

吉利汽車控股有限公司

GEELY AUTOMOBILE HOLDINGS LIMITED

2015 Interim Results

19 August 2015

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

Financial Summary

6M to June (RMB m)	2015	2014	YoY change
Sales volume (units)	251,873	187,296	+34%
Turnover/Revenue	13,807	10,158	+36%
Gross profit margin ratio*	17.6%	20.3%	-13%
Operating margin ratio**	12.7%	14.4%	-12%
Profit after tax	1,420	1,126	+26%
Attributable profit	1,405	1,113	+26%
Diluted EPS (RMB cents)#	15.90	12.65	+26%

	<u>June-2015</u>	<u>Dec-2014</u>	
Shareholders' equity	18,544	17,288	+7%
Net cash##	5,781	4,739	+22%

* 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 venture) / 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

Results Highlights

- 1H2015 results met our expectations due to strong recovery in domestic sales
- Net profit up 26% to RMB1,405 million in 1H2015
- Key contributors to the satisfactory results were strong sales of new models like: “New Emgrand”, “New Vision” and “Geely GC9”
- But despite continuing disappointing exports performance (exports sales volume down 48% YoY)

Positives

- Record high sales volume and profit levels in the China market in 1H2015
- 10% increase in average ex-factory price due to better product mix
- Administrative expenses down 7% due to better economies of scale and better cost control
- Strong financial position with net cash growing 22% to RMB5.8 billion at the end of 1H2015
- Improved customer satisfaction as indicated by higher rankings in “J.D.Power Asia Pacific 2015 China CSI Studies”

Sales Volume Breakdown

(6M to June)	2015	2014	YoY Change
Total	251,873	187,296	+34%
- Domestic	233,990	152,856	+53%
- Exports	17,883	34,440	-48%
Key Models:			
EC7/New Emgrand	99,999	64,046	+56%
Vision/New Vision	54,924	6,848	+702%
GX7/SX7/GX9	34,784	29,334	+19%
Kingkong	30,660	30,657	+0%
Geely GC9	5,790	0	-

YTD Sales Performance

First Seven Months in 2015

Overall: 281,451 units, +36% YoY
Domestic: 261,111 units +55% YoY
Exports: 20,574 units -46% YoY

A-segment Sedans
(EC7/New Emgrand+GC7+SC7+
 Vision/New Vision)

179,236 units +71% YoY



SUVs (GX7+SX7+GX9)

38,298 units +15% YoY



Consolidated Income Statement

6M to June (RMB m)	2015	2014	YoY change
Turnover/(Revenue)	13,807	10,158	+36%
Gross profit	2,435	2,066	+18%
Other Income	650	554	+17%
Selling Expenses	-782	-557	+40%
Admin. Expenses	-555	-599	-7%
Finance costs, net	-21	-3	+664%
EBIT	1,744	1,465	+19%
Net profit*	1,405	1,113	+26%
Operating & Investing Cash flow**	1,275	1,207	+6%

* Attributable to the equity holders of the Company

**Operating & Investing Cash Flow = Operating Cash-in-flow – Investing Cash-out-flow

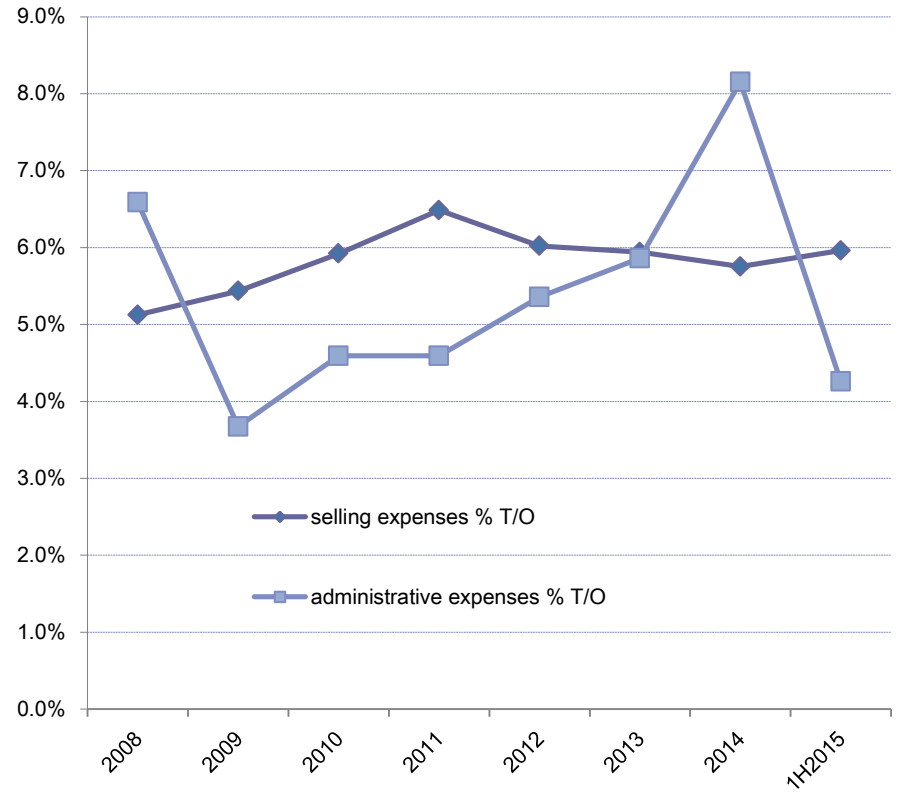
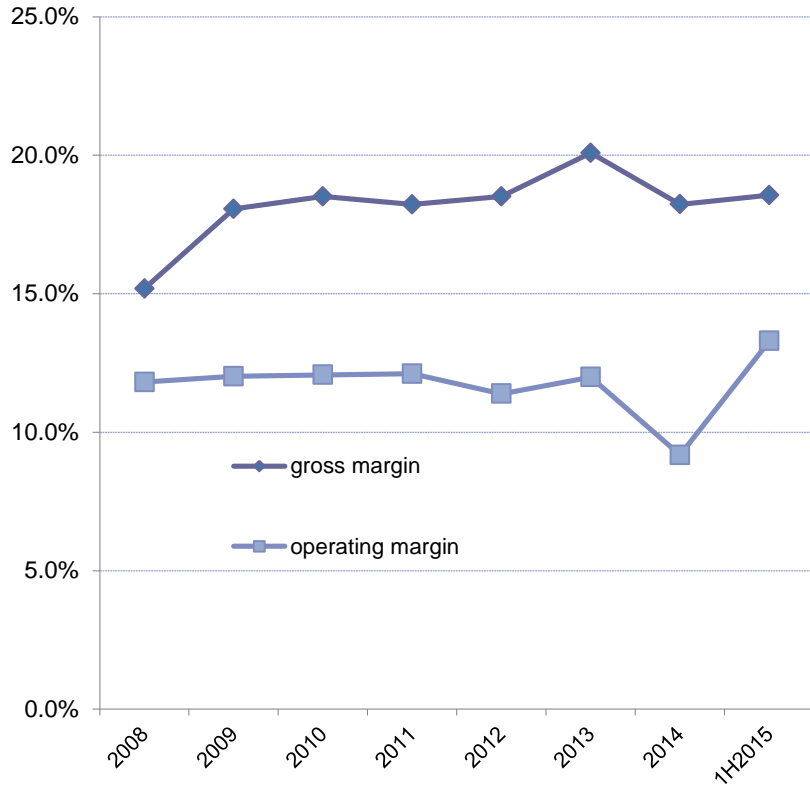
Net Profit Up 26%

- The earnings performance in 1H2015 was a result of:
 - 34% increase in overall sales volume
 - 10% increase in average ex-factory price
 - 48% increase in vehicle sales revenue
 - 7% decline in administrative expenses
 - Improved performance at associates/joint-ventures
 - Lower effective tax rate (18.3% vs. 21.4%)

but partly offset by:

- Lower gross and operating margin ratios
- Higher selling expenses (+40% YoY)
- Increase in net finance costs

Profitability



Consolidated Statement of Financial Position

(RMB m)	30 June 2015	31 Dec 2014	YoY change
Non-current Assets	15,698	11,977	+31%
Inventories	1,507	1,620	-7%
Trade/Other Receivables	14,717	16,385	-10%
Total Cash/Bank Balance	7,888	7,251	+9%
Trade/Other Payables	18,623	17,017	+9%
Short-term Borrowings	300	692	-57%
Senior Notes	1,807	1,820	-1%
Shareholders' equity	18,544	17,288	+7%

Financial Analysis

6M to June	2015	2014	YoY change
Sales of vehicles (RMB m)	13,496	9,112	+48%
Average unit price (RMB)	53,583	48,652	+10%
Return on equity*	15.1%	13.2%	+15%
Gross margin ratio**	17.6%	20.3%	-13%
Operating margin ratio***	12.7%	14.4%	-12%
Selling expenses (% of T/O)	5.7%	5.5%	+3%
Admin. expenses (% of T/O)	4.0%	5.9%	-32%

* Annualized

** 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 venture) / turnover

New Products

- **GC9 B-segment Sedans (launched)**
- **Emgrand Electric Vehicles (2H 2015)**
- **Emgrand SUVs (end 2015)**
- **Compact SUVs (2016)**
- **Emgrand Cross Vehicles (2016)**
- **Emgrand 4-door Sedans (2016)**

+ upgraded versions of SC7, GC7, Kingkong, Geely Panda

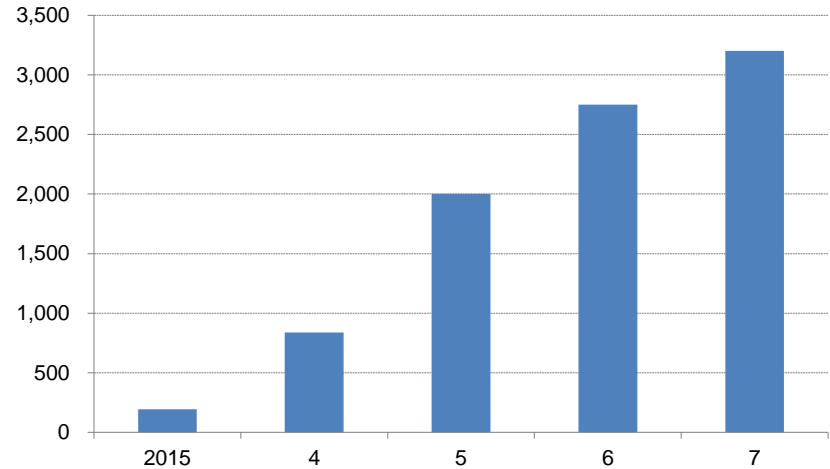


New Product – GC9



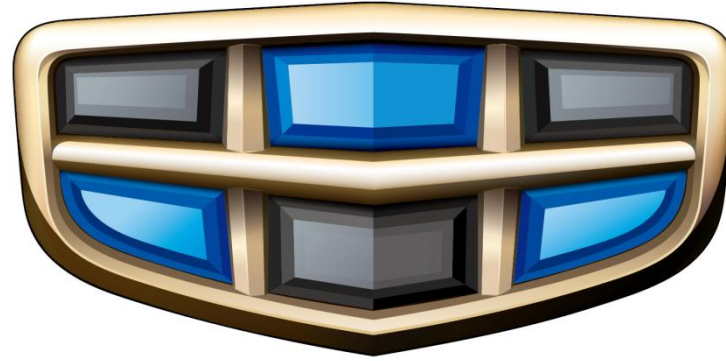
- New brand image, market positioning & design philosophy
- New 1.8T and 3.5L V6 engines
- Fastback & sporty design
- Top international suppliers
- New manufacturing facilities
- Harman Infinity@ Entertainment
- City Safety, ACC Cruising, PAS Parking, LDW Alert, HUD Display, EPB Brake & AQS Air Quality Control

Monthly Sales Volume of GC9



Outlooks

- Restructuring of dealer network has strengthened our execution capability in delivering quality services and products to customers
- Cooperation with Volvo Car should have helped to narrow brand, technology and service quality gap with international players
- Product offerings should be further enhanced by upgrading of existing platform and adoption of modular architectures from 2016 onwards
- At least 5 brand new models over the next 12 months
- Sales volume is expected to resume growth in 2015 (Sales Target +8% YoY)



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