

# 吉利汽車控股有限公司

GEELY AUTOMOBILE HOLDINGS LIMITED

## 2015 Final Results

22 March 2016



# Important Notice

*The information contained herein is meant for presentation purposes only and may not be used and relied upon by any other party. It is not to be taken in substitution for the exercise of judgement. You shall be solely responsible for making your own independent investigation of the merits of the discussions mentioned in this presentation. Geely Automobile Holdings Limited does not make any representations, warranty or guarantee as to the accuracy, completeness or correctness of the contents contained herein. The reproduction and/or dissemination of the contents herein is prohibited without our prior approval. Geely Automobile Holdings Limited and its officers, directors and employees accept no liability whatsoever for any direct or consequential loss howsoever arising from any use of this presentation or further communication given in relation to this presentation or its contents or otherwise arising in connection therewith.*

*This presentation may contain certain statements that are forward-looking, including those relating to the general business plans and strategy of Geely Automobile Holdings Limited (the "Company"), as well as its subsidiaries and associates (collectively with the Company, the "Group"). These statements typically contain words such as "will," "expects" and "anticipates" and other words of similar import. By their nature, forward-looking statements involve risks and uncertainty because they relate to events and depend on circumstances that will occur in the future. Actual results may differ materially from these forward-looking statements due to a number of factors, including future changes or developments in the Company's business, its competitive environment, its ability to implement its strategies and initiatives and respond to technological changes and political, economic, regulatory and social conditions in the markets where the Group operates. The Company assumes no responsibility to update forward-looking statements or to adapt them to future events or developments.*

*This document is not an offer of securities for sale in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from registration. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer and will contain detailed information about the issuer and management, as well as financial statements. The Company does not intend to make a public offering of securities in the United States.*

*Note: Sources of all data contained in this presentation are from Geely Automobile Holdings Ltd. except specified otherwise.*

# 2015 Full Year Results

- Attributable profit up 58% to RMB2.261 billion
- Sold 510,097 units of vehicles
- Revenue & Domestic sales volume reached record highs
- FD EPS up 58% to RMB 25.7 cents
- Cash dividend per share up 52% to 3.8 HK cents



## 2015 Highlights

- Sales of all-new GC9 exceeded expectations
- Strong sales of New Emgrand and New Vision continued
- ASP up 10% and up for six consecutive years
- Customer after service satisfaction continued to improve



## 2015 Highlights

- Strong operations cashflow and thus financial position
- Net cash at record high of RMB7.3 billion at year end
- Well controlled selling & administrative expenses
- Stable margins
- FX loss of RMB472 million
- Exports down 57%



# Sales Volume Breakdown

(Y/E December)	2015	2014	YoY Change
Total	510,097	417,851	+22%
- Domestic	484,363	358,130	+35%
- Exports	25,734	59,721	-57%
Key Models:			
EC7/New Emgrand	198,302	162,613	+22%
Vision	114,963	25,134	+357%
GX7/GX9	59,943	63,300	-5%
Kingkong	55,526	72,380	-23%
GC9	32,571	0	-



# 2015 Full Year Results

Y/E December (RMB m)	2015	2014	YoY change
Sales volume (units)	510,097	417,851	+22%
Turnover/Revenue	30,138	21,738	+39%
Gross profit margin ratio*	18.2%	18.2%	0%
Operating margin ratio**	9.3%	9.2%	+1%
Profit after tax	2,289	1,449	+58%
Attributable profit	2,261	1,431	+58%
Diluted EPS (RMB cents)#	25.66	16.25	+58%

	<u>Dec-2015</u>	<u>Dec-2014</u>	
Shareholders' equity	19,524	17,288	+13%
Net cash##	7,279	4,739	+54%

\* Gross profit margin ratio = gross profit / turnover

\*\* Operating margin ratio = (pre-tax margin before net finance costs, share-based payments and share of results of associates and joint ventures) / turnover

# Diluted EPS = profit attributable to equity holders of the Company (diluted) / weighted average number of ordinary shares (diluted)

## Net cash = all cash / bank deposits – all bank borrowings – senior notes

# Financial Analysis

Y/E December	2015	2014	YoY change
Sales of vehicles (RMB m)	28,853	21,534	+34%
Average unit price (RMB)	56,564	51,536	+10%
Return on equity	11.6%	8.3%	+40%
Gross margin ratio*	18.2%	18.2%	0%
Operating margin ratio**	9.3%	9.2%	+1%
Selling expenses (% of T/O)	5.2%	5.8%	-10%
Admin. expenses (% of T/O)	7.2%	8.2%	-11%

\* Gross profit margin ratio = gross profit / turnover

\*\* Operating margin ratio = (pre-tax margin before net finance costs , share-based payments and share of results of associates and joint ventures) / turnover

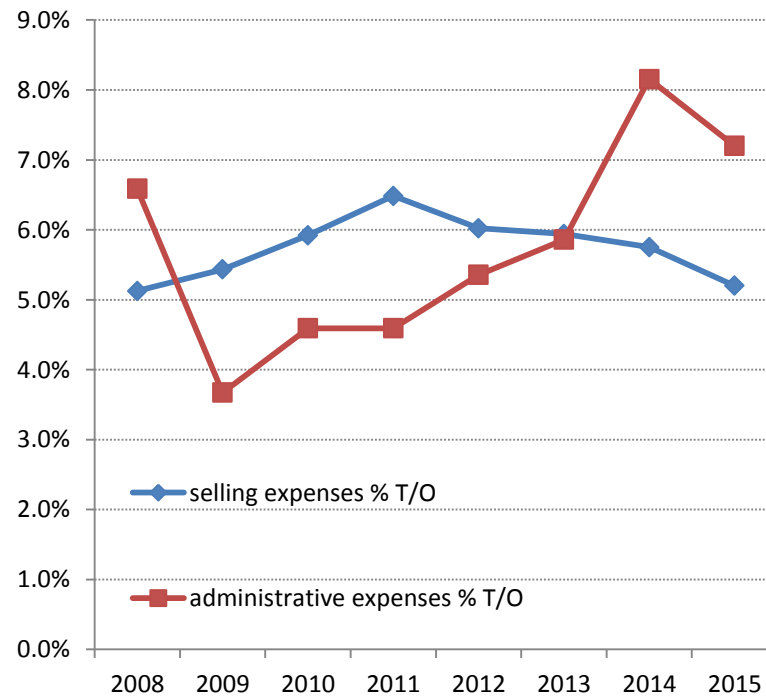
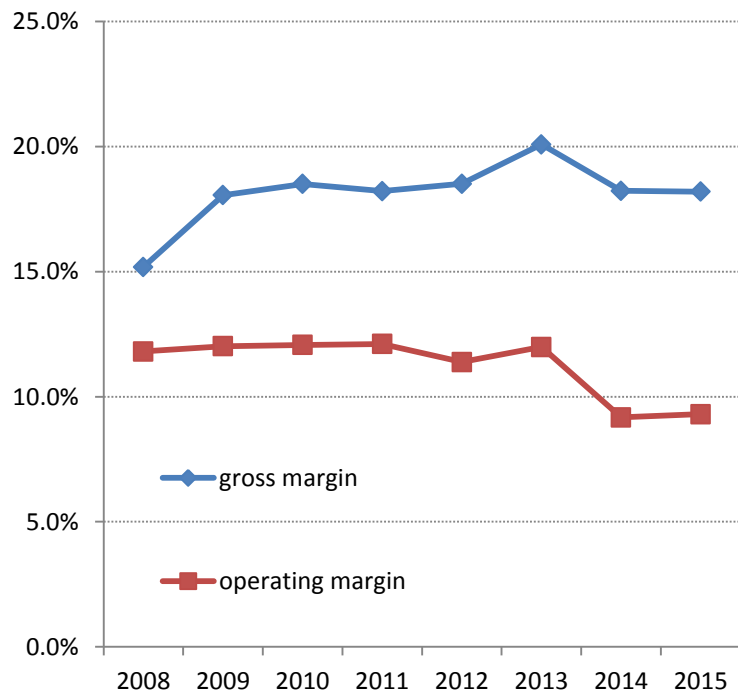


# Financial Summary

- Profitability and margins at healthy levels
- Subsidy income stabilized
- Foreign exchange losses well-contained
- Higher capex to support technology/product upgrade
- Net finance costs reduced



# Profitability



# Operational Summary

- Distribution channels fully consolidated and strengthened
- Positive branding impact
- Chunxiao expansion and new Linhai plant
- Cooperation with CEVT & Volvo Cars
- New product cycle well-received
- Genius AFC opened



# Operational Summary

- Launch of “Blue Geely Initiatives” – our new energy strategy
- Launch of Emgrand EV – our first new energy vehicle model
- JLE-4G18TD engines voted “Ten Best Engines”
- “GC9” voted “China Car of the Year”



# Branding

- Strategic Partnership with China National Swimming Team
- Olympic Champion Sun Yang named Brand Ambassador for Geely Automobile



# 2016 Outlooks

- Start of the strongest new model renewal cycle
- Proven execution capabilities in delivering quality products and services after recent large scale restructuring
- Target sales volume: +18% to 600,000 units





# New Products

- New mid-size SUVs (NL-3)
- Emgrand GS City Cross
- New A segment Sedans (FE-5)
- New compact SUVs (NL-4)
- + Others upgraded and facelifted models



# YTD Performance

## (First 2 Months 2016)

- New Kingkong well-received (+33% YoY)
- Total sales volume +2% YoY
- Domestic sales volume +5% YoY
- Exports sales volume -41% YoY
- On track to achieve FY targets



**GEELY**

**GEELY**

**[www.geelyauto.com.hk](http://www.geelyauto.com.hk)**