

# **Opportunity Day**

## **Q2/2012 Results Presentation**

**20<sup>th</sup> August 2012**

**At the Stock Exchange of Thailand**

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- **Company Profile**
- **Industry Overview**
- **Financial Review**
- **Outlook**



# Group Structure & Business

**Thai Rung Union Car Plc.**  
"TRU"  
-R&D, Auto Assembly  
-Pressed Metal Parts, Plastic Parts, Car Seat

## Subsidiary Companies

**Thai Rung Tools and Dies Co. Ltd.**  
"TRT"  
- Tooling (Dies/Jigs/CF)

94%

**Thai Auto Pressparts Co. Ltd.**  
"TAP"  
- Pressed Metal Parts

91%

**Thai V.P. Auto Service Co. Ltd.**  
"TVS"  
- After-sales Services & Spare Parts

94%

**Thai Ultimate Car Co. Ltd.**  
"TUC"  
- Automotive, consulting & admin. services

99.53%

## Associated Companies

**Thai Auto Conversion Co. Ltd.**  
"TAC" (JV. with Toyota group)  
- Special Purpose Vehicles

20%

**Delta Thairung Co. Ltd.**  
"DTC" (JV. with Delta Kogyo, Japan)  
- Seats & Seat Components

30%

Delta-TR Co. Ltd., Associated company,  
was liquidated on 6 March 2012.

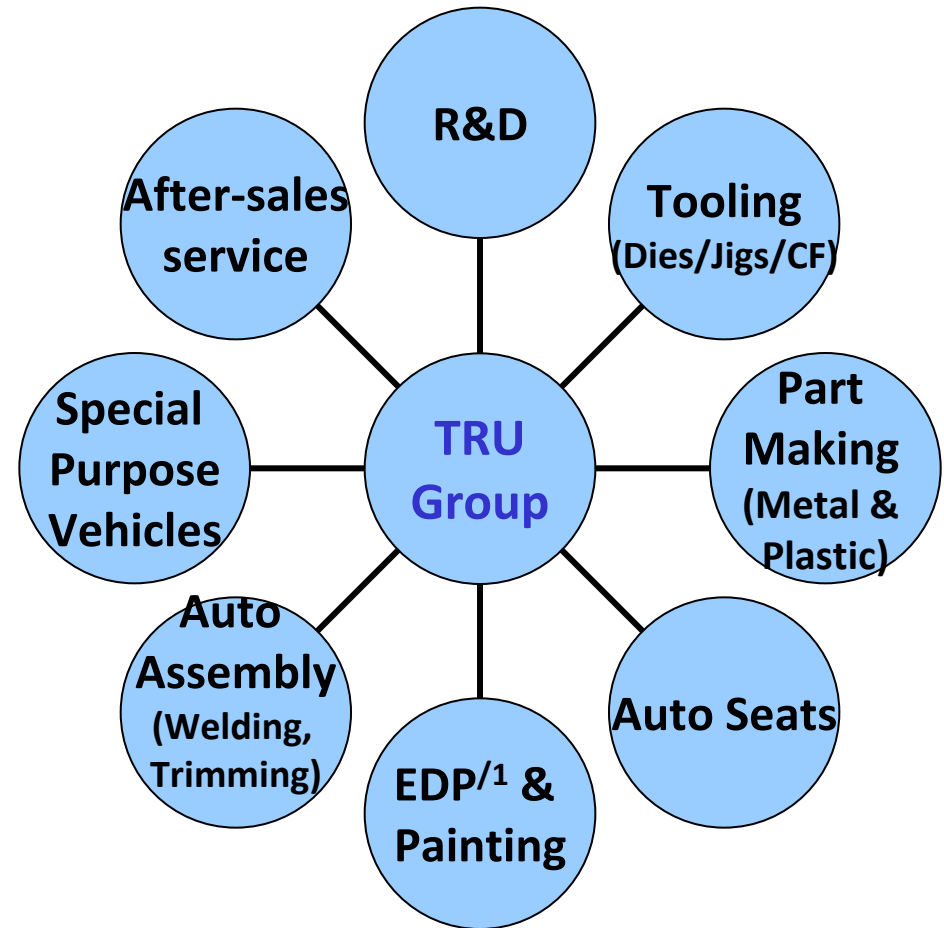
- Research & Development (R&D)
- Tooling (Dies/Jigs/CF<sup>1</sup>)
- Pressed metal parts & plastic parts
- EDP<sup>2</sup> & Painting
- Auto Assembly
- Seats
- After-sales service & Spare parts



Note : 1. CF = Checking Fixture

2. EDP = Electro Deposit Primer

- Comprehensive and integrated scope of work: from R&D, tooling, parts stamping, auto seats, EDP<sup>/1</sup> & painting, through to production of various kinds of vehicles and after-sale service.





- Own EDP<sup>1</sup> & paint shop with top quality to meet latest global standards for export
- Flexible production line can quickly adapt to customers' needs
- Leading producer of “flat deck” cargo boxes for pick-ups
- Specialist producer of pick-up based special purpose vehicles



MUV4<sup>2</sup> & Transformer



Note : 1. EDP = Electro Deposit Primer

2. MUV4 = Military Utility Vehicle 4WD



THAIRUNG

% of Total Revenues  
as of June 2012

56%

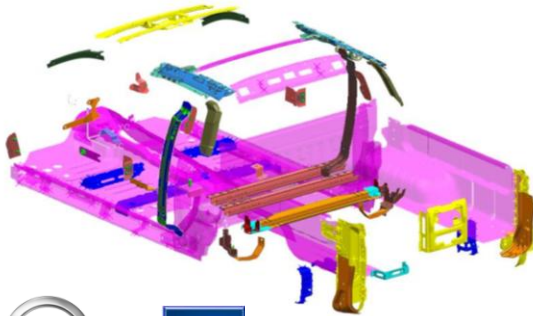
32%

4%

**Tooling & OEM Parts**

**Contract Assembly  
& Painting**

**Special Purpose Vehicles  
& Service centre**



**ISUZU**



**ISUZU**



**TOYOTA**

**KOMATSU**

**KOBELCO**



**MAZDA**



**CATERPILLAR®**

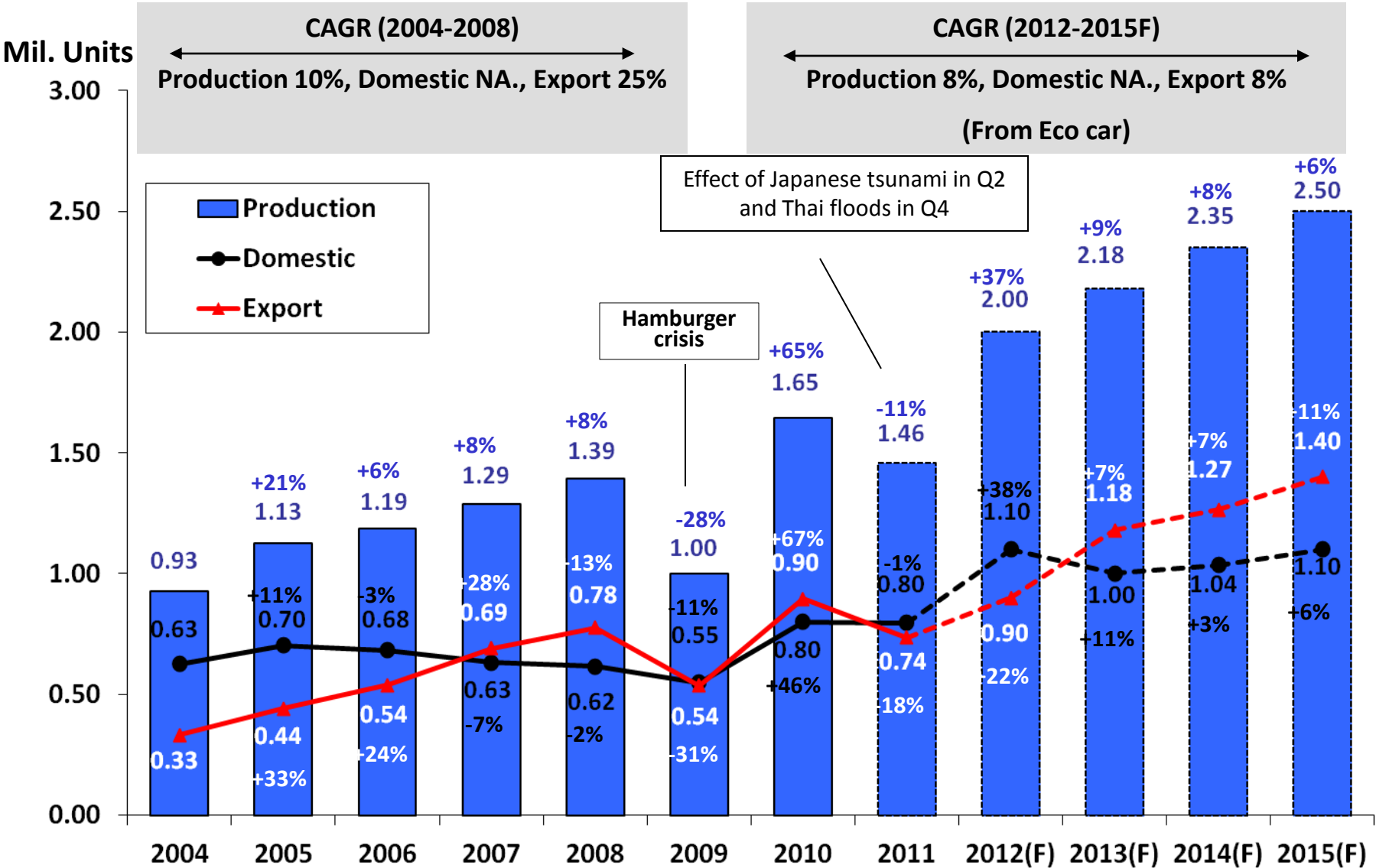


**Kawasaki TRIUMPH**

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# Thai Auto Industry 2004-2015F

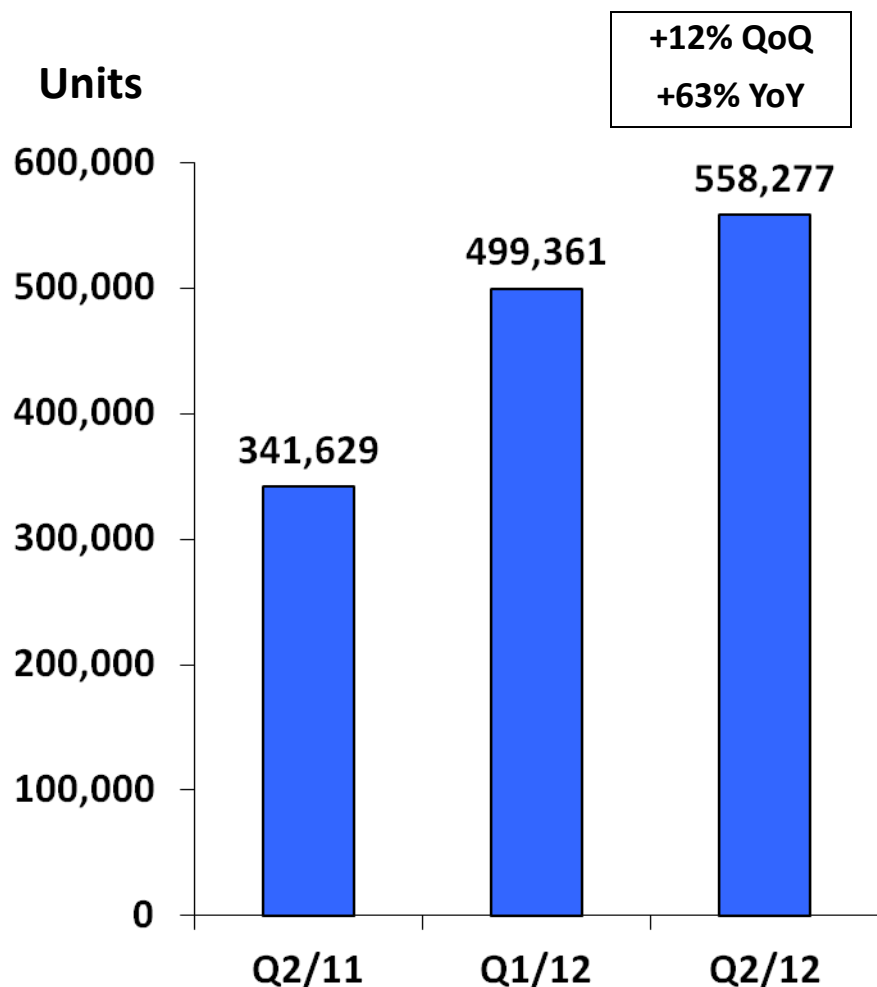


Source : - Year 2004-2012(F) The Federation of Thai Industries,

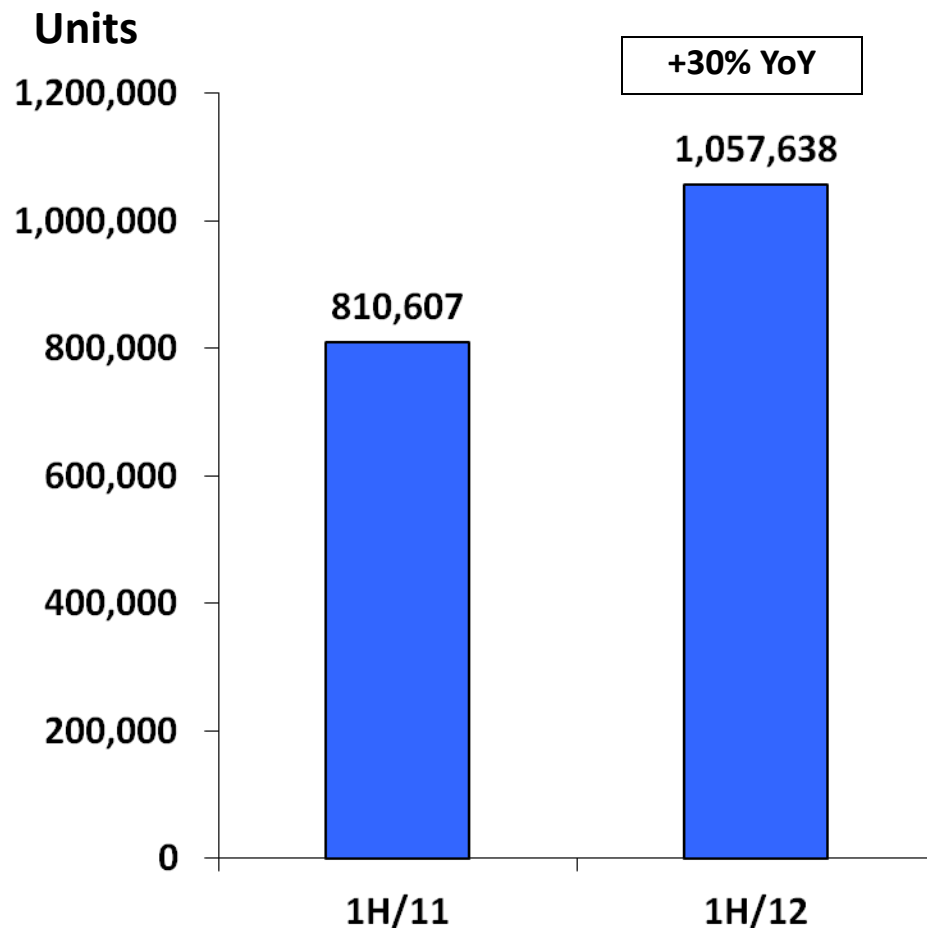
Note - Year 2013-2015 forecasted by TRU, Estimate Domestic 45%, Export 55%



# Production Volumes in Thailand Q2/12



Quarter

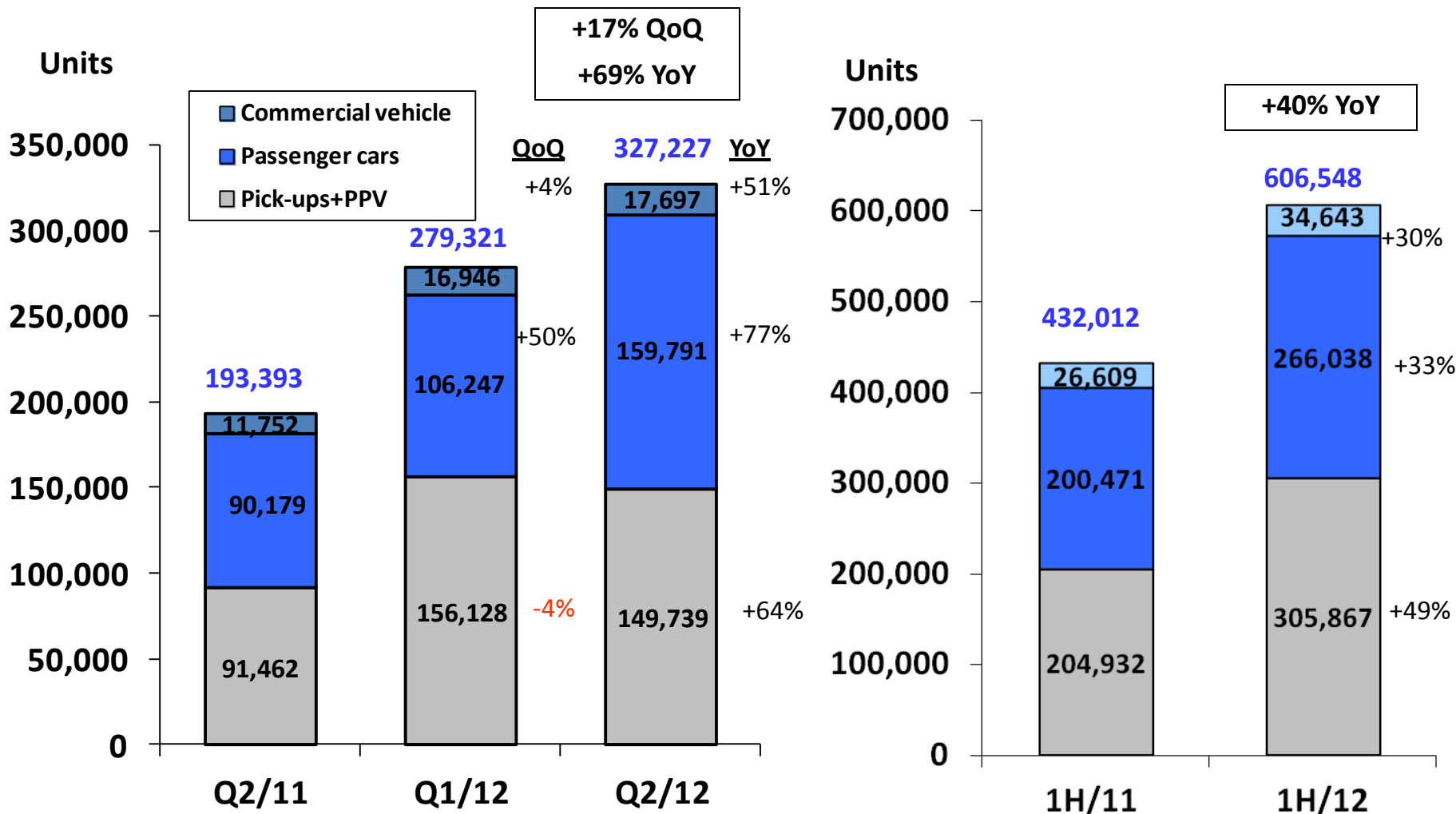


Cumulative

Remark : Q2/11 effect from Japan Tsunami

Source : The Federation of Thai Industries

# Domestic Sales in Thailand Q2/12



Quarter

Cumulative

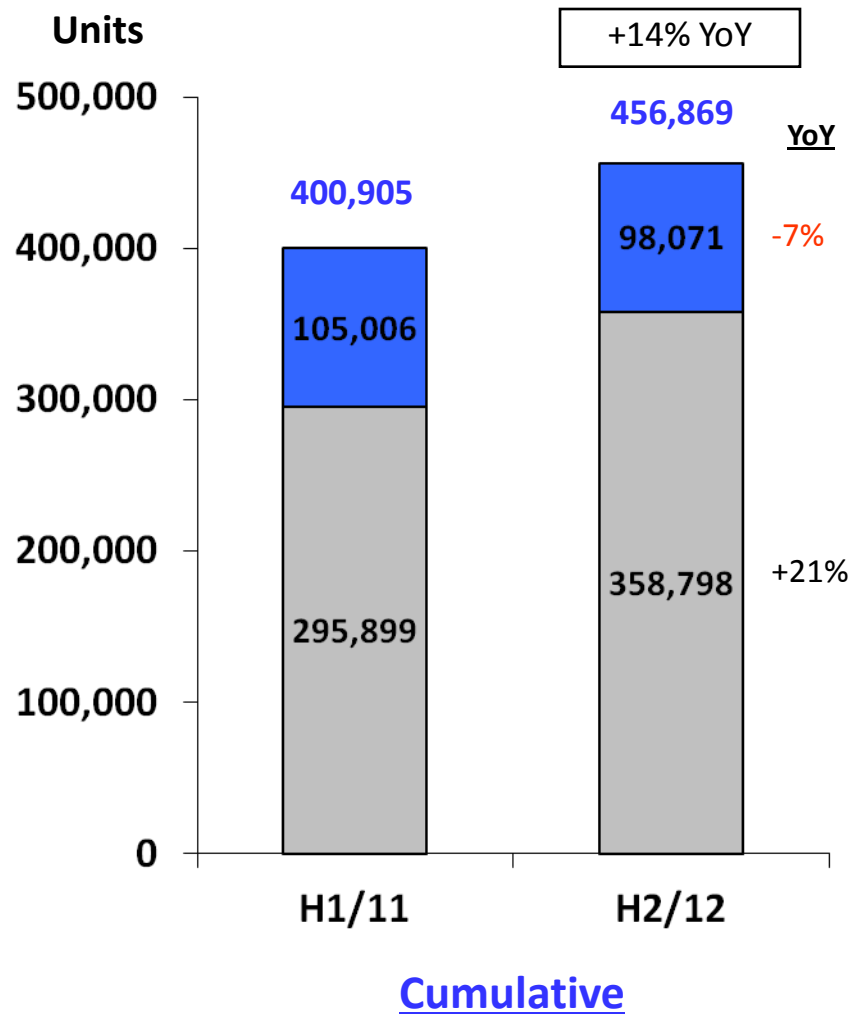
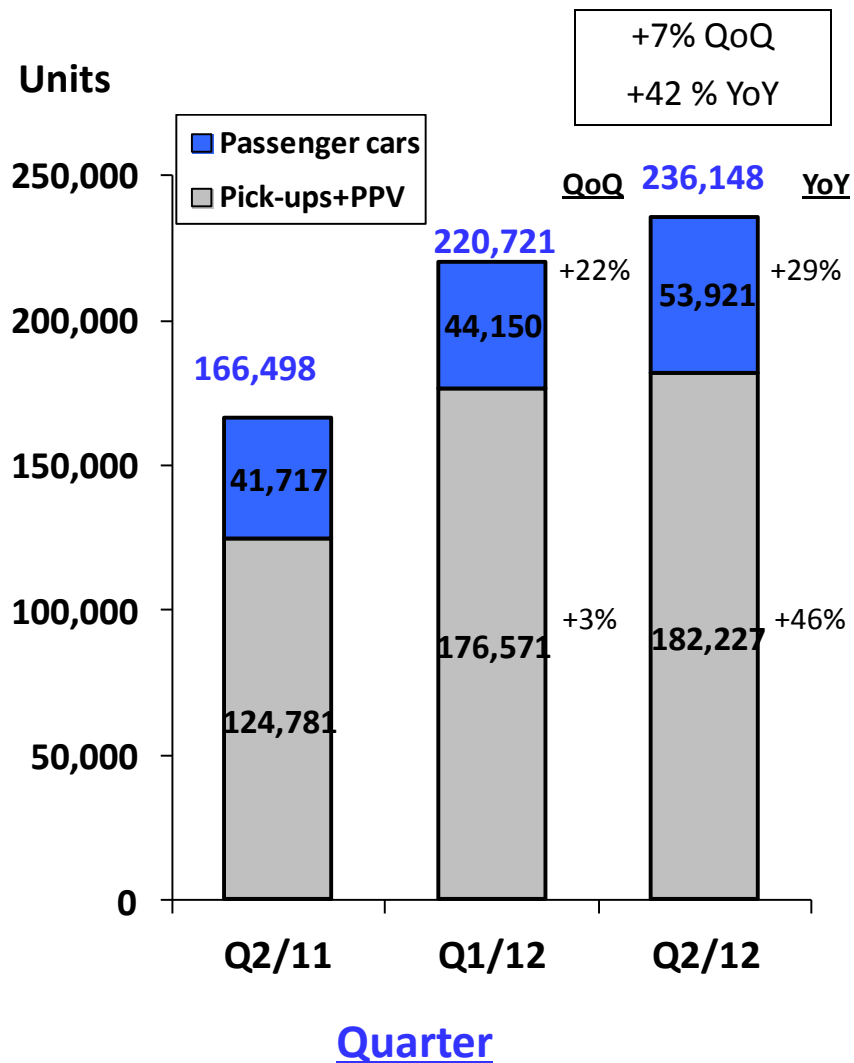
Remark : Q2/11 effect of Japanese tsunami

Source : - The Federation of Thai Industries

Note : - PPV = Pickup truck-based Passenger Vehicles

- Commercial vehicles = trucks, vans, buses

# CBU Exports Q2/12



Remark : Q2/11 effect of Japanese tsunami, Q4/11 Thai floods.

Source : - The Federation of Thai Industries

Note : - CBU = Complete y Built Up

- PPV = Pickup truck-based Passenger Vehicles

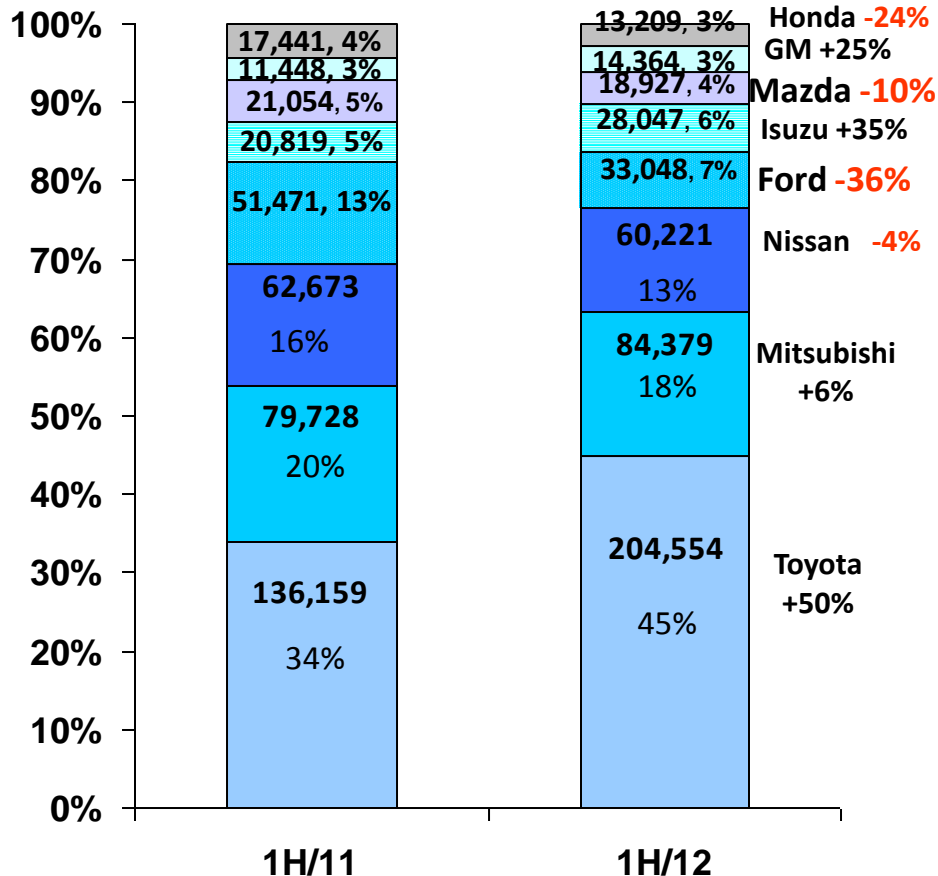


# CBU Exports 1H/12

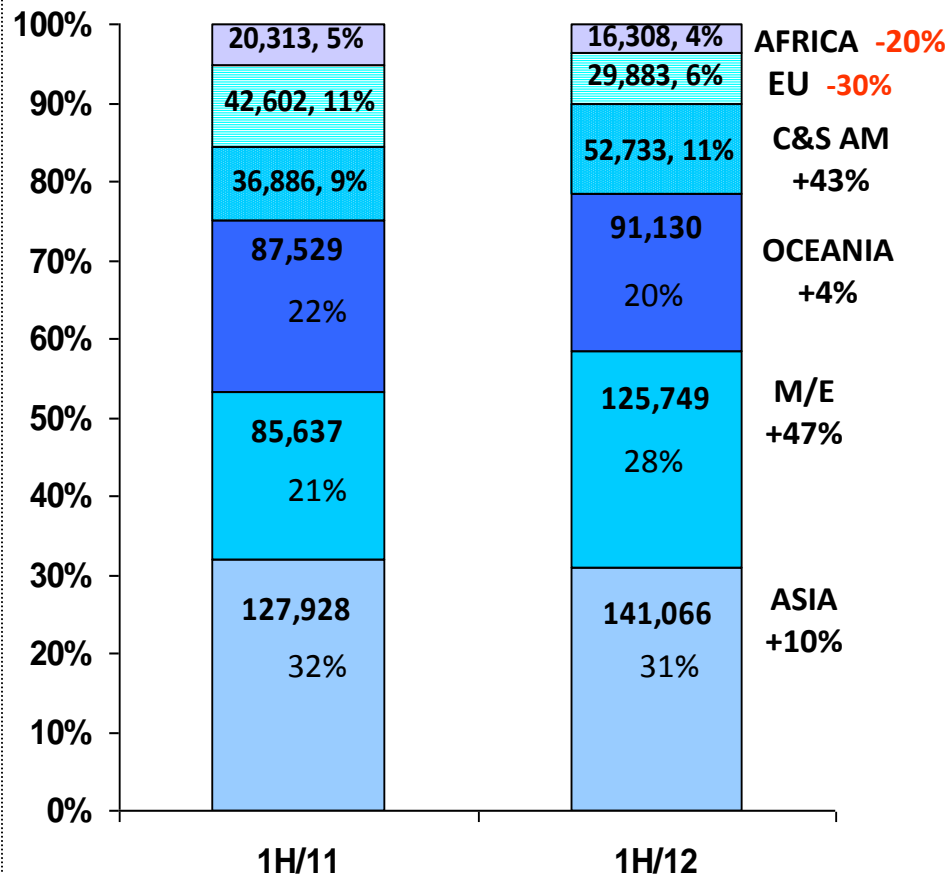
1H/12 = 456,869 units, +14% YoY

1H/11 = 400,990 units

## By Brand



## By Region



Source : - The Federation of Thai Industries  
 Note : - CBU = Complete y Built Up

Source : - The Federation of Thai Industries  
 Note : C&S AM = Central & South America  
 OCEANIA = Australia, New Zealand and Other  
 M/E = Middle East



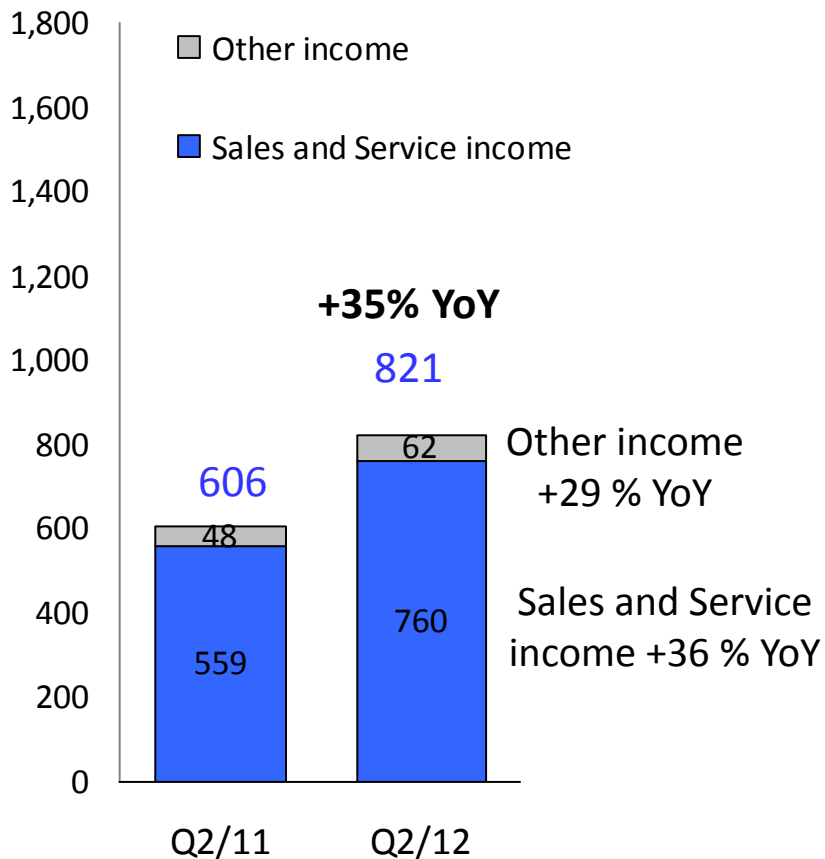
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# Total Revenues

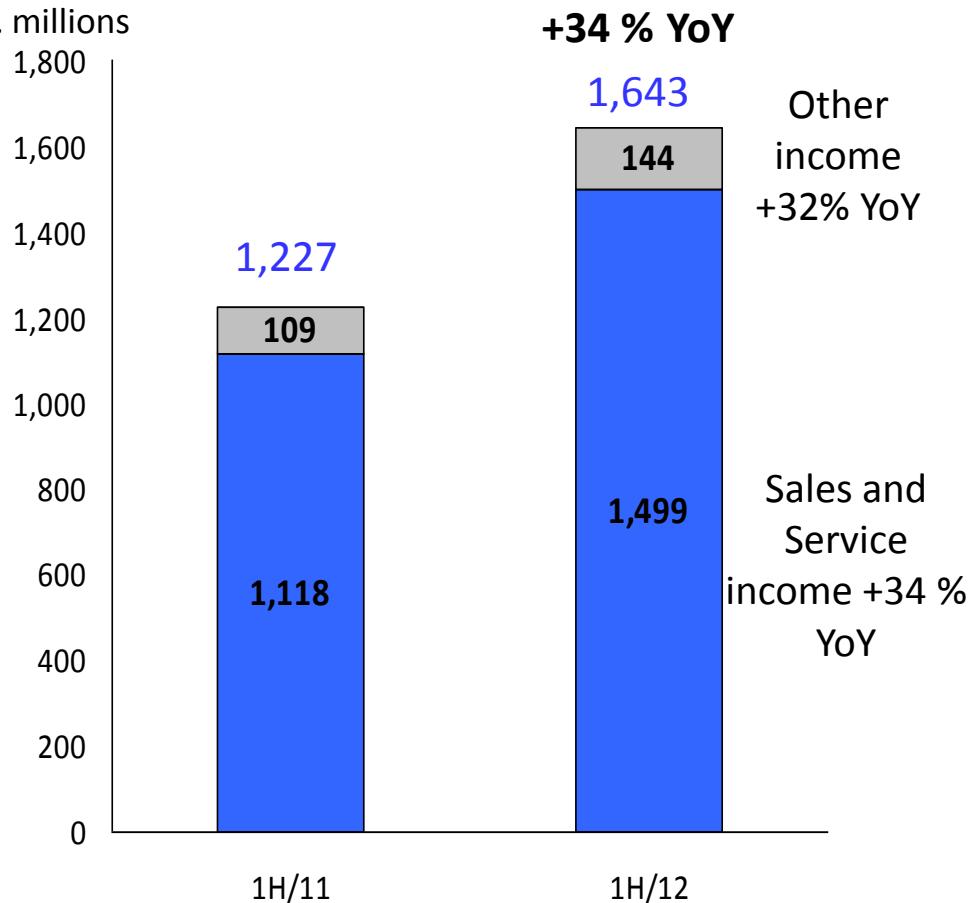
**1H/12** Automotive Industry as a whole up by 30%, while TRU's revenues grew by 34% YoY as a result of customer diversification.

Bt. millions



Quarter

Bt. millions



Cumulative

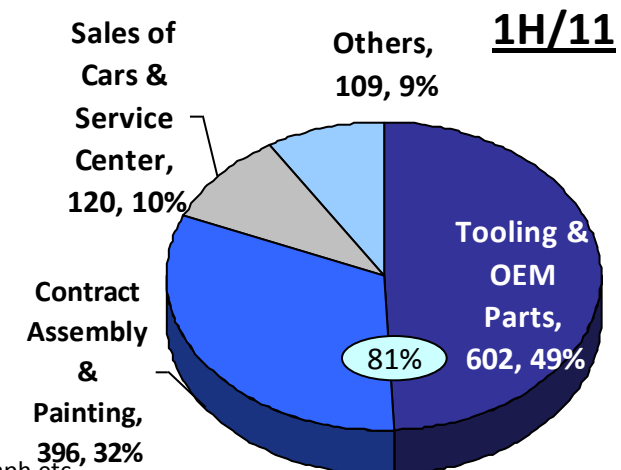
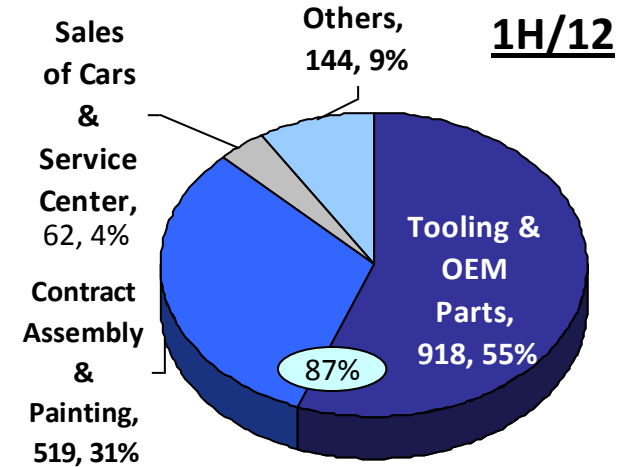
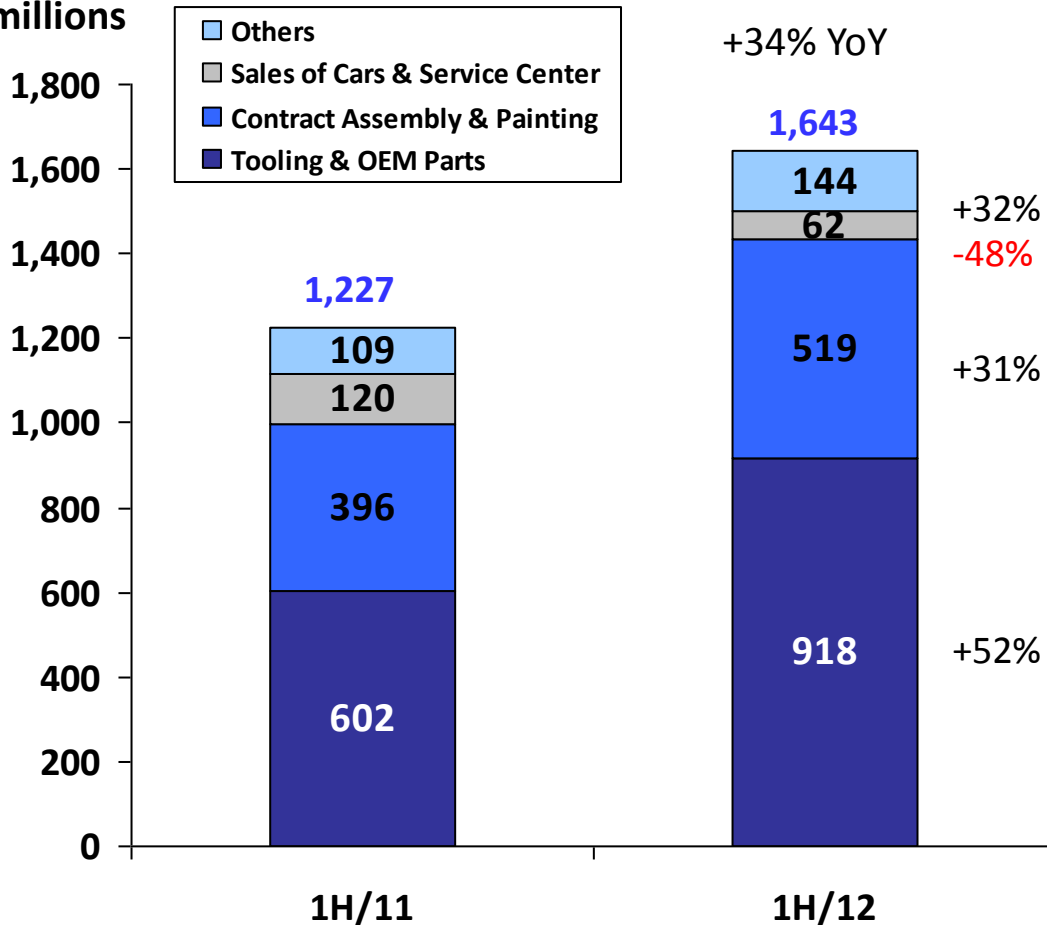


# Revenue Breakdown 1H/12

**Half year 2012** Total revenues Bt.1,643 million, +34 % YoY, (2011 = Bt.1,227 million)

- Revenues from Tooling & OEM Parts increased by 52% YoY, mainly from GM and Nissan, bringing proportion from 49% to 56%.
- Revenues from Contract Assembly & Painting increased by 38% YoY, mainly from Nissan & Isuzu truck painting and assembly project and growth of Industrial machinery customers.

Bt. millions



Note: 1. Tooling (Dies/Jigs/CF) & OEM Parts include GM, Nissan, Isuzu, Mitsubishi, Komatsu, Yanmar, Kawasaki, Triumph etc..

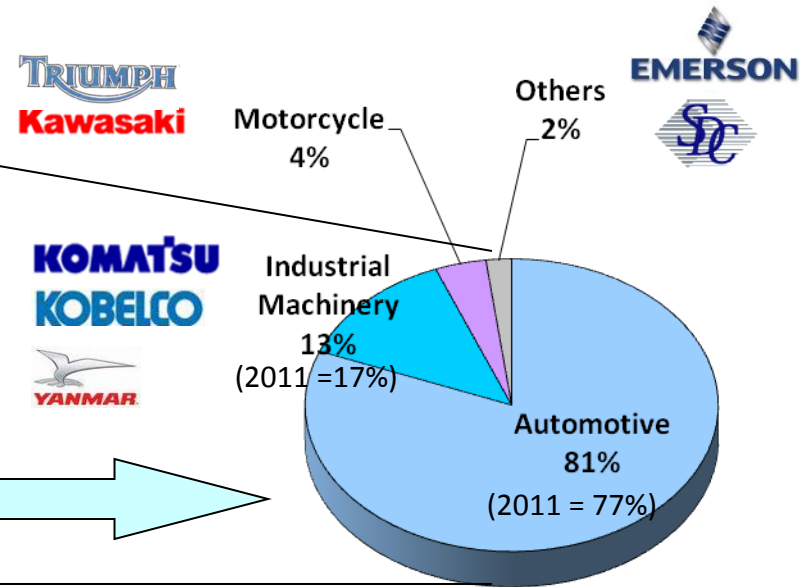
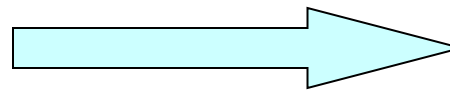
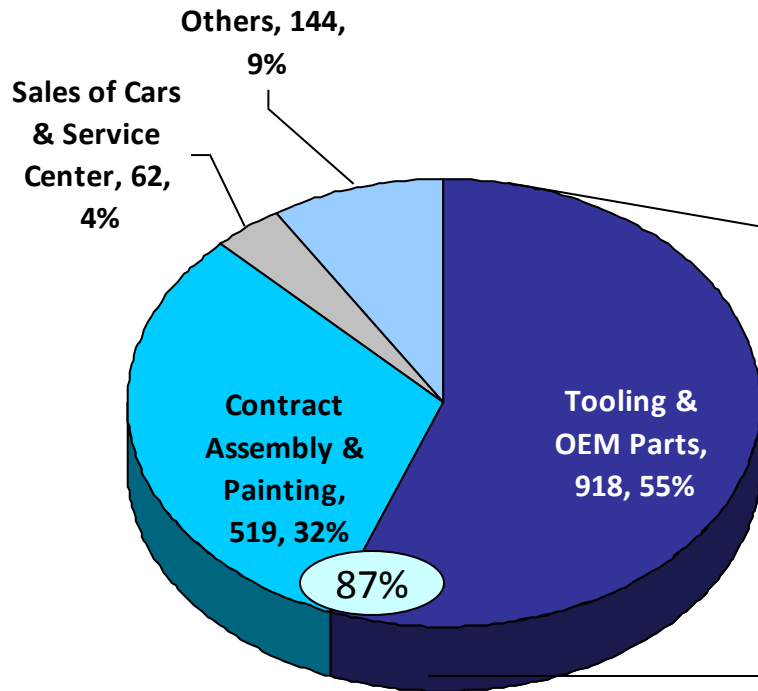
2. Contract Assembly & Painting includes Nissan, Isuzu truck, Flat deck, Komatsu, Kobelco, Yanmar, Vacuum ICL, etc..

3. Other income includes interest, scrap sale, share of profit from investments in associated companies, etc.

# Revenues Portfolio 1H/12

**1H/12** Total revenues Bt.1,643 million, up by 34% YoY as a result of customer diversification.

Breakdown of Tooling & OEM parts and Contract Assembly & Painting Bus by **customer sector**.



**ISUZU**



**TOYOTA**



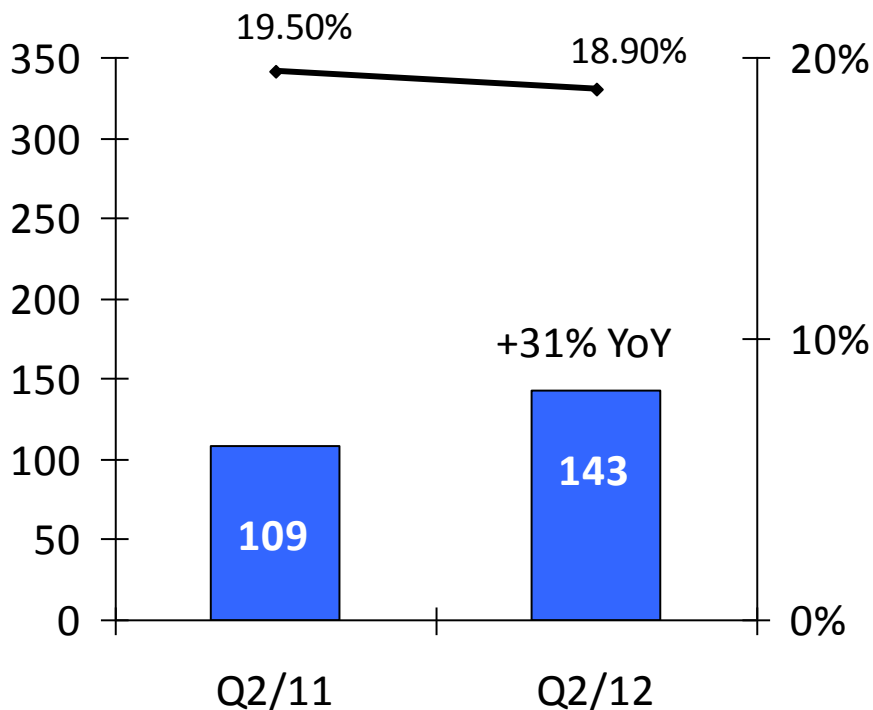
**mazda**



# Gross Profit

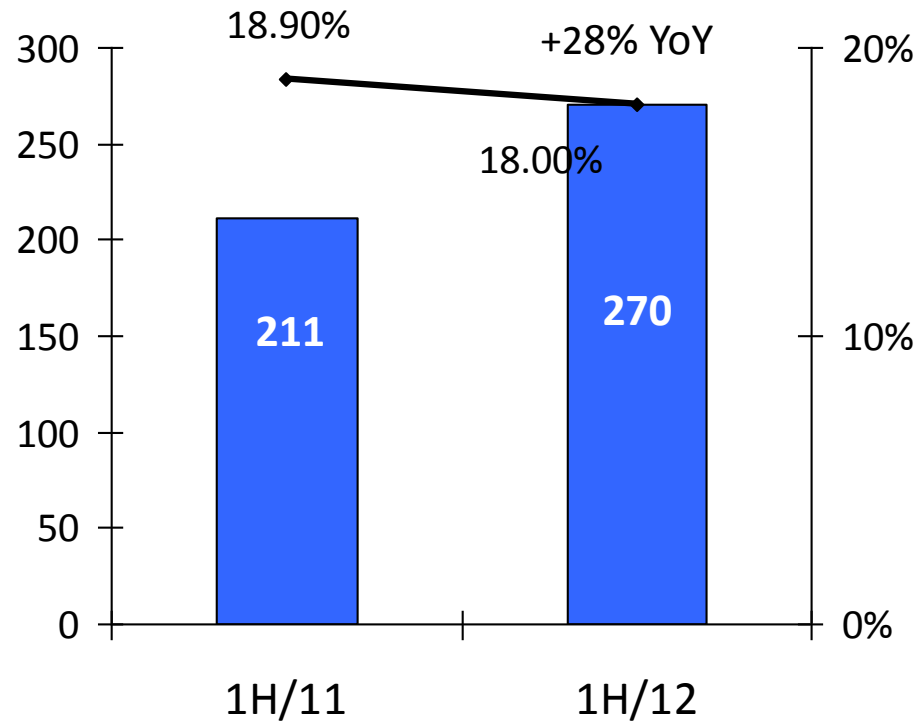
**1H/12** TRU's gross profit was up by 28%, in line with growth in the automotive industry.

Bt. millions



Quarter

Bt. millions



Cumulative

% Gross Profit = Gross profit / Sales and Service Income

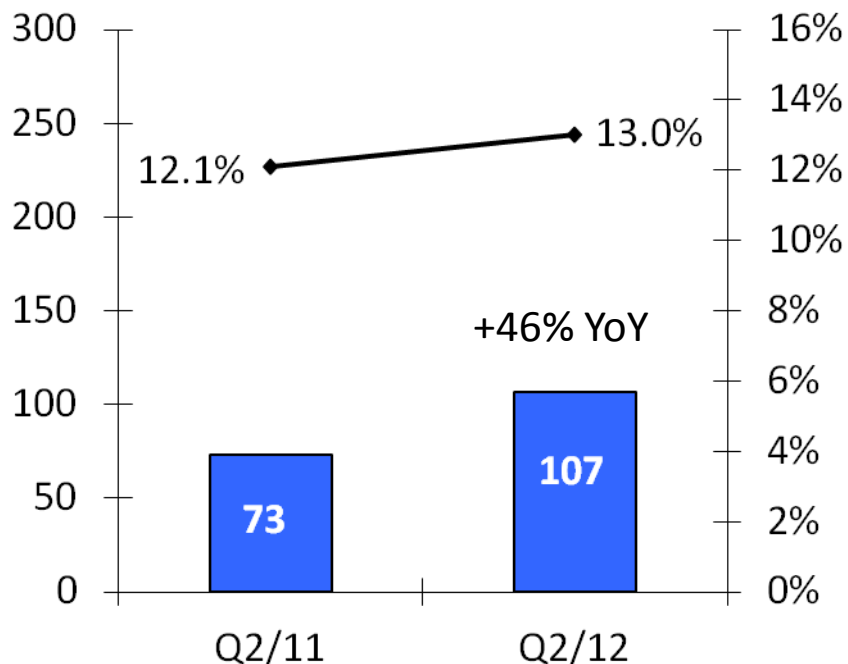




# Net Profit

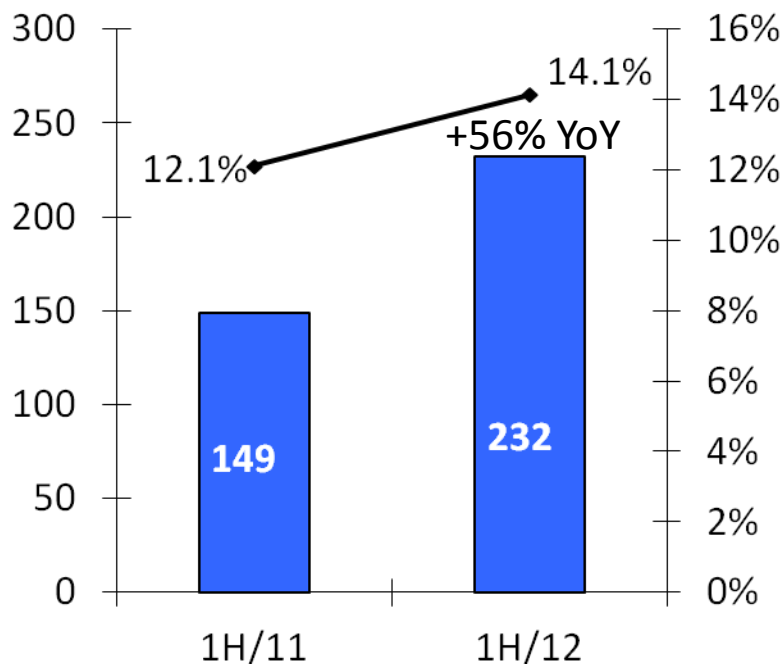
**1H/12** TRU's Net profit increased by 56% as a result of strong recovery in demand for vehicles, which had suffered from last year's floods, and also thanks to growth in the automotive industry as a whole.

Bt. millions



Quarter

Bt. millions



Cumulative

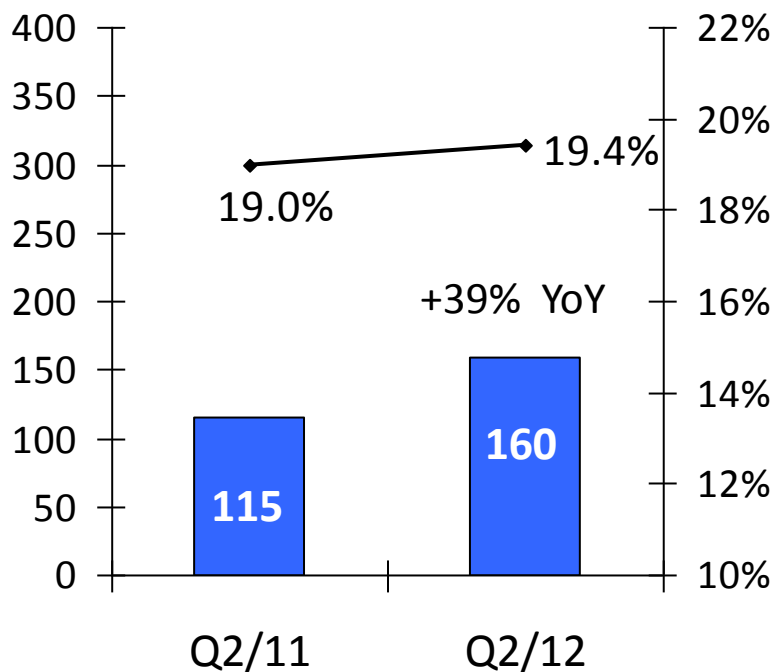
% Net Profit = Net profit attributable to equity holders of the company / Total Revenues



# EBITDA

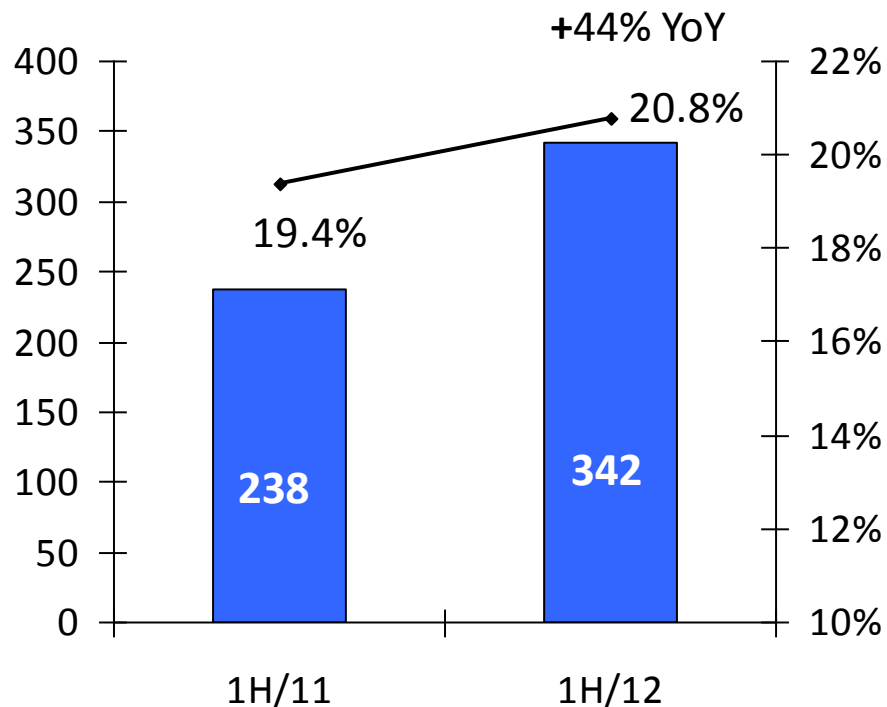
EBITDA increased mainly thanks to strong growth in revenues, net profit.

Bt. millions



Quarter

Bt. millions

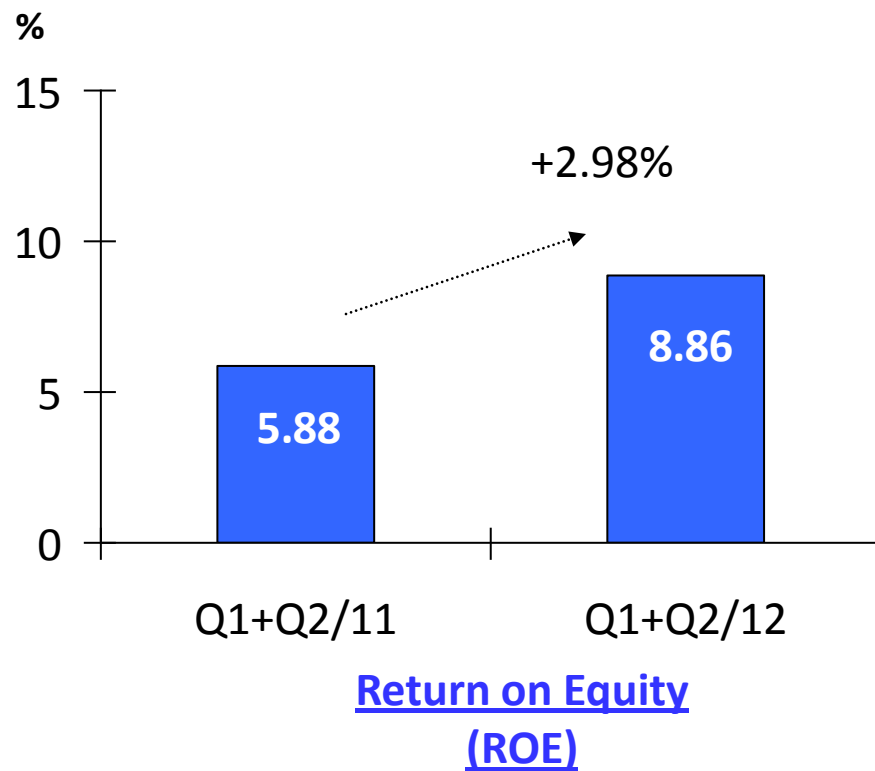
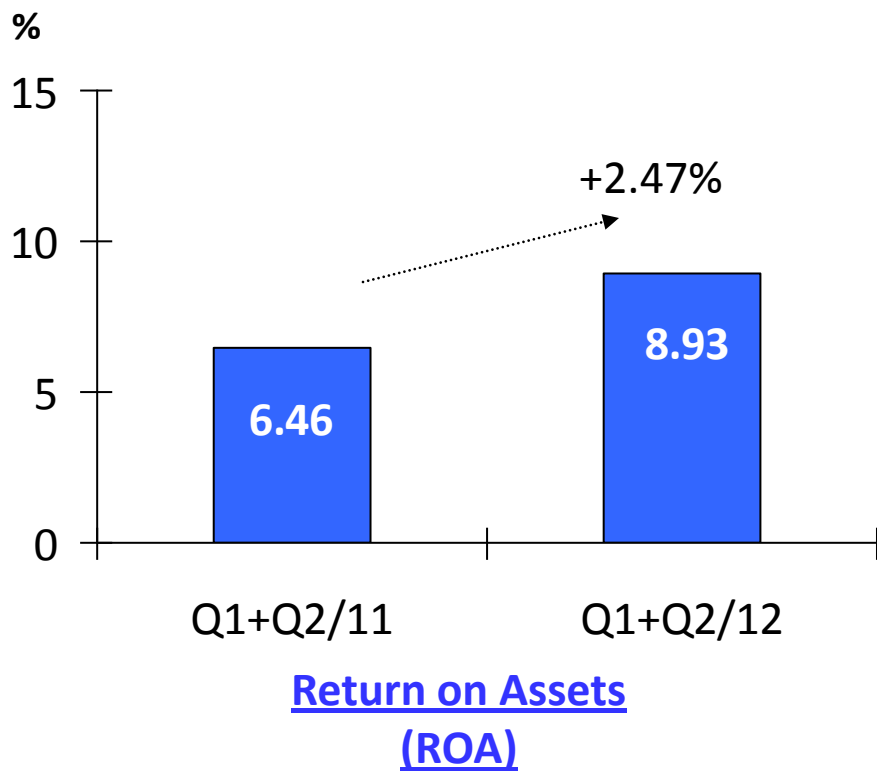


Cumulative



# Profitability Ratio

As at 30 June 2012 total assets had increased by Bt.505 million from 31 December 2011, mainly due to increases in trade receivables and inventories, and investments in new plant and machinery.



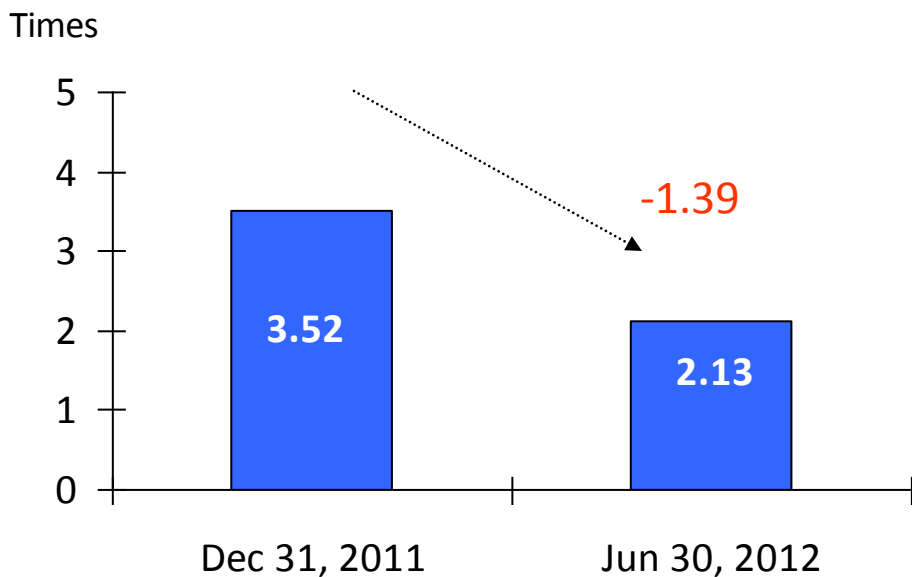
% ROA = EBIT / Average total assets

% ROE = Net profit attributable to equity holders of the company / Average major shareholders' equity.

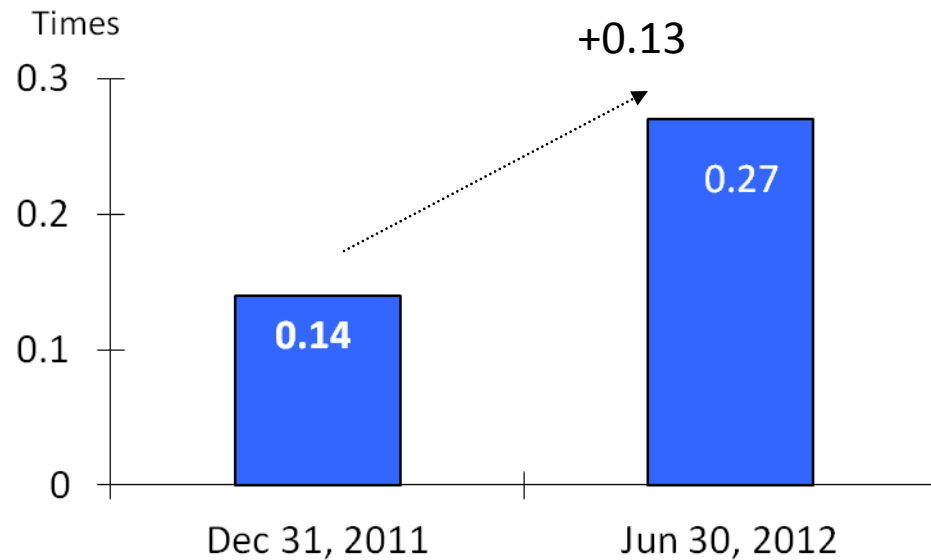


# Financial Ratios

As of June 30, 2012 Current liabilities increased by 395 MB from December 31, 2011, mainly from raw material purchasing and loan from bank.



Current Ratio



Debt to Equity (D/E)

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# Outlook - Tooling & OEM Parts

## Tooling

- Boost level of die and jig design and production for turn-key projects through alliance with foreign partner so as to be able to enter more overseas tenders.
- Build up a network of business alliances in Thailand to cater to the volume of new projects coming on stream, increase production capacity and be able to take on turn-key projects overseas.
- Invest in new machinery (Bt.205 million, with BOI investment privileges applied for) to increase capacity and boost level of technology, which will attract increased parts production work for the Company.

## OEM Parts

- Extension of delivery period under the Thai government's first-car excise tax scheme, which will boost the sale and production of vehicles and contribute to increasing the Company's orders.
- Expand both metal and plastic parts making business to cater to increasing volumes of orders from automotive and other customers moving their production bases to Thailand.
- Focus on high added value parts such as those requiring large (2,000 tons) press machines and/or sub-assembly
- Boost parts production capacity to meet increasing customer demand: the new parts factory in Rayong province started operation in Q2/2012 and is expected to generate income around Bt.600 million a year.

- Extension of delivery period under the Thai government’s first-car excise tax scheme, which will boost the sale and production of vehicles and contribute to increasing the Company’s orders.
- Top-level expert contract assembler for both semi and complete components, fully integrated painting and contract assembly of complete vehicles for various brands for export.
- Upgrade painting facility and equipment to increase production capacity, and developing vehicle assembly system to meet latest global standards to support customer demand.
- Conducting feasibility study for expansion of painting shop in order to cater to increased volumes of work from various customer groups such as automotive, industrial and agricultural machinery for both the domestic and export markets.
- Leading designer and fully integrated producer of pick-up “flat deck” cargo box for all brands of pick-up, for export worldwide.

- Develop our business as a builder of special purpose vehicles based on pick-up trucks in co-operation with brand owners for niche market vehicles that they do not produce, e.g.
  - Military vehicles of various kinds (e.g. MUV4) for sale in the domestic market and with the aim of exporting to ASEAN and developing countries
  - armoured/ bullet-proof vehicles, cash transporters, etc.
- Use our experience in R&D, body design and engineering to take on design work for various types of vehicles, building prototypes, making dies and jigs for auto makers and other business partners.
- Seek business alliances to develop various kinds of vehicles jointly, for export in both CBU and SKD form, particularly to ASEAN in view of advantageous AFTA duty regime.

# Questions & Answers