

REPL::FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::HALF 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

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Replacement

Announcement Sub Title

Half Yearly Results

Announcement Reference

SG190802OTHRQS3L

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 2019 Half Year Results Presentation to Analysts on 5 August 2019.

Additional Details**For Financial Period Ended**

30/06/2019

Attachments[JCC_1H2019%20Final.pdf](#)[1H%20FY2019%20Analyst%20Presentation_050819.pdf](#)

Total size = 2069K MB

Related Announcements

Related Announcements

[02/08/2019 17:19:34](#)



**OF SOUTHEAST ASIAN
PARTNERSHIPS**

1H2019 Results

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JC&C is the investment holding company of Jardines in Southeast Asia

*To deliver growth through market leading businesses in Southeast Asia built around opportunities arising from **urbanisation** and the **rise of the ASEAN middle class***

- Investment case
 - Diversified portfolio of investments in key Southeast Asian economies
 - Solid track record of delivering long-term shareholder value (*18% annualised returns in 10 years*)
- Adding value
 - Long-term and strategic investor
 - Valued and trusted partner / facilitator and connector of business networks
 - People and talent development
 - Financial and governance discipline



Presence in Southeast Asia



LEGEND

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



Jardine Cycle & Carriage

1H2019 Financial Highlights

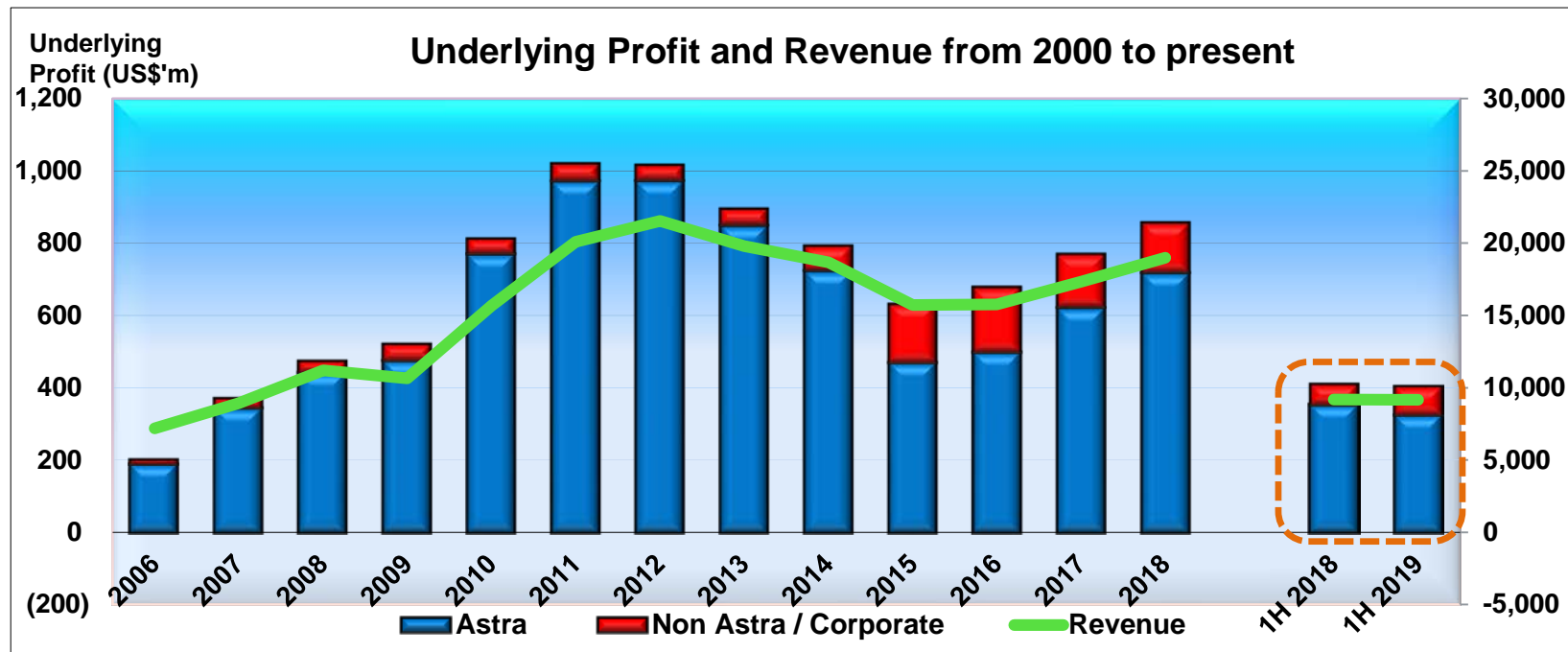


Financial Highlights

- Underlying profit modestly down
- Lower contribution from Astra primarily due to a weaker automotive market
- Direct Motor Interests affected by increased competition in Vietnam
- Improved Other Strategic Interests contribution due to higher dividend income

Financial Highlights – Profit & Loss Account

Underlying profit down 1%



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	1H2018	1H2019
Astra	86%	89%	91%	89%	93%	94%	94%	94%	90%	73%	72%	80%	77%	76%	77%
Non-Astra	14%	11%	9%	11%	7%	6%	6%	6%	10%	27%	28%	20%	23%	24%	23%

Financial Highlights – Profit & Loss Account

Underlying profit down 1%

	<u>1H2019</u>	<u>Restated</u> <u>1H2018</u>		<u>Restated</u> <u>2018</u>
	<u>US\$m</u>	<u>US\$m</u>	<i>Change</i>	<u>US\$m</u>
Revenue	<u>9,157</u>	<u>9,188</u>	0%	<u>18,992</u>
Underlying profit	407	413	-1%	856
Non-trading items	20	(240)	<i>nm</i>	(438)
Net profit	<u>427</u>	<u>173</u>	147%	<u>418</u>
Underlying EPS	103	104	-1%	217
Dividend per share	18	18	0%	87

**The 2018 accounts have been restated due to the adoption of IFRS 16 "Leases".*

Financial Highlights – Balance Sheet

Net debt up largely due to Astra's additional investments in Gojek and toll roads, ongoing mining contracting capex, and additional investment by JC&C in Truong Hai Auto Corporation



	1H2019	Restated Dec-18	
	US\$m	US\$m	Change
Shareholders' funds	6,408	6,144	4%
Total equity	14,011	13,486	4%
Net debt	(6,488)	(5,444)	19%
Net debt (excl. FS)	(3,106)	(2,152)	44%
Gearing	46%	40%	
Gearing (excl. FS)	22%	16%	
	US\$	US\$	
Net asset value per share	16.21	15.55	4%



Jardine Cycle & Carriage



Contribution by Business

Underlying Profit – By Business

Decrease in underlying profit driven by lower contributions from Astra and DMI



	<u>1H2019</u> US\$m	<u>Restated</u> <u>1H2018</u> US\$m	<i>Change</i>	<u>Restated</u> <u>2018</u> US\$m
Astra	326.3	354.3	-8%	718.1
Direct Motor Interests	55.5	71.5	-22%	143.2
Other Strategic Interests	43.7	41.0	7%	71.1
Corporate Costs	(18.2)	(53.9)	-66%	(76.4)
Underlying profit	<u>407.3</u>	<u>412.9</u>	-1%	<u>856.0</u>



ASTRA

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



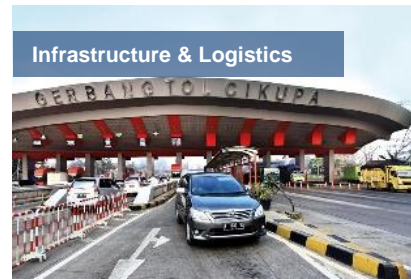
Largest coal mining contractor in
Indonesia

Agribusiness



Total plantation area
285,000 hectares

Infrastructure & Logistics



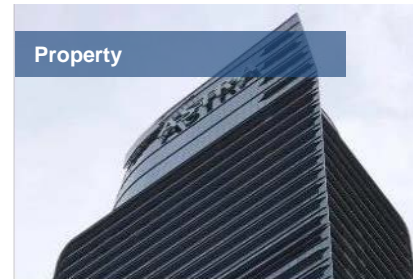
Toll roads in operation and under
construction
313km

Information Technology



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

Property



Leading real estate projects including
Grade A office development
Menara Astra

Astra – 1H2019 Review

6% decrease in reported net profit

- Net profit equivalent to US\$691m, 6% lower in local currency terms
- Net income from Automotive fell 18% to US\$244m, mainly due to lower car sales volumes and increased manufacturing costs
- Net income from Financial Services grew 32% to US\$199m mainly due to the recovery of non-performing loans, lower loan loss provisions and a larger loan portfolio
- Net income from Heavy Equipment, Mining, Construction & Energy increased 2% to US\$235m, mainly due to the contribution from the new gold mining operation, partly offset by lower heavy equipment sales
- Net income from Infrastructure & Logistics increased significantly to US\$6m due to improved earnings from operational toll roads
- Net income from Agribusiness fell 94% to US\$2m, due to an 18% fall in crude palm oil prices
- Net income from Information Technology division fell 35% to US\$3m due to reduced revenue in IT solutions and office services business as well as higher operating costs
- Net income from Property was 33% lower at US\$2m, mainly due to reduced development earnings from Anandamaya Residences following the completion of construction in 2018

Underlying Profit – Astra

Lower contributions from automotive and agribusiness



	<u>1H2019</u>	<u>Restated</u> <u>1H2018</u>		<u>Restated</u> <u>2018</u>
	<u>US\$m</u>	<u>US\$m</u>	<i>Change</i>	<u>US\$m</u>
Automotive	111.5	142.2	-22%	271.7
Financial services	99.7	77.5	29%	171.4
Heavy equipment, mining, construction and energy	117.3	118.7	-1%	230.2
Agribusiness	0.4	22.6	-98%	43.2
Infrastructure and logistics	2.7	0.1	<i>nm</i>	6.7
Information technology	1.6	2.4	-33%	7.3
Property	2.3	(0.5)	<i>nm</i>	18.5
Withholding tax on dividend	(9.2)	(8.7)	6%	(30.9)
	<u>326.3</u>	<u>354.3</u>	-8%	<u>718.1</u>



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

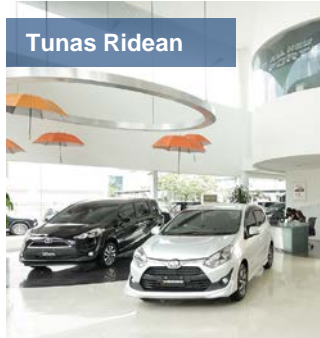
Myanmar



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

Cycle & Carriage Singapore – 1H2019 Review

Higher sales volume

- Contribution of US\$28.8m, up 7% YOY, with the increase in overall vehicle sales partly offset by lower margins due to higher COE costs
- Singapore PC market down 7% to 39,900 units
- CCS PC sales grew by 15% to 8,000 units, due to the launch of new models and competitive pricing. Market share increased from 16% to 20%
 - Mercedes-Benz unit sales up 4%
 - Kia unit sales up 33%
 - Mitsubishi/Maxus unit sales up 15%
 - Citroen unit sales up 10%



Tunas Ridean – 1H2019 Review

Higher contribution from automotive operations



- Contribution of US\$9.9m, up 9% YOY. Stronger contribution from the automotive operations was partially offset by a lower contribution from the rental business, while contribution from consumer finance was stable
- 4W sales down 9% to 23,315 units
- 2W sales up 4% to 122,572 units, supported by improved stock supply
- MTF's new lending volume 1% higher YOY at US\$954m
- Rental business recorded lower gains on disposals and higher depreciation costs



Truong Hai Auto Corporation (Thaco) – 1H2019 Review



Lower unit sales and margins

- Contribution of US\$22.7m, 39% lower than 1H2018
- Lower unit sales and margins which reflected increased competition in the Vietnamese automotive market, particularly from CBU imports

THACO
TRUONG HAI AUTO

Underlying Profit – Direct Motor Interests

Overall underlying profit across Direct Motor Interests down 22%

	<u>1H2019</u> US\$m	<u>Restated 1H2018</u> US\$m	<i>Change</i>	<u>Restated 2018</u> US\$m
Singapore (Cycle & Carriage Singapore)	28.8	27.0	7%	60.4
Malaysia (Cycle & Carriage Bintang)	(0.7)	0.7	nm	1.7
Myanmar (Cycle & Carriage Myanmar)	(2.8)	(1.5)	87%	(4.9)
Indonesia (Tunas Ridean)	9.9	9.1	9%	17.5
Vietnam (Truong Hai Auto Corporation)				
- automotive	22.3	33.5	-33%	65.8
- real estate	0.4	4.0	-90%	7.2
	22.7	37.5	-39%	73.0
Less: Central overheads	(2.4)	(1.3)	85%	(4.5)
	<u>55.5</u>	<u>71.5</u>	-22%	<u>143.2</u>



Jardine Cycle & Carriage



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 **#2 South Vietnam**
#1 Sri Lanka **#2 Cambodia**



REE Corp



Listed on **Ho Chi Minh Stock Exchange**

Engages in

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



Listed on **Ho Chi Minh Stock Exchange**

#1 dairy producer in Vietnam

Underlying Profit – Other Strategic Interests

	<u>1H2019</u>	<u>Restated</u> <u>1H2018</u>		<u>Restated</u> <u>2018</u>
	<u>US\$m</u>	<u>US\$m</u>	<i>Change</i>	<u>US\$m</u>
Siam City Cement	12.1	13.2	-8%	20.2
Refrigeration Electrical Engineering	3.8	4.0	-5%	19.0
Vinamilk	27.8	23.8	17%	31.9
Other Strategic Interests	<u>43.7</u>	<u>41.0</u>	7%	<u>71.1</u>

- Siam City Cement's contribution was 8% lower as improved domestic performance was offset by a lower contribution from its regional operations, primarily from Vietnam
- REE's contribution was 5% down based on its first quarter results as in the previous year. Weaker performances from its power and water investments and its M&E business were partially offset by stronger real estate contributions
- The Group recognised dividend income of US\$27.8m from its 10.6% interest in Vinamilk. Vinamilk reported net profit of US\$244m in 1H2019, 6% up in local currency terms, due to the rebound of the fast-moving consumer goods sector as well as an increase in market share

“The outlook for the rest of the year remains cautious, with Astra expected to continue to face a soft automotive market and commodity prices. The Group’s Direct Motor Interests will also continue to be affected by challenging market conditions, while the contribution from Other Strategic Interests is expected to be stable.”

Ben Keswick
Chairman

THANK YOU

