

REPL::FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::FULL YEARLY RESULTS**Issuer & Securities****Issuer/ Manager**

JARDINE CYCLE & CARRIAGE LIMITED

Securities

JARDINE CYCLE & CARRIAGE LTD - SG1B51001017 - C07

Stapled Security

No

Announcement Details**Announcement Title**

Financial Statements and Related Announcement

Date & Time of Broadcast

08-Mar-2019 07:38:24

Status

Replacement

Announcement Sub Title

Full Yearly Results

Announcement Reference

SG190227OTHRK3VM

Submitted By (Co./ Ind. Name)

Jeffery Tan Eng Heong

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please see attached slides for the 2018 Results Presentation to Analysts on 8 March 2019.

Additional Details**For Financial Period Ended**

31/12/2018

Attachments[JCC Dec%202018 FINAL.pdf](#)[FY2018%20Analyst%20Presentation%20-%208%20March%202019.pdf](#)

Total size =4249K MB

Related Announcements

Related Announcements

[27/02/2019 17:34:18](#)



**OF SOUTHEAST ASIAN
PARTNERSHIPS**

FY 2018 Results

Disclaimer: Jardine Cycle & Carriage accepts no liability whatsoever with respect to the use of this document or its contents.



Long-term, strategic business interests in Southeast Asia

JARDINE CYCLE & CARRIAGE

Presence in Southeast Asia



LEGEND

- **Our Presence**
- **Astra International**
- **Direct Motor Interests**
- SINGAPORE:**
 - Cycle & Carriage Singapore
- MALAYSIA:**
 - Cycle & Carriage Bintang
- MYANMAR:**
 - Cycle & Carriage Myanmar
- INDONESIA:**
 - Tunas Ridean
- VIETNAM:**
 - Truong Hai Auto Corporation
- **Other Strategic Interests**
- THAILAND:**
 - Siam City Cement
- VIETNAM:**
 - Refrigeration Electrical Engineering Corporation
 - Vinamilk
 - Siam City Cement



Jardine Cycle & Carriage

ASTRA INTERNATIONAL

50.1%	Astra International
--------------	---------------------

DIRECT MOTOR INTERESTS

100%	Cycle & Carriage Singapore
-------------	----------------------------

59.1%	Cycle & Carriage Bintang
--------------	--------------------------

60%	Cycle & Carriage Myanmar
------------	--------------------------

46.2%	Tunas Ridean
--------------	--------------

25.3%	Truong Hai Auto Corporation
--------------	-----------------------------

OTHER STRATEGIC INTERESTS

25.5%	Siam City Cement
--------------	------------------

24.9%	Refrigeration Electrical Engineering Corporation
--------------	--

10.6%	Vinamilk
--------------	----------



Jardine Cycle & Carriage



Jardine Cycle & Carriage

FINANCIAL HIGHLIGHTS





Jardine Cycle & Carriage

75%
held by
Jardine Strategic

Founded in **1899**

Employs over
250,000 people

Listed on SGX
STI constituent



2018 snapshot:

Combined gross revenue*

US\$40 billion

Revenue

US\$19 billion

Underlying profit

US\$858 million

Market cap

US\$10 billion⁺



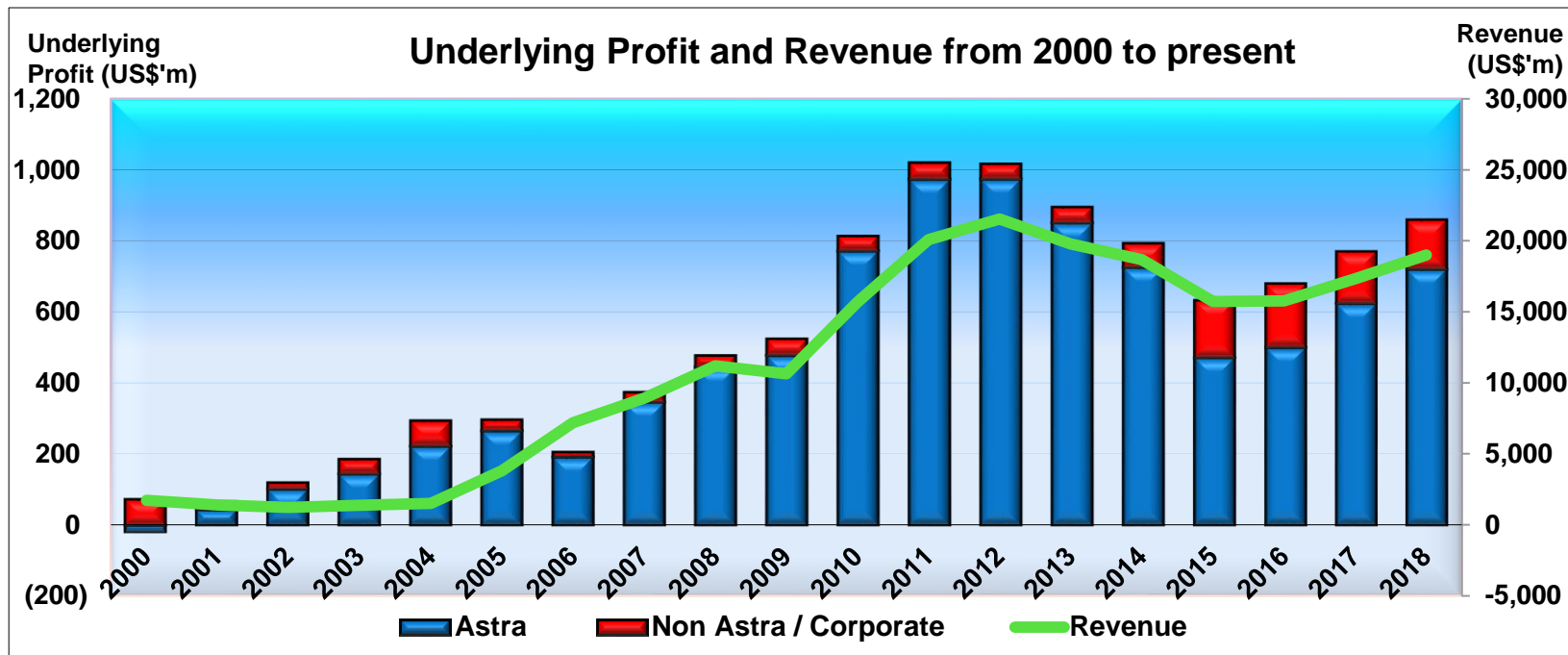
Jardine Cycle & Carriage

* Includes 100% of revenue from associates and joint ventures for full year ended 31 December 2018
+ As at end 2018

- Revenue and underlying earnings per share up 10% and 12%, respectively
- Strong performances across all businesses
- Underlying profit contributions:
 - Astra's contribution to Group's underlying profit up 15%
 - Direct Motor Interests' contribution to Group's underlying profit up 19%
 - Other Strategic Interests up significantly mainly due to Vinamilk dividends

Financial Highlights – Profit & Loss Account

Revenue and underlying profit up 10% and 12%, respectively



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Astra	-29%	55%	75%	74%	73%	84%	86%	89%	91%	89%	93%	94%	94%	94%	90%	73%	72%	80%	77%
Non-Astra	129%	45%	25%	26%	27%	16%	14%	11%	9%	11%	7%	6%	6%	6%	10%	27%	28%	20%	23%

Financial Highlights – Profit & Loss Account

Revenue and underlying profit up 10% and 12%, respectively

	<u>2018</u>	<u>2017</u>	
	US\$m	US\$m	Change
Revenue	<u>18,992</u>	<u>17,337</u>	10%
Underlying profit	858	770	12%
Non-trading items	(438)	169	nm
Net profit	<u>420</u>	<u>939</u>	-55%

**The 2017 accounts have been restated due to the adoption of IFRS 9 “Financial Instruments” and IFRS 15 “Revenue Contracts with Customers”*

Financial Highlights – Balance Sheet

Net debt up largely due to investments by Astra in its road toll business, a gold mining concession, GOJEK and other capital expenditure



	Dec-18	Dec-17	
	US\$m	US\$m	Change
Shareholders' funds	6,148	6,408	-4%
Total equity	13,493	13,398	1%
Net debt	(5,482)	(4,219)	30%
Net cash/(debt) (excl. FS)	(2,189)	(819)	167%
Gearing	41%	31%	
Gearing (excl. FS)	16%	6%	
	US\$	US\$	
Net asset value per share	15.56	16.22	-4%

Financial Highlights – Other

Underlying EPS up 12%, dividend per share at US¢87

	2018	Restated 2017	
	US¢	US¢	<i>Change</i>
Underlying EPS	217	195	12%
EPS	106	238	-55%
Dividend per share	87	86	1%



Jardine Cycle & Carriage



Contribution by Business

Underlying Profit – By Business

Growth in underlying profit driven by higher contributions across all businesses

	2018	Restated 2017	
	US\$m	US\$m	<i>Change</i>
Astra	718.7	622.3	15%
Direct motor interests	144.6	121.3	19%
Other strategic interests	71.1	34.3	107%
Corporate costs	(76.4)	(8.4)	<i>nm</i>
Underlying profit	858.0	769.5	12%



Majority shareholder of leading
Indonesian diversified group

ASTRA INTERNATIONAL

Astra – Diversified Business Group in Indonesia

7 core businesses

Automotive



Market share
51% Cars | 75% Motorcycles

Financial Services



Total amount financed from Astra's
consumer finance businesses
US\$5.6 billion

Heavy equipment, mining, construction & energy



Largest coal mining contractor in
Indonesia

Agriculture



Total plantation area
285,000 hectares

Infrastructure & Logistics



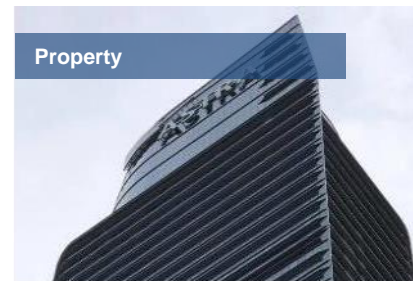
Toll roads in operation and under
construction
313km

Information Technology



Provider of **document solutions** and
**information technology &
communications solutions**

Property



Leading real estate projects including
Grade A office development
Menara Astra

Underlying Profit – Astra

Key growth contributors include heavy equipment, mining, construction and energy, and financial services

	2018	Restated 2017	
	US\$m	US\$m	<i>Change</i>
Automotive	272	284	-4%
Financial services	171	125	38%
Heavy equipment, mining, construction and energy	231	168	38%
Agribusiness	43	60	-28%
Infrastructure and logistics	7	4	64%
Information technology	7	7	-1%
Property	19	0	<i>nm</i>
Withholding tax on dividend	(31)	(25)	22%
	719	622	15%

Astra – FY2018 Review

15% increase in net profit

- Net profit equivalent to US\$1.5bn, 15% higher in local currency terms
- US\$719m contribution to the Group's underlying profit, up 15%
- Wholesale 4W market grew 7% at 1.2m units. Astra's wholesale sales 1% higher at 582,000 units (market share down from 54% to 51%)
- Wholesale 2W market increased 8% to 6.4m units. Astra's wholesale sales also increased by 9% to 4.8m units (market share stable at 75%)
- Astra Otoparts' net income up 11% to US\$43m, due mainly to increased revenues from its original equipment manufacturing and replacement market segments
- Amount financed through automotive-focused consumer finance operations decreased 1% to US\$5.6bn, mainly due to lower financing in the low-cost car segment. Contribution from the group's car-focused finance companies increased by 26% to US\$86m, as a result of lower loan loss provisions and an increased shareholding in Astra Sedaya Finance. Contribution from motorcycle-focused Federal International Finance was 16% higher at US\$162m from a larger loan portfolio

Astra – FY2018 Review

United Tractors net income up by 50%

- Amount financed through the heavy equipment-focused finance operations decreased 12% to US\$363m, mainly due to reduced lending to the small and medium-sized segment
- Permata Bank's net income at US\$63m, compared to US\$56m in 2017, mainly due to increased net interest income and recoveries from non-performing loans. Gross NPL ratio and net NPL ratio were at 4.4% and 1.7%, respectively (2017: 4.6% and 1.7%, respectively)
- Asuransi Astra Buana's net income 4% higher at US\$73m, primarily due to higher investment income
- United Tractors' net income 50% higher at US\$775m mainly due to improved performances in its construction machinery, mining contracting and mining operations as a result of increased coal prices
 - Komatsu heavy equipment sales up 29% at 4,878 units
 - Contract coal production up 11% to 125m tonnes
 - Overburden removal up 22% to 979m bcm
 - Coal sales up 11% at 7m tonnes
 - Acset Indonusa's net income down 88% at US\$1m mainly due to increased financing costs
 - Agincourt Resources reported gold sales of 35,000 oz

Astra – FY2018 Review

Improved earnings from infrastructure and logistics

- Astra Agro Lestari's net income down 27% at US\$101m, primarily due to lower crude palm oil prices. Average CPO prices 12% lower at Rp7,275/kg, while sales of CPO and its derivatives were 30% higher at 2.3m tonnes
- Infrastructure and logistics division reported net income of US\$14m compared to US\$17m net loss in 2017, mainly due to improved earnings from the Tangerang-Merak toll road and Serasi Autoraya, as well as the inclusion in the prior year's results of a one-off loss on the disposal of Astra's 49% interest in PAM Lyonnaise Jaya
- Astra Graphia's net income of US\$19m, 5% higher than the prior year as a result of increased revenue from its document and IT solution businesses
- Net income from property division down 28% at US\$11m, due to lower development earnings recognised from its Anandamaya Residences project, reflecting lower percentage completion in its final stages of construction



Jardine Cycle & Carriage



Established automotive presence across Southeast Asia

DIRECT MOTOR INTERESTS

Direct Motor Interests



Singapore | Malaysia | Myanmar

Singapore



Leading diverse automotive group

6 Facilities | represents **8 brands**

17% Passenger Cars market share
> 13,300 units sold

Bintang



Leading MB dealer group in Malaysia

13 Facilities | represents **2 brands**

Listed on Bursa Malaysia
> 4,700 units sold

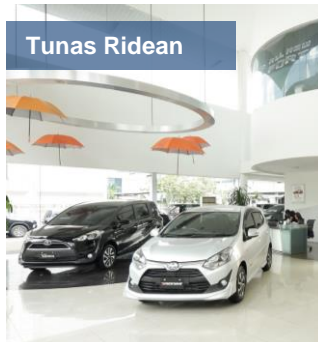
Myanmar



6 Facilities | represents **3 brands**

#1 luxury car brand (**Mercedes-Benz**)
Top 3 mass market brands (**Mazda**)

Tunas Ridean



Represents **5 brands**
Listed on Indonesia Stock Exchange

248,900 motorcycles sold
48,300 motor cars sold

THACO



Represents **7 brands**
Engages in
Property development & Agriculture

66,900 PC units sold
30,200 CV units sold

Underlying Profit – Direct Motor Interests

Overall underlying profit across Direct Motor Interests up 19%

	2018	Restated 2017	
	US\$m	US\$m	<i>Change</i>
Singapore (Cycle & Carriage Singapore)	61.6	57.0	8%
Malaysia (Cycle & Carriage Bintang)	1.9	(1.3)	<i>nm</i>
Myanmar (Cycle & Carriage Myanmar)	(4.9)	(2.5)	96%
Indonesia (Tunas Ridean)	17.5	14.9	17%
Vietnam (Truong Hai Auto Corporation)			
- automotive	65.8	48.8	35%
- real estate	7.2	7.7	-6%
	73.0	56.5	29%
Less: central overheads	(4.5)	(3.3)	36%
	144.6	121.3	19%

Cycle & Carriage Singapore – FY2018 Review

Improved margins on passenger cars

- Contribution of US\$62m, up 8%
 - Margins improved on passenger cars
- PC market down 13% to 80,300 units
- PC sales down 7% at 13,300 units, market share rose from 16% to 17%
 - Mercedes-Benz unit sales down 6%
 - Kia unit sales up 2%
 - Mitsubishi unit sales down 7%
 - Citroen unit sales down 61%



Cycle & Carriage Bintang – FY2018 Review

9% increase in unit sales



- Contributed a profit of US\$2m, compared to a loss of US\$1m in the prior year
- 9% increase in unit sales as the company benefited from the zero rate of GST from June to August



Cycle & Carriage Myanmar – FY2018 Review

- Contributed a higher loss of US\$5m (2017: US\$3m loss) mainly due to higher capex depreciation and stock provisions, partly offset by increased sales volume



Tunas Ridean – FY2018 Review

Higher contributions from automotive, consumer finance and rental operations



- Contribution of US\$18m up 17%, due to improved performances from its automotive, consumer finance and rental operations
- 4W sales down 6% to 48,300 units, but margins improved due to less discounting
- 2W sales 11% higher at 248,900 units, benefiting from higher agricultural prices
- MTF's new lending volume up 22% to US\$1.9bn
- Rental business recorded higher gains on disposals, partly offset by increased depreciation and borrowing costs associated with fleet expansion and replacement



Truong Hai Auto Corporation (Thaco) – FY2018 Review

Overall unit sales up 11% to 97,100 units



- Contribution of US\$73m up 29%, due mainly to higher unit sales and improved margins
- Vehicle market grew 9% to 362,000 units as tariffs on CBUs were eliminated, following the full implementation of the ASEAN Trade in Goods Agreement in 2018
- Thaco's overall sales up 11% to 97,100 units, with market share stable at 27%
- Thaco's PC sales up 41% to 66,900 units, with market share at 23% (2017: 19%)
- Thaco's CV sales down 25% to 30,200 units, with market share at 47% (2017: 51%)

THACO
TRUONG HAI AUTO

Formation of Jardine International Motors (JIM)

- Single point of accountability for Jardine Matheson Group automotive interests (Southeast Asia + Greater China)
 - Leverage scale, maximise partnerships, consolidate expertise, share innovation, optimise transformation initiatives
- No change in shareholding; JC&C retains ownership of its Direct Motor Interests (DMI) business
- Formation of leadership of senior staff from JC&C and Jardine Motors Group
 - Eric Chan to succeed Haslam Preston as Managing Director, DMI and participate as an Executive Committee member of JIM
- JIM to become Jardine Matheson Group's automotive specialist and provide central resource to drive groupwide collaboration, minimise duplication and optimise cost
 - JC&C will be able to source services and expertise from JIM
- Better opportunities for employees
 - Broader work experience, wider range of learning, training and development



Jardine Cycle & Carriage



Diversified interests supporting Southeast Asia's growth

OTHER STRATEGIC INTERESTS

OTHER STRATEGIC INTERESTS



Siam City Cement



Listed on **Thailand Stock Exchange**

> **25 million tonnes** per annum of cement capacity

Leading cement manufacturer

#2 Thailand

#1 Sri Lanka

#2 South Vietnam

#1 Cambodia



REE Corp



Listed on **Ho Chi Minh Stock Exchange**

Engages in

- M&E services
- Property development and management
- Power & water investments



Vinamilk



Listed on **Ho Chi Minh Stock Exchange**

#1 dairy producer in Vietnam

> **250** products over **35** countries

250,000 retailers distribution network

Operates **13** dairy farms, owns **10** farms

Underlying Profit – Other Strategic Interests

Substantial growth to US\$71m driven by Vinamilk dividends

	2018	Restated 2017	
	US\$m	US\$m	<i>Change</i>
Siam City Cement	20.2	11.3	79%
Refrigeration Electrical Engineering	19.0	13.7	39%
Vinamilk	31.9	9.3	<i>nm</i>
Other Strategic Interests	71.1	34.3	107%

- Siam City Cement's contribution of US\$20 million was significantly higher than the prior year, due to improved domestic performance and lower one-off expenses, partially offset by lower contributions from its regional operations
- REE's contribution of US\$19 million was 39% higher, due mainly to strong contributions from its power and water investments
- The Group recognised dividend income of US\$32 million from its 10.6% interest in Vinamilk

“The Group achieved good overall results in 2018, but Astra is likely to face a number of macro-economic and commercial headwinds in 2019, while the Group’s Direct Motor Interests and Other Strategic Interests may also see slower growth.”

Ben Keswick, Chairman
27th February 2019

THANK YOU

