2Q16 TIV 144.2K; +9.8% QoQ. 6M16 TIV 275.5K; -14.5% YoY
- ❖ Mainly due to price hike and general reduced in demand due to economy uncertainty.
- ❖ 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
 - Study of other sources of supply to reduce material costs

M&A Opportunities

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

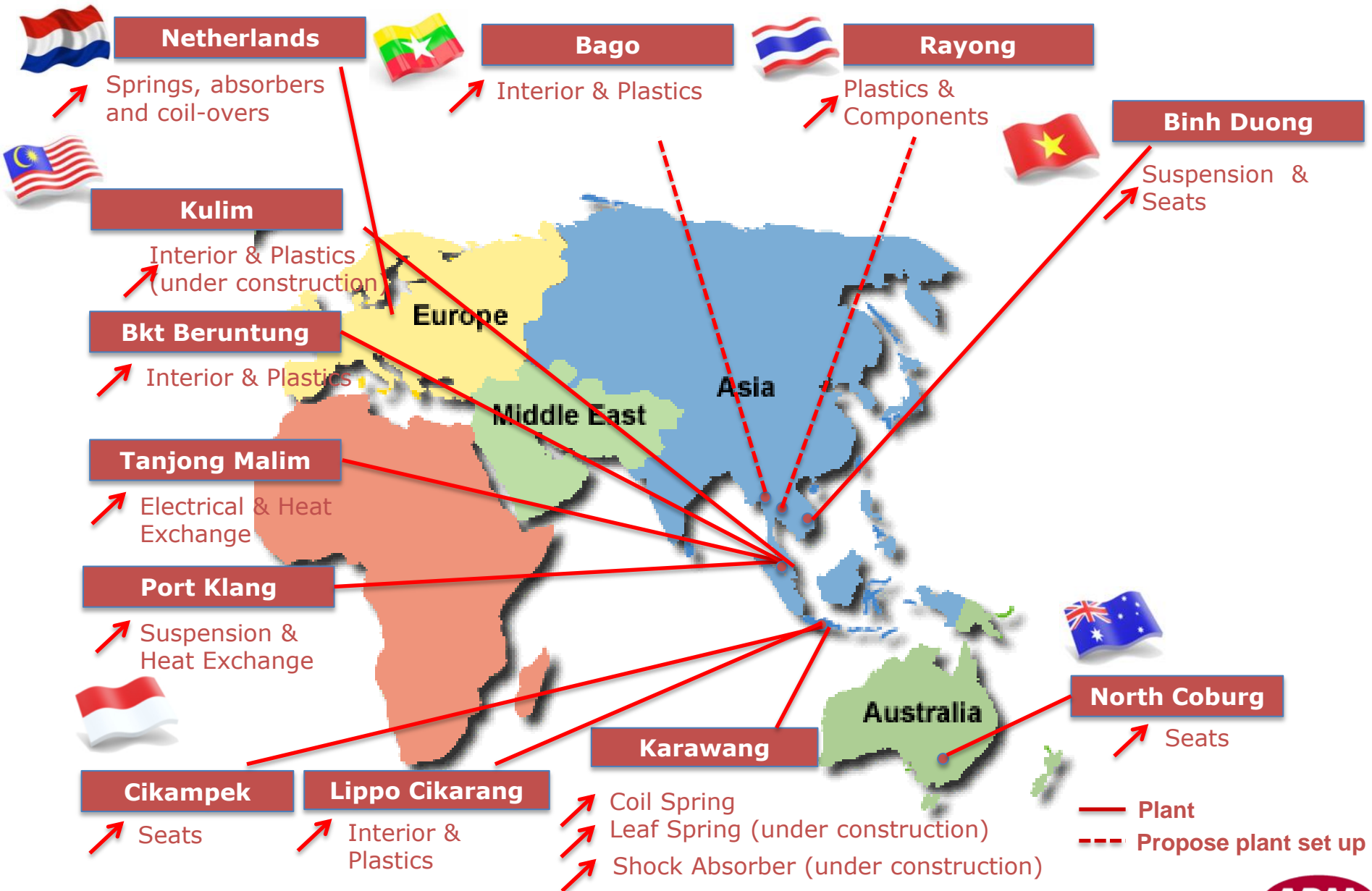
Completed M&A Deal

Acquisition of shares in APM IAC AUTOMOTIVE SYSTEMS SDN BHD (“AIAS”) from IACG HOLDINGS LUX S.A.R.L. (“IHLS”) by AUTO PARTS HOLDINGS SDN BHD (“APH”)

- APH a wholly-owned subsidiary of APM, has on 31 May 2016 completed the acquisition of 640,000 ordinary shares of par value RM3.00 each, representing 40% of the total issued and paid-up share capital of AIAS held by IHLS for a cash consideration of USD612,800.00 (equivalent to RM2,661,392.00).
- Consequential to the above, AIAS has now become a wholly-owned subsidiary of the Company. The relationship with IHLS will continue through the Technology License Agreement and Services Agreement entered into between IHLS and AIAS.
- The acquisition will allow APM greater flexibility in the reorganisation and integration of the headlining operations presently undertaken by AIAS with the existing plastic operations of the APM Group in order that the APM Group may position itself as an integrated interior systems provider instead of just a component centric manufacturer. This positioning is with a view to giving the APM Group a better competitive edge as the APM Group would be able to offer complete interior solutions to both local and overseas original equipment manufacturers and customers.

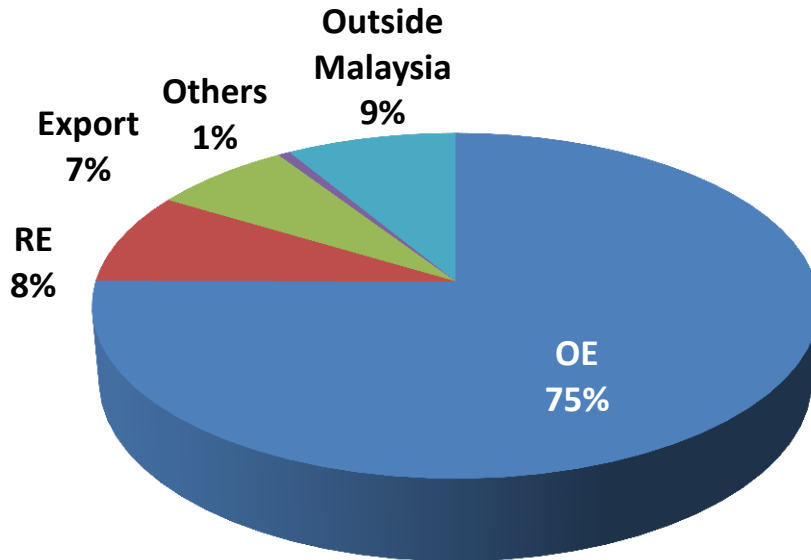
Moving Forward

Geographical Diversification



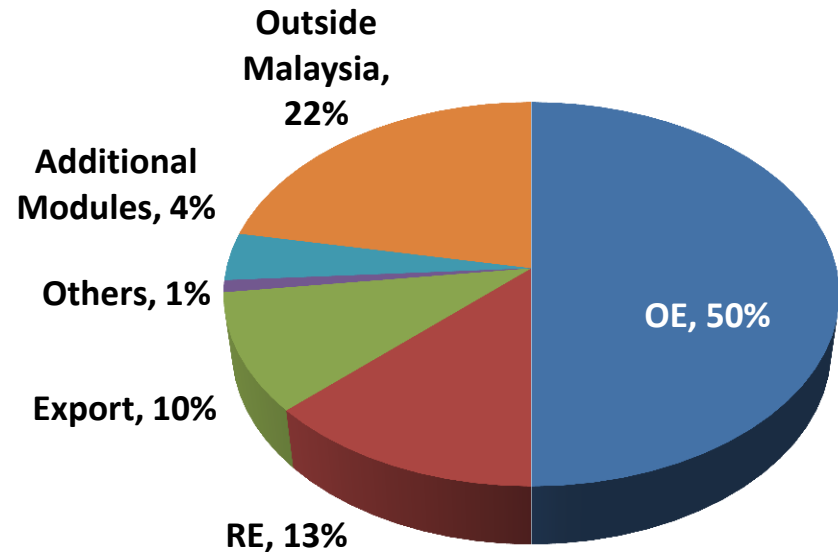
Sales Guidance through Balance & Diversity

2015A



Turnover: RM 1.2b

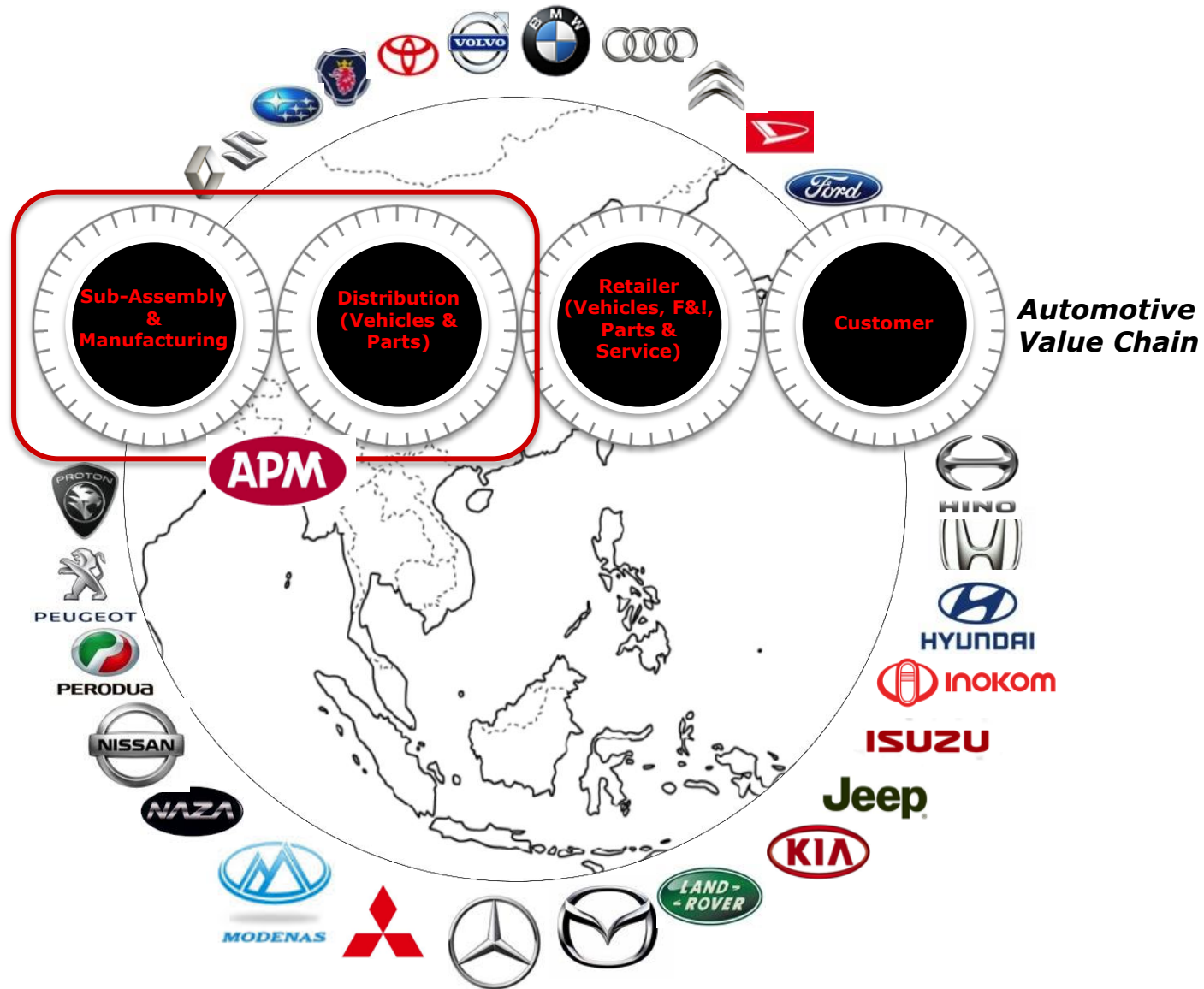
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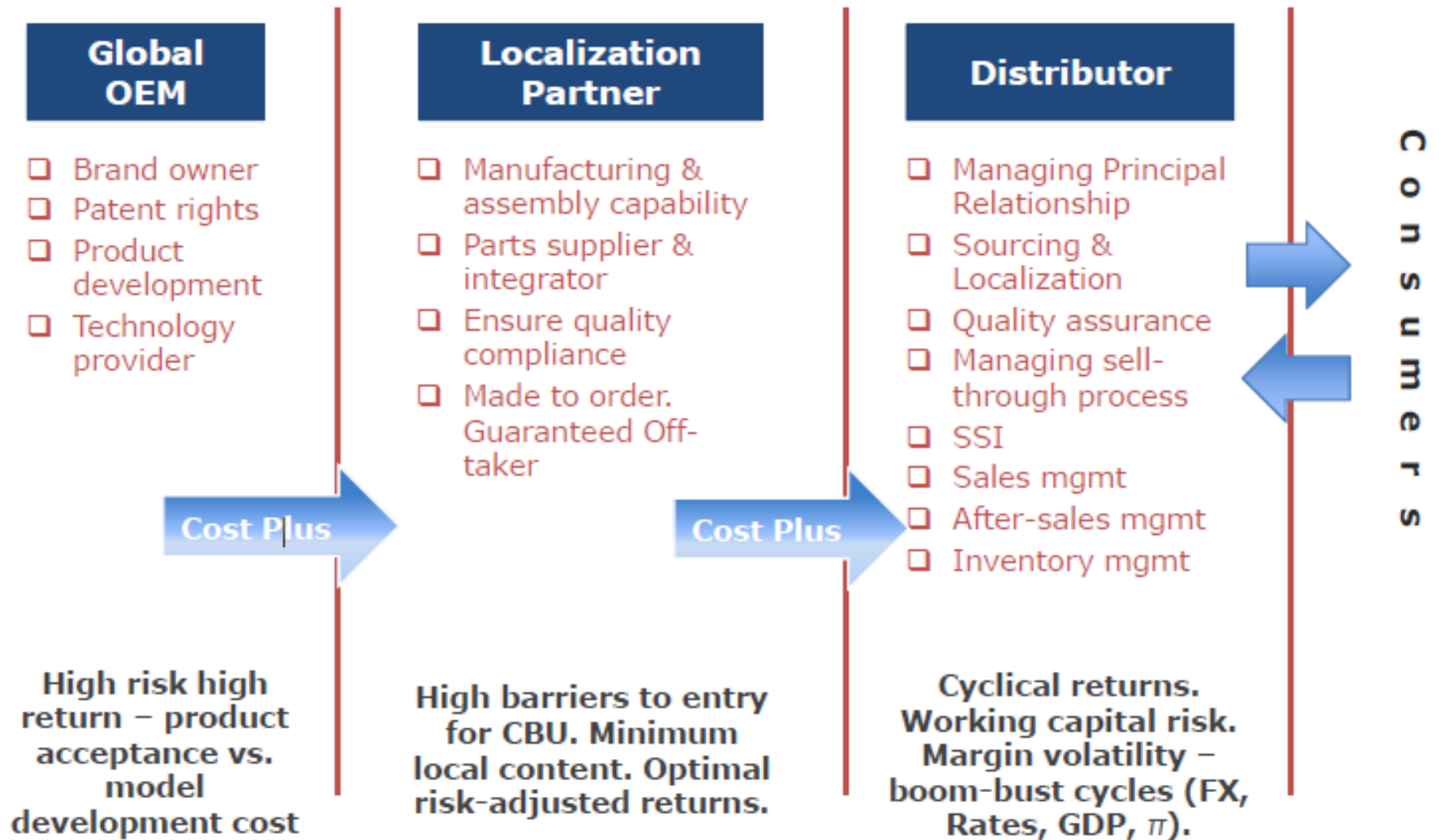
Turnover: RM 2.0b

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

Integral Player within Local Automotive Eco-systems



Auto Cycle Investing



Thank You