

吉利汽車控股有限公司

GEELY AUTOMOBILE HOLDINGS LIMITED

2016 Interim Results

18 August 2016

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2016 First Half Results

- Attributable profit up 36% to RMB1.91 billion
- Sales volume up 11%
- Average selling price up 17%
- Revenue up 31%
- Improved margin levels
- FD EPS up 36% to RMB 21.65 cents



2016 Interim Highlights

- Sales of “Boyue” SUV & “Emgrand GS” Crossover exceeded expectations
- Strong sales of existing sedan models continued
- Significant mix improvement & higher ASP driven by “GC9” and new models
- Customer after service satisfaction continued to improve



2016 Interim Highlights

- Strong operation cashflow and thus financial position
- Well controlled selling expenses
- Higher administrative expenses due to increased investments to maintain competitiveness
- Net FX gain of RMB144m
- Net profit still up 28% after excluding one-off items



Sales Volume Breakdown

(6M to June)	2016	2015	YoY Change
Total	280,337	251,873	+11%
- Domestic	269,669	233,990	+15%
- Exports	10,668	17,883	-40%
Key Models:			
New Emgrand	106,959	99,999	+7%
Vision	67,925	61,943	+10%
Kingkong	35,953	30,660	+17%
GC9	24,786	5,790	+328%
Boyue	19,211	0	-
GX7	14,086	33,038	-57%

2016 Interim Results

6M to June (RMB m)	2016	2015	YoY change
Sales volume (units)	280,337	251,873	+11%
Turnover/Revenue	18,089	13,807	+31%
Gross profit margin ratio*	17.7%	17.6%	+1%
Operating margin ratio**	13.4%	12.6%	+6%
Profit after tax	1,930	1,420	+36%
Attributable profit	1,907	1,405	+36%
Diluted EPS (RMB cents)#	21.65	15.90	+36%

	<u>Jun-2016</u>	<u>Dec-2015</u>	
Shareholders' equity	21,133	19,524	+8%
Net cash##	8,962	7,279	+23%

* 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

6M to June	2016	2015	YoY change
Sales of vehicles (RMB m)	17,599	13,496	+30%
Average unit price (RMB)	62,776	53,583	+17%
Return on equity*	18.1%	14.4%	+25%
Gross margin ratio**	17.7%	17.6%	+1%
Operating margin ratio***	13.4%	12.6%	+6%
Selling expenses (% of T/O)	4.5%	5.7%	-20%
Admin. expenses (% of T/O)	3.9%	4.0%	-3%

* Annualized

** Gross profit margin ratio = gross profit / turnover

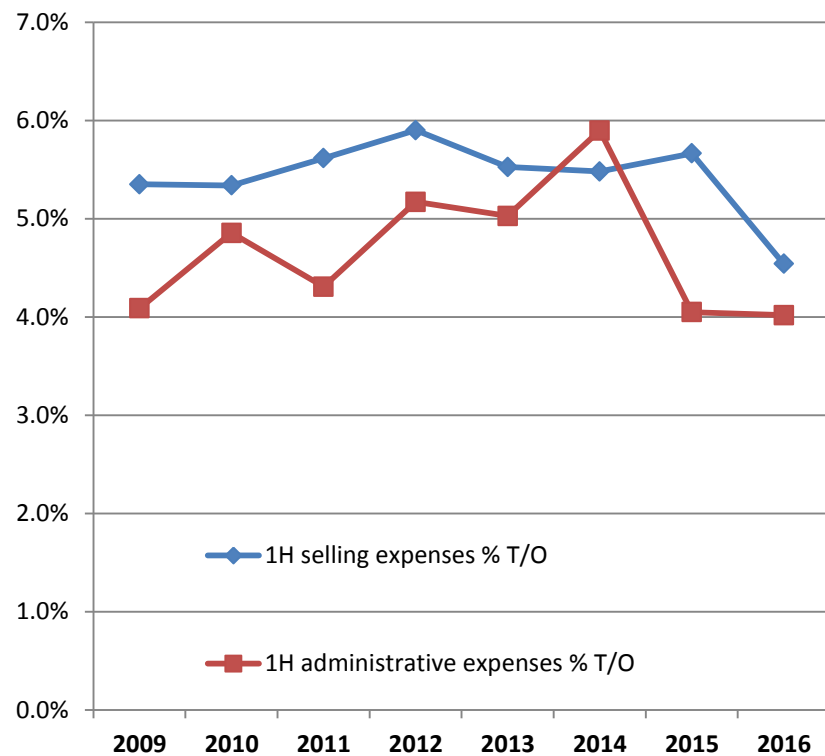
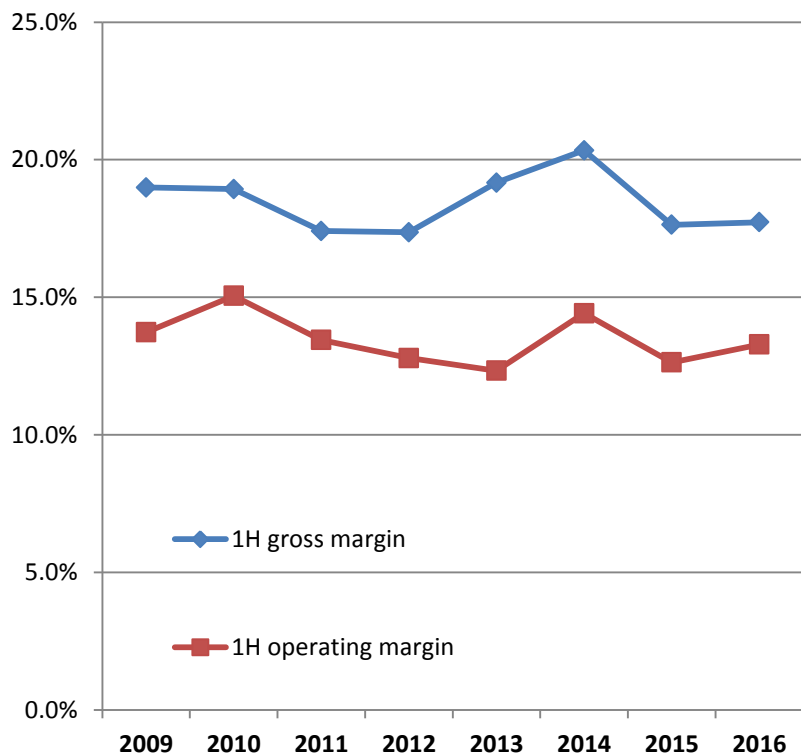
*** Operating margin ratio = (pre-tax margin before net finance costs, share-based payments and share of results of associates and joint ventures) / turnover

Financial Summary

- Improved profitability & margins (gross, operating, EBIT and EBITDA)
- Mix improvement and rapid rise in ASP
- Stable subsidy income
- Improved operational efficiency
- Higher capex to support technology/product upgrade



Profitability



Operational Summary

- New product cycle well received
- Substantial investment in production facilities, technologies and manpower to sustain growth
- Acquisitions of Baoji and Shanxi plants to upgrade production facilities
- Disposal of non-core investments in Kandi and Zhidou JVs
- Genius AFC on track to achieve business plan



2016 Second Half Outlooks

- The strongest new model renewal cycle to continue
- Improved overall market environment
- Proven execution capabilities in delivering quality products and services
- Raised target sales volume by 10% to 660,000 units, +29% YoY



New Products

2H 2016

- New A+ segment Sedans (Emgrand GL)
- New compact SUVs (Vision SUV)
- New hybrid electric version of Emgrand series sedans

2017

- New models from CMA platform



YTD Sales Performance

(First 7 Months 2016)

- Emgrand GS well-received (sold 14,128 units in first 3 months)
- Monthly sales volume of “Boyue” exceeded 10,000 units in July 2016
- Total sales volume +17% YoY
- Domestic sales volume +21% YoY
- Exports sales volume - 37% YoY



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