



The Leading ASEAN Region Finance Company

**ASEAN Regional Finance Company
4Q2012 Results Briefing**



Analyst & Investor Update

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Introduction



Business Overview



Future Expansion Plans



Financial Review



Questions and Answers



EXPANDING DEALERSHIP BASE IN THAILAND

- Increasing number of dealers in Thailand from 100 in 2011 to 250 by 2013

EXPANDING THROUGHOUT ASEAN

- Acquired Group Lease Holdings in Singapore as a base for expansion
- Started up a wholly-owned subsidiary in Cambodia in March 2012
- Will look at potential M&A opportunities throughout ASEAN

IMPROVING FINANCIAL PERFORMANCE

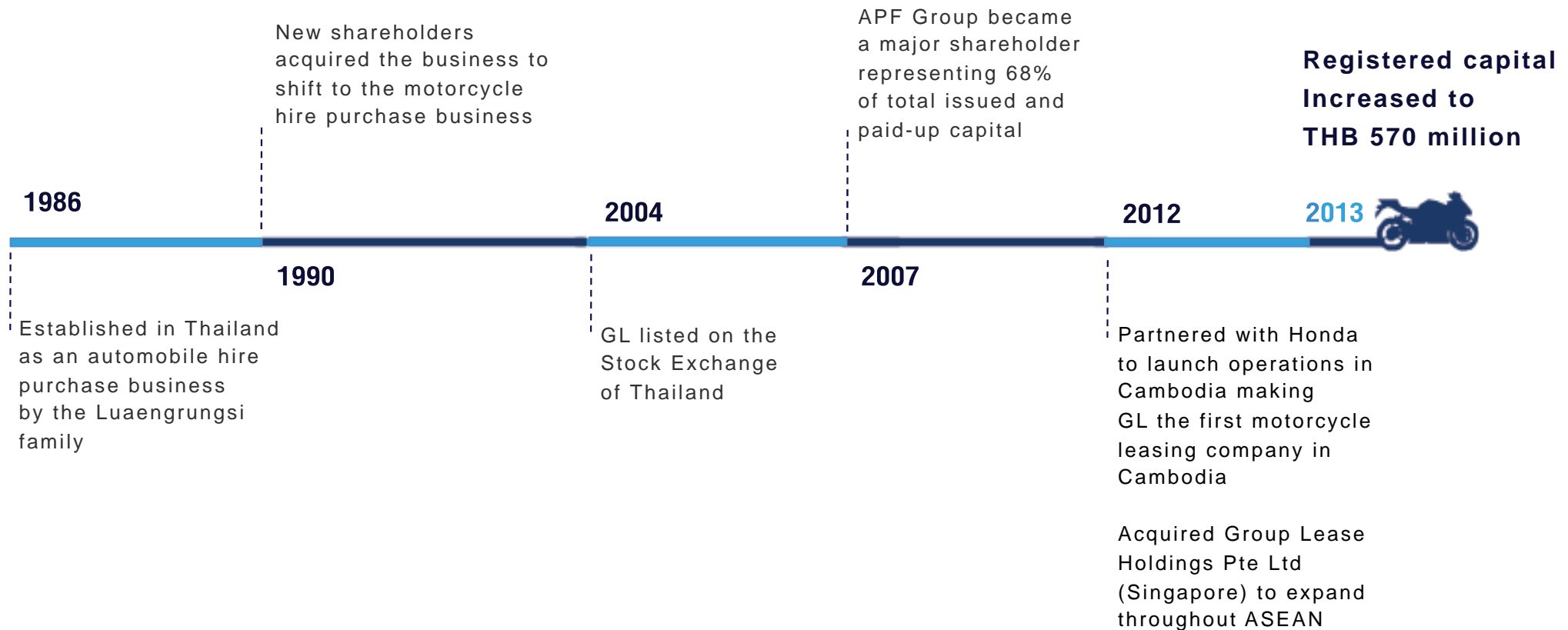
- Net profit grew 66% in 2012
- Revenue is set to grow further while funding costs are expected to stay low
- Admin expenses were already spent in 2012 in preparation for future growth

HIGH UNIT GROWTH EXPECTED OVER THE NEXT 5 YEARS

- Within Thailand, the 100,000 units is expected to double to 200,000 in three years
- Cambodia is expected to increase to 300,000 units within the same period
- The aim is to achieve 1 million units in five years

STRONG BALANCE SHEET

- Financial flexibility allows GL to expand capacity and investments where necessary
- D/E ratio remains decent at 1.19





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**Questions and
Answers**

GL provides HP for motorcycles in greater Bangkok & upcountry. Avg price per bike is THB 45,000

CATEGORY

AUTOMATIC



FAMILY



F-SPORT



SPORT



GL currently has 6 branches in

Bangkok (headquarter), Ayutthaya, Chonburi, Rayong, Nakorn Ratchasima & Bowin



Head Office, Bangkok

All locations are in key cities where they altogether represent 60% of GDP. Besides, they can serve neighboring provinces as well.

- Bangkok and vicinity
- Ayutthaya
- Chonburi
- Rayong
- Nakorn Ratchasima
- Bowin

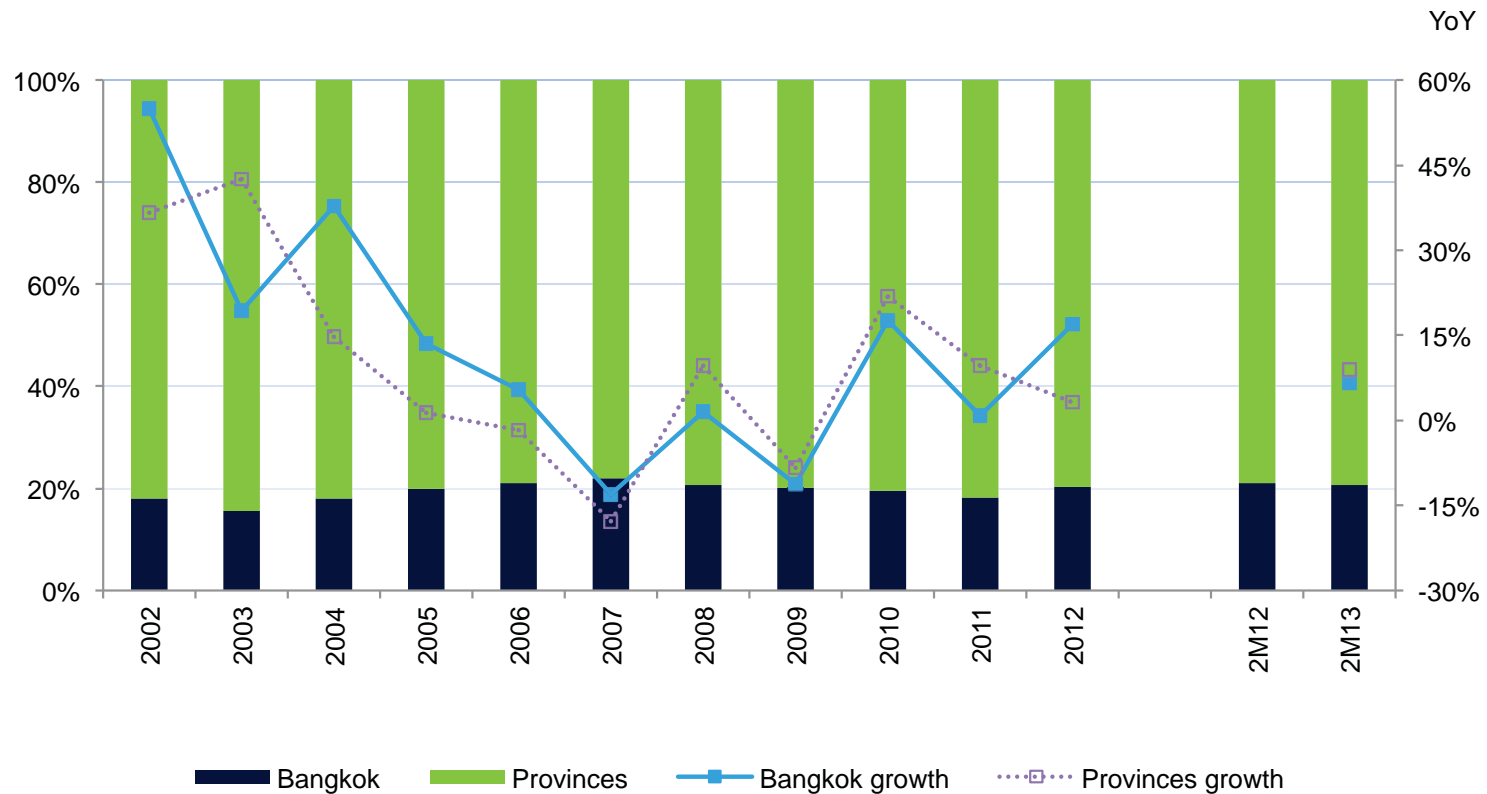
MOTORCYCLES SALES OUTLOOK REMAINS PROMISING



Source: Department of Land Transport

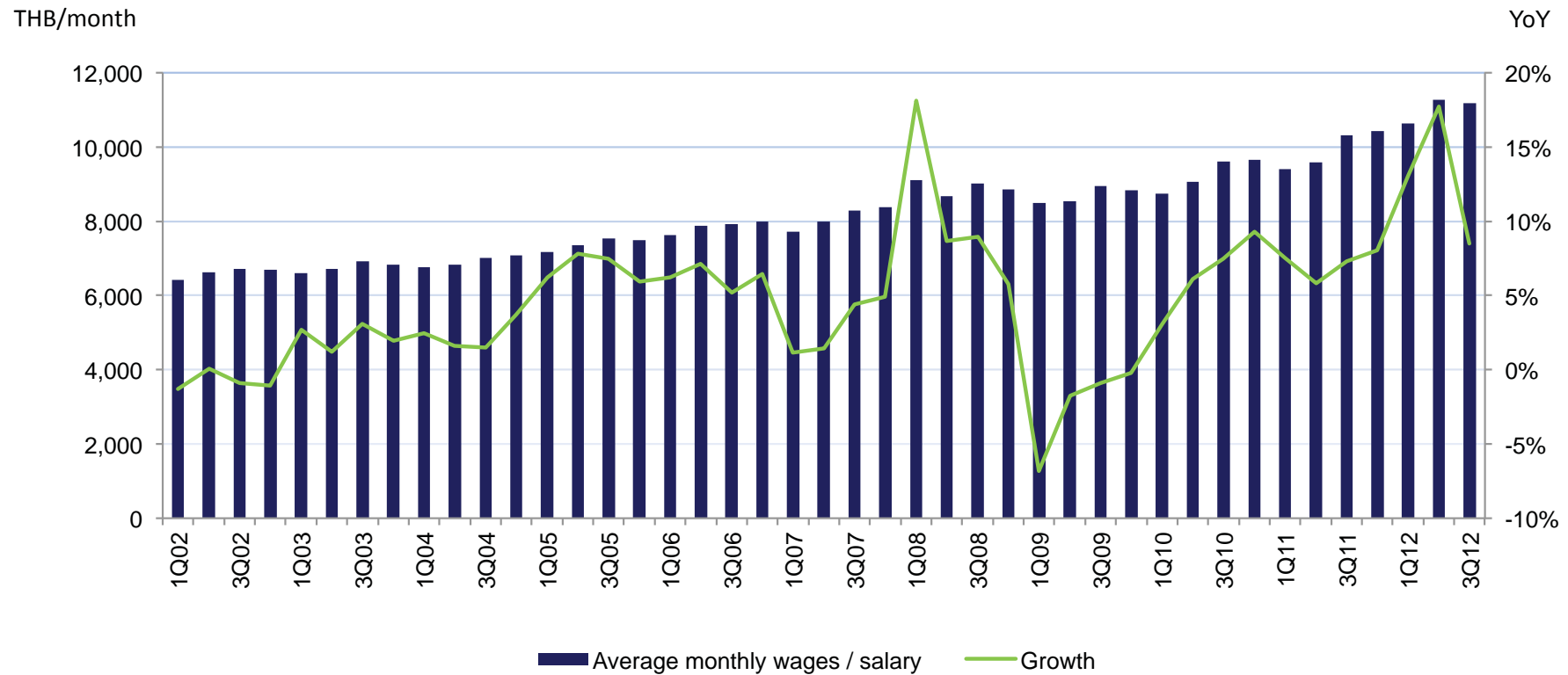
SOLID GROWTH BOTH IN BANGKOK & PROVINCES

Newly registered motorcycles in Thailand



Source: Department of Land Transport

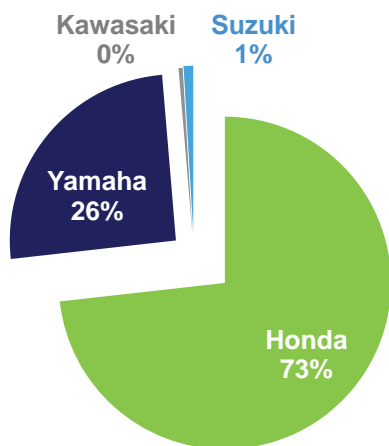
UNDERPINNED BY HIGHER AFFORDABILITY



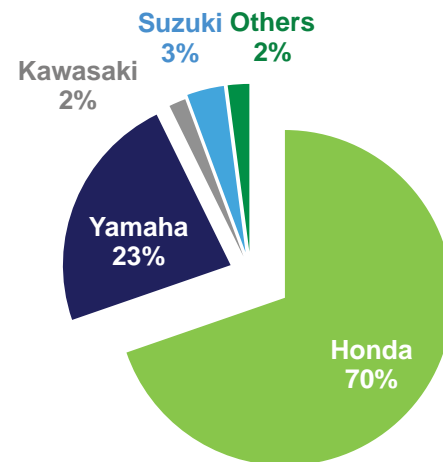
- Minimum wages have been increased significantly in 2012 and will continue into this year
- Salaries of lower-ranking government officers and private-company staff have also been raised

BREAKDOWN OF LEASED MOTORCYCLE BY BRANDS

GL's leased motorcycles in 2012



Thailand's newly registered motorcycle in 2012



Source: Department of Land Transport

- Proportion of GL's leased motorcycles per brand is in line with national motorcycle sales
- Honda remains the market leader with 5 new products launched this year and targets to expand its market share to 72% in 2013



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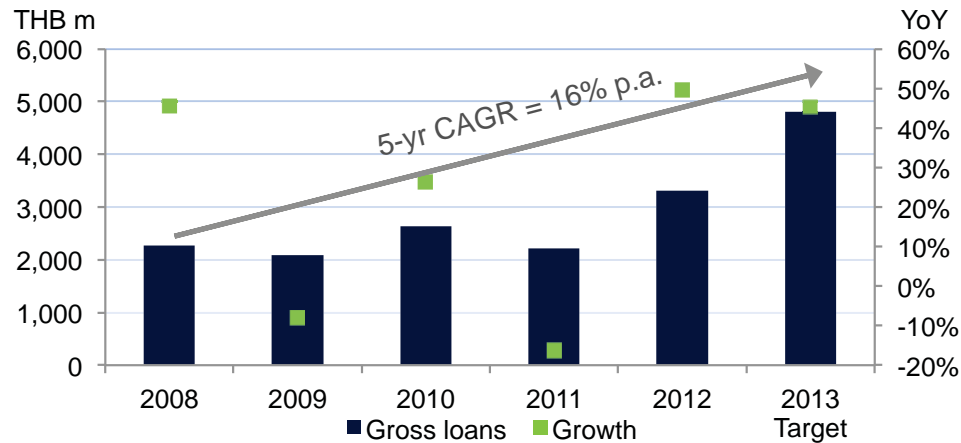


Financial Review

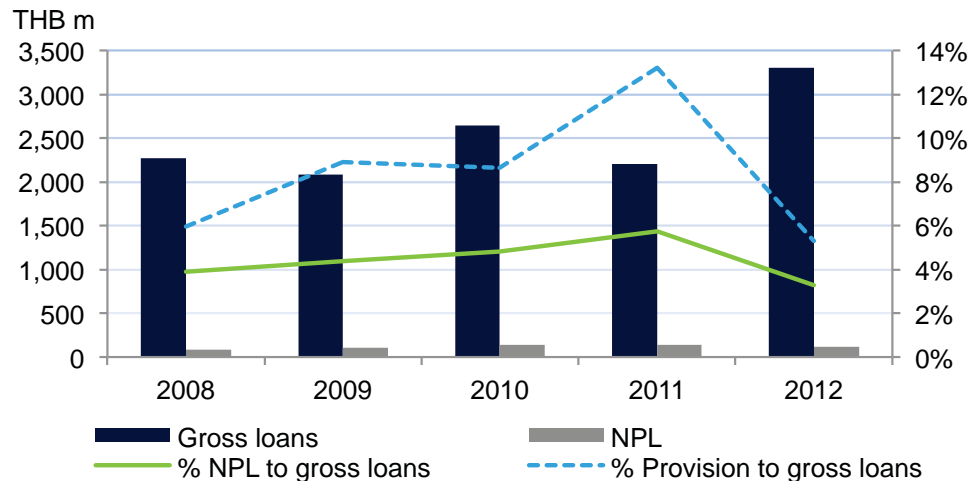


**Questions and
Answers**

GROWING HIGH QUALITY HP PORTFOLIO



- Abundant room for growth both in Thailand and Cambodia

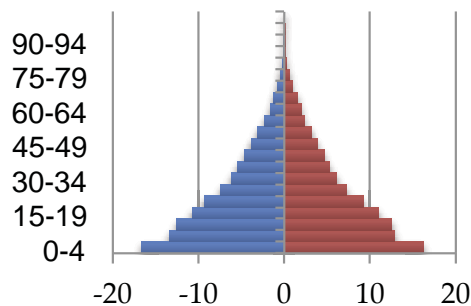


- NPL declined following ongoing recovery from the 2011 floods
- NPL as of Dec 2012 was 3.3% of gross loans

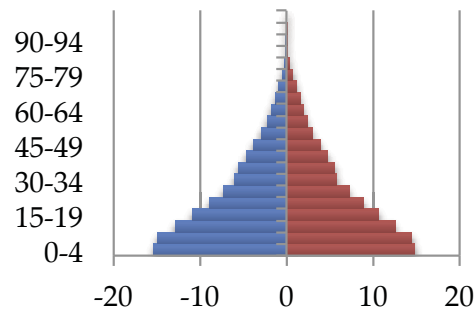
WHY EXPAND THROUGHOUT ASEAN?

Thailand's age demographics are still very appealing for the motorcycle hire purchase business as the majority of the population is within the age of 20-40 years old

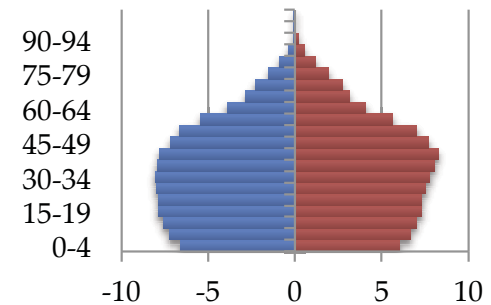
Thailand 1950



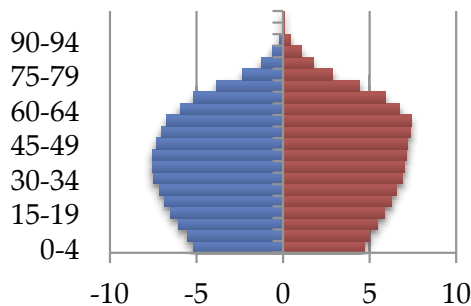
Thailand 1975



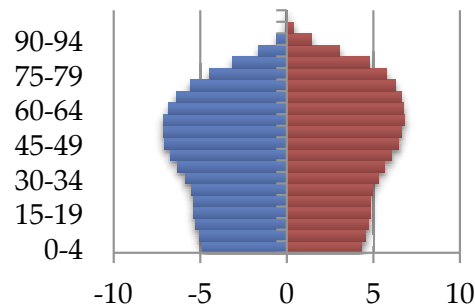
Thailand 2010



Thailand 2025



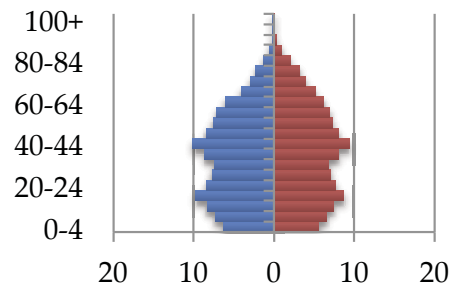
Thailand 2050



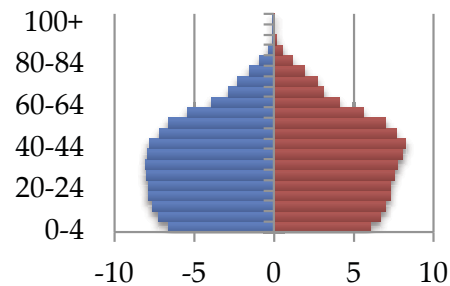
ASEAN HAS VERY ATTRACTIVE DEMOGRAPHIC STRUCTURES

Cambodia, Laos, Vietnam and Indonesia all still have very young populations thus implying strong growth potential for Group Lease

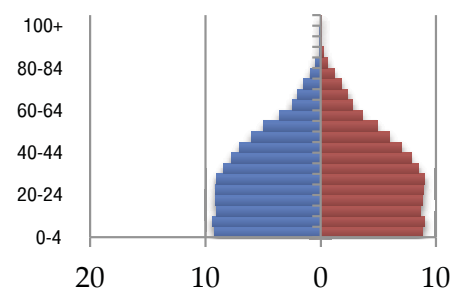
Japan 1990



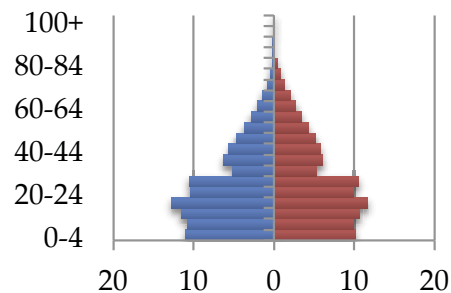
Thailand 2010



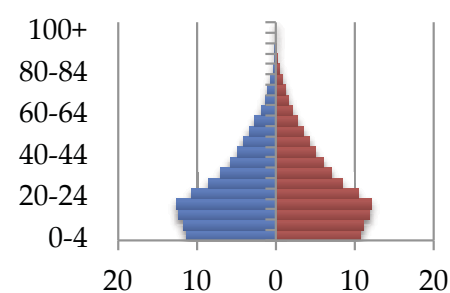
Indonesia 2010



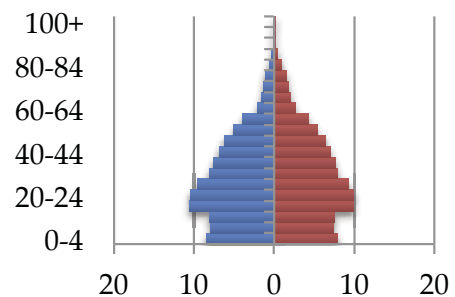
Cambodia 2010



Laos 2010



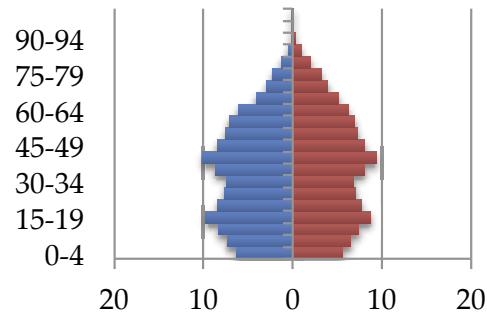
Vietnam 2010



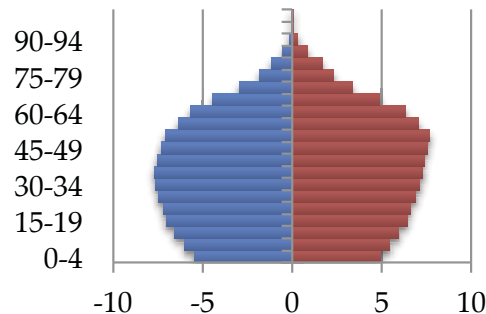
ASEAN HAS VERY ATTRACTIVE DEMOGRAPHIC STRUCTURES

And each of the markets will remain attractive for the next 40 years

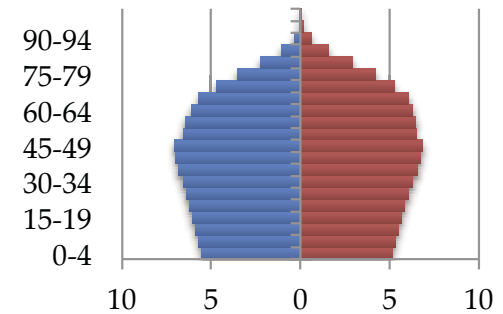
Japan 1990



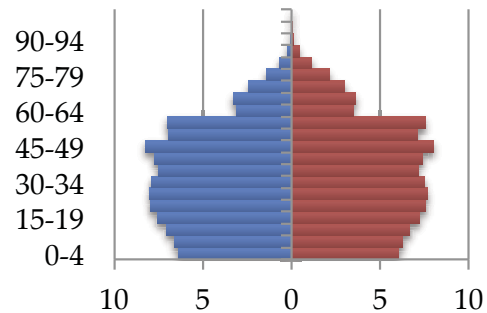
Thailand 2020



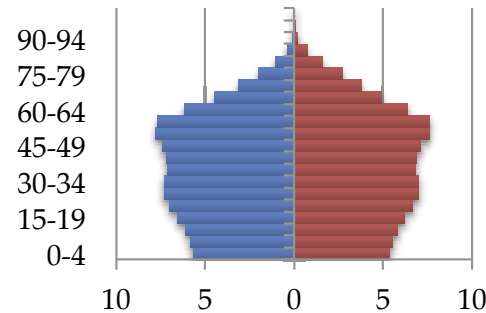
Indonesia 2050



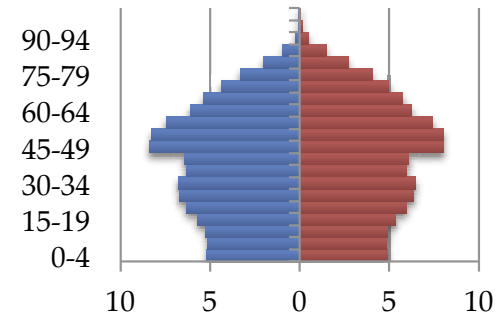
Cambodia 2040



Laos 2050



Vietnam 2040



MARKET CHARACTERISTICS



Vietnam

Population 87.8 million (2010)
GDP 103.5 billion US\$ (2010)
GDP per capita 1,173 US\$ (2010)
Urban Population 27.0 million (2010)

Indonesia

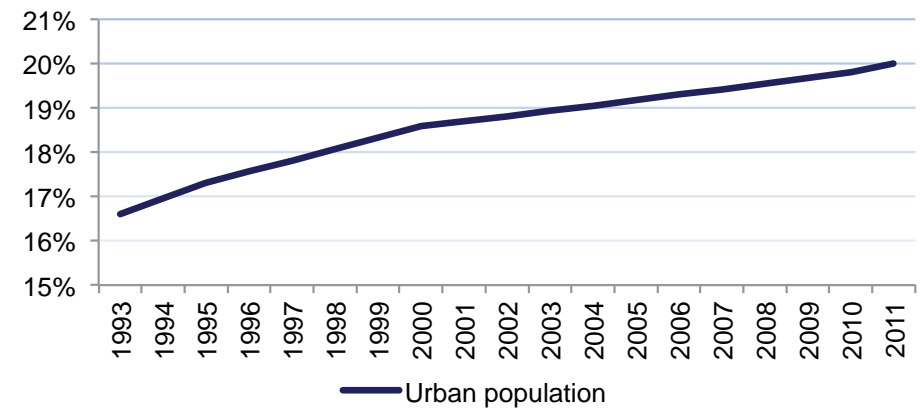
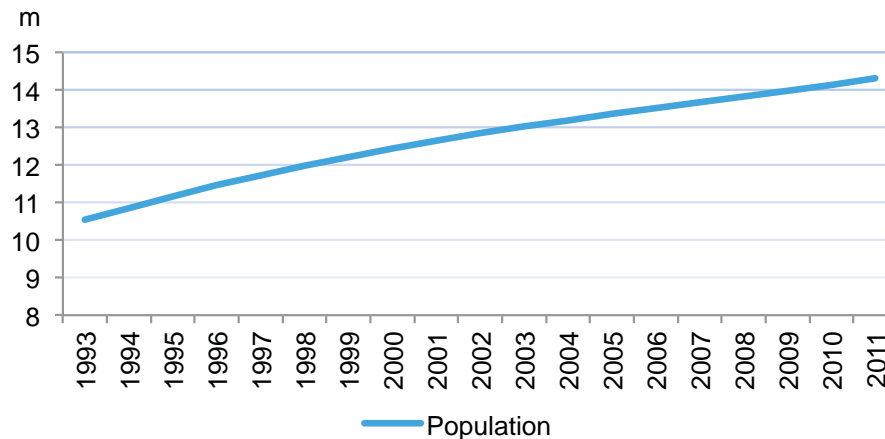
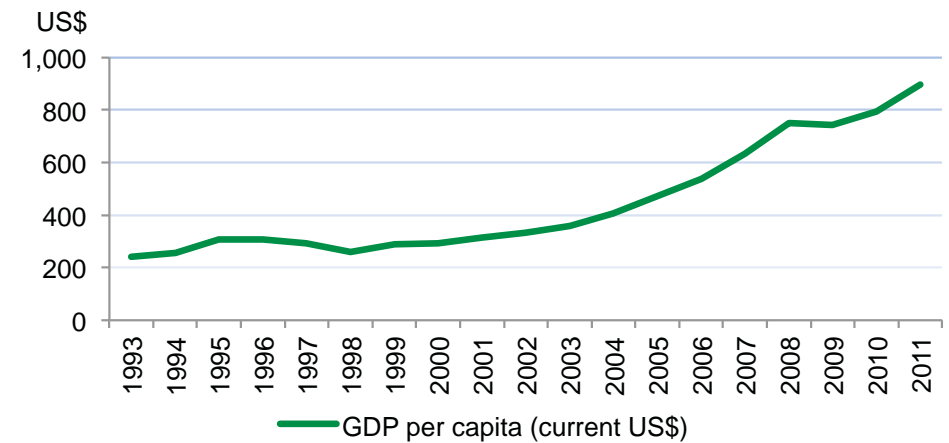
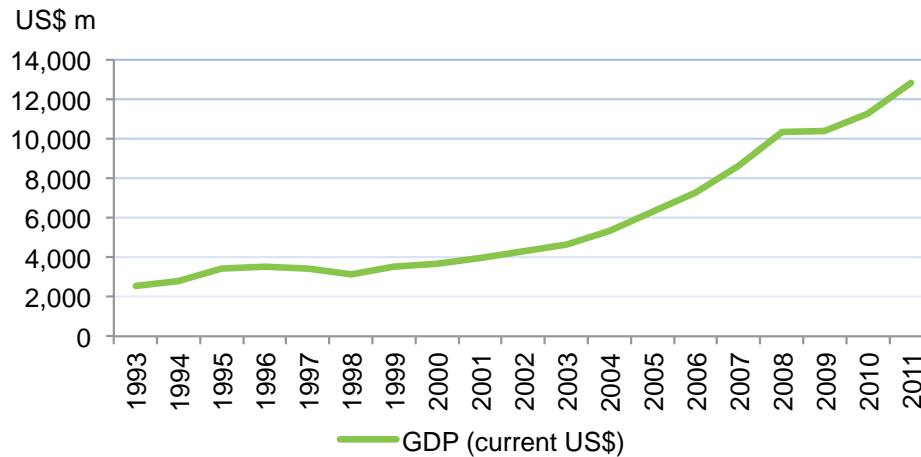
3rd largest motorcycle market in the world
Motorcycle sales have been growing rapidly
2009 5 million
2010 7.5 million
2011 8 million

Cambodia

Population 14.1 million (2010)
GDP 11.6 billion US\$ (2010)
GDP per capita 813 US\$ (2010)
Urban Population 3.0 million (2010)
New Motorcycle Sales in 2011 = 160,000 units.

CAMBODIA IS GL'S FIRST ASEAN EXPANSION

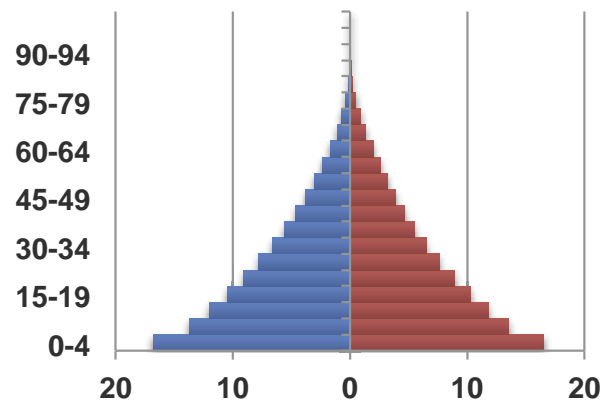
Cambodia is considered by many to be high risk but GL sees the opportunity to capture a young and growing market



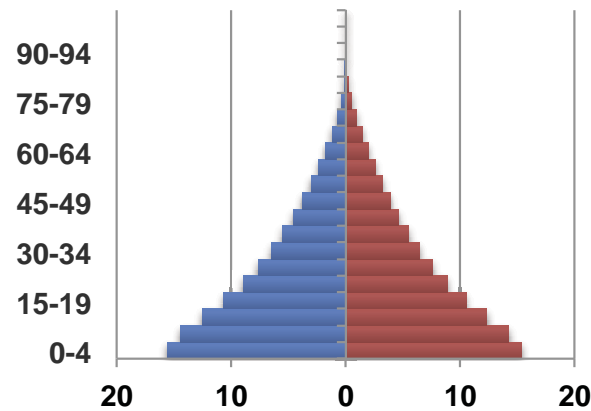
CAMBODIA IS GL'S FIRST ASEAN EXPANSION

Cambodia is a young market with strong viability towards long-term growth

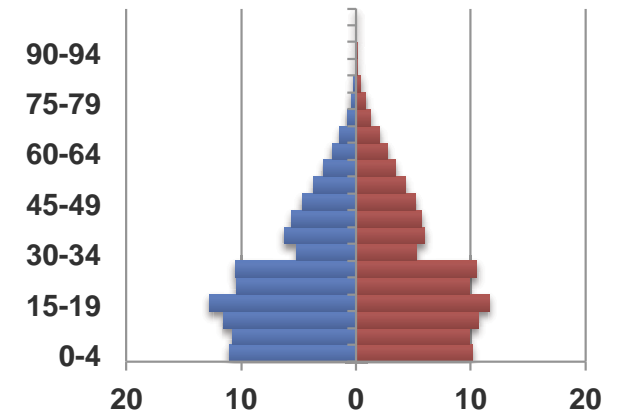
Cambodia 1950



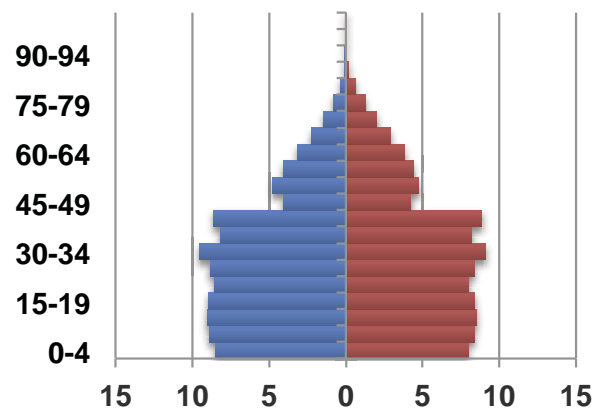
Cambodia 1975



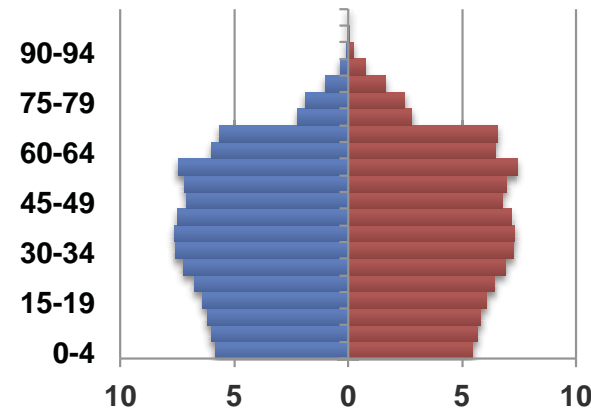
Cambodia 2010



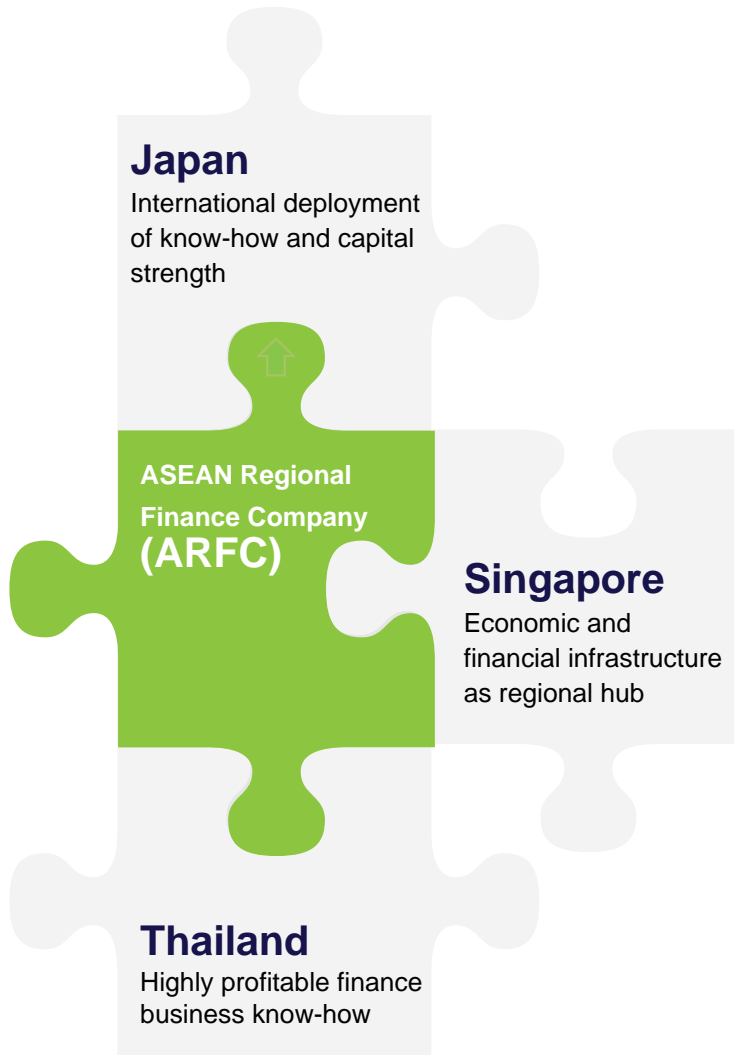
Cambodia 2025



Cambodia 2050



GL will use its recent acquisition in Singapore, Group Lease Holdings, as the main vehicle for expansion throughout ASEAN



- GL acquired Singaporean Group Lease Holdings Pte Ltd (GLH) on 29th March 2012 to be its ARFC (ASEAN Regional Finance Company) vehicle
- GLH provides GL the flexibility in tapping multiple capital markets in ASEAN for funding
- Growing numbers of population and higher GDP per capita
- ASEAN motorcycle market of 15 million units per year and is expected to increase to 20m motorbikes
- Aim to increase overseas revenue by 8 times



GL HAS ALREADY ESTABLISHED GL FINANCE PLC IN CAMBODIA

- Incorporated on 14 March 2012
- The First and Only Financial Lease Company in Cambodia
- Financial Leasing Business Licensed by NBC on 17 May 2012
- GL Cambodia has signed an exclusive contract with Honda for 7 years to be the first and only finance company for Honda motorbikes in Cambodia
- GL's numbers in Cambodia are expected to reach 300,000 units by 2016 given Cambodia's tremendous growth opportunities

GL HAS ALREADY ESTABLISHED GL FINANCE PLC IN CAMBODIA



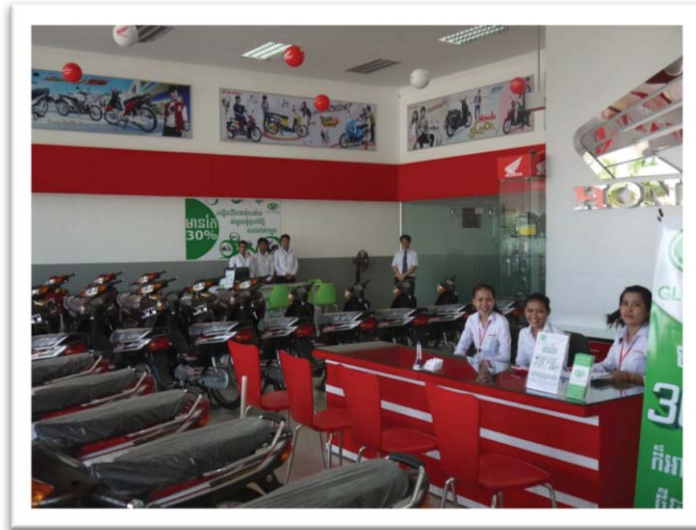
- GL has 11 locations established in Cambodia as of October 2012
- Each location is located in a Honda Showroom
- GL expects 3,000 new units financed monthly starting 2013

HONDA SHOWROOM AT MONIVONG



HONDA SHOWROOM AT AIRPORT







HONDA CHING SUNG HEY











HONDA CHHOEM NEANG





GRAND OPENING AND PRESS CONFERENCE



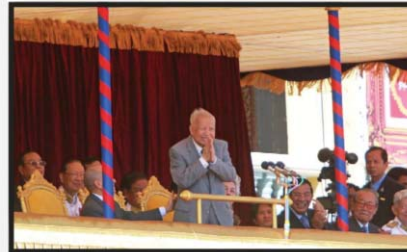
GLF SUPPORTS FOOTBALL CLINIC





The King of Kings

Cambodian tennis has lost a firm friend and a great admirer



Senior Commerce Minister and President of the Tennis Federation of Cambodia receiving the royal blessings from the late King Father Norodom Sihanouk.

Futures 2012: GLF sponsors 2, NagaWorld 1

TFC is gearing up for a three-week tennis fiesta

The Japan-based Asia Partnership Fund and its flagship holding, the hire purchase firm Group Lease Finance Pte, have jumped on board as the newest partners of the Tennis Federation of Cambodia.

The GLF, led by sports loving, tennis playing President, the charismatic Mitsuji Konoshita will sponsor the last two of the three leg ITF sanctioned Cambodian F1 to F3. The Men's \$ 10,000 Futures Series will be organised by the Tennis Federation of Cambodia in Phnom Penh from November 19 to December 9.

Entertainment and gaming sector giants in Indo-China, NagaWorld has already stepped in to sponsor the first leg. All the three events will be staged back to back at the National Training Centre with an estimated players pool of around 100 from 25 nations.

The Cambodian F1 from November 19 to 25 has been labelled as the NagaWorld Cup. The next two in the series will be branded as the GLF-Cham Prasidh Cup (November 26 to December 2) and the GLF-Tep Khunah Trophy (December 3 to 9).

"I am delighted to partner the TFC which has taken Cambodian tennis to a level of excellence that had seemed improbable five or six years ago." The President of the GLF Mitsuji Konoshita declared to the Match Point.

"Our business philosophy is youth driven and it perfectly blends with that of the TFC which has done an outstanding job in revitalising tennis in Cambodia," said Mitsuji Konoshita, who pursued professional tennis until he was 30 before plunging into the world of business.

"NagaWorld strongly believes that sports plays a leading role in nation building. We have been supporting TFC since 2011 and we know fully well that the TFC will once again organise another great event." Vice President Events, Rajesh Kumar said.



MOMENT OF TRIUMPH: Cambodian Mission to Dubai squad celebrate a historic moment in Dubai, Qatar.



NagaWorld Vice President, Entertainment, Events, Promotion Rajesh Kumar and TFC Secretary General Tep Ritha share a rare moment of joy during the unveiling of the national colours for the Davis Cup.

Kumar said, "Our partnership with the TFC during the country's debut season in the Davis Cup was very fruitful and I sincerely hope the Futures will lead to another good year for Cambodian tennis." Rajesh Kumar said.



The President of the Group Lease Finance Major contribution through a new alliance to tennis sponsorship.



GLF President Mitsuji Konoshita, TFC President and Commerce Minister Cham Prasidh (right) share their thoughts with the Secretary General of the TFC Tep Ritha during the inauguration of the GLF's head office in Phnom Penh.



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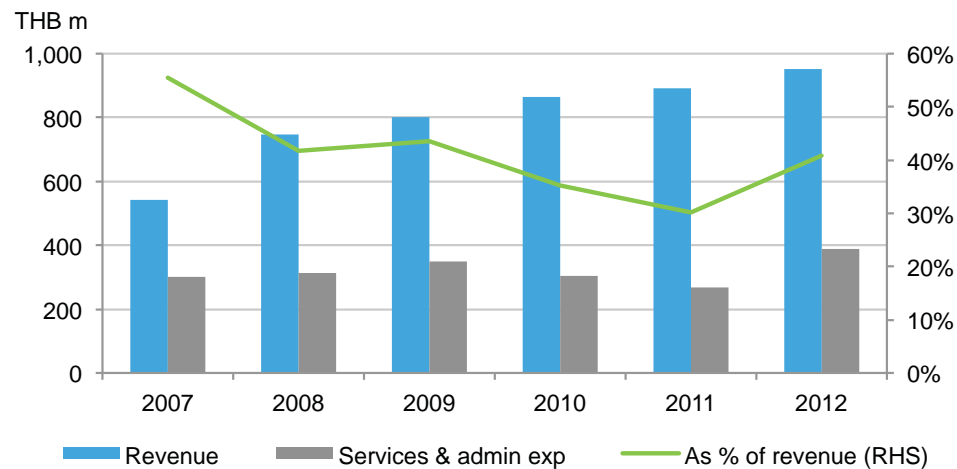


Financial Review

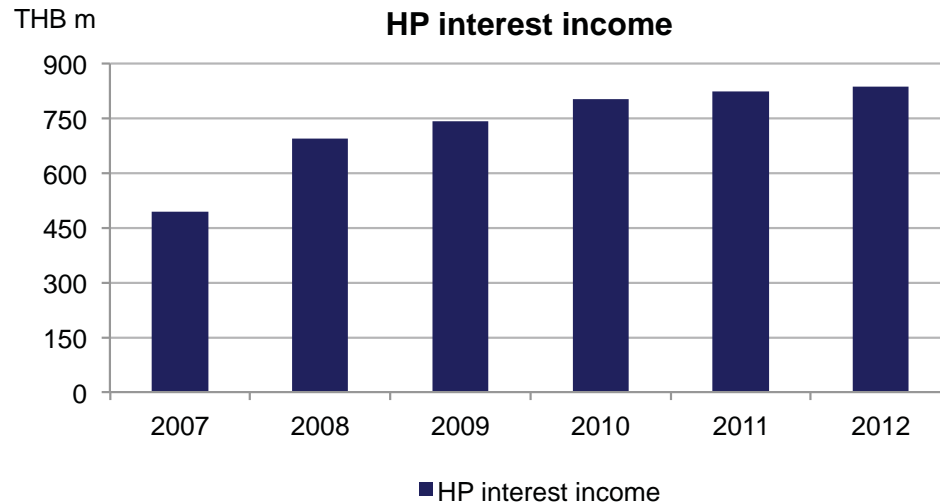


**Questions and
Answers**

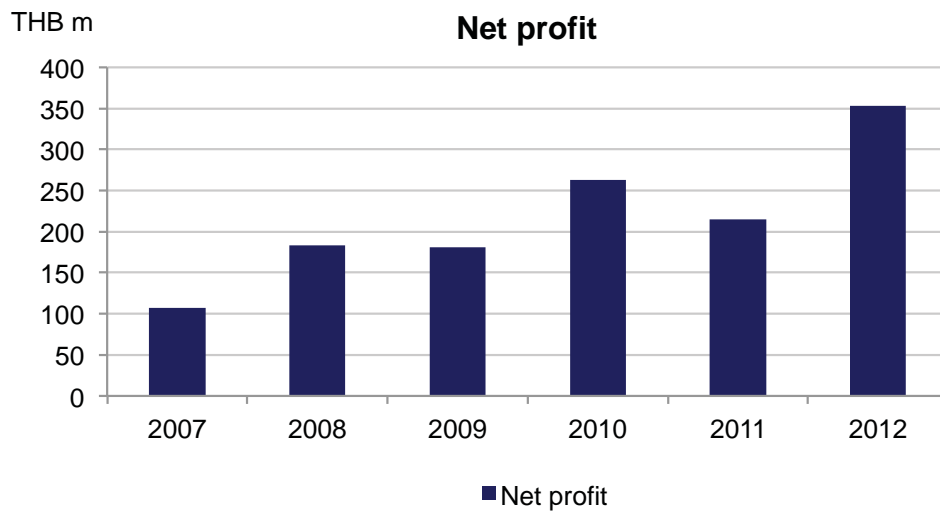
(THB '000)	2012	2011	%YoY	4Q12	4Q11	%YoY	3Q12	%QoQ
Hire purchase interest income	837,221	824,154	1.6%	243,010	183,180	32.7%	220,108	10.4%
Finance cost	(63,004)	(74,658)	-15.6%	(22,615)	(16,350)	38.3%	(16,233)	39.3%
Net interest income	774,217	749,496	3.3%	220,395	166,830	32.1%	203,875	8.1%
Bad debts and doubtful accounts	(45,253)	(205,362)	-78.0%	(5,120)	(87,293)	-94.1%	(8,591)	-40.4%
Net interest income after provision	728,964	544,135	34.0%	215,275	79,538	170.7%	195,284	10.2%
Other income	115,081	67,109	71.5%	29,067	13,788	110.8%	36,551	-20.5%
Services and administrative expenses	(248,457)	(136,289)	82.3%	(70,818)	(24,506)	189.0%	(70,686)	0.2%
Loss on disposals of foreclosed assets	(140,251)	(132,599)	5.8%	(37,120)	(29,308)	26.7%	(29,688)	25.0%
EBT	455,337	342,355	33.0%	136,404	39,511	245.2%	131,461	3.8%
Income tax expenses	(102,094)	(127,278)	-19.8%	(28,695)	(36,431)	-21.2%	(30,602)	-6.2%
Net profit	353,243	215,078	64.2%	107,709	3,081	3396.4%	100,859	6.8%
EPS (THB)	5.13	3.12	64.2%	1.56	0.05	2890.0%	1.46	6.9%



- Achieved 64% net profit growth in 2012
- Growth was driven by both higher revenue and lower costs despite a massive increase in admin expenses to support future expansion and the increase in minimum wages



- Revenue has continuously been on the rise with HP interest income achieving a 5-year CAGR of 11% per annum.



- Changes in allowance for doubtful accounts contributed to an increase in net profits of THB 28.7 mn. Excluding these changes, net profit would still have increased 51% in 2012.

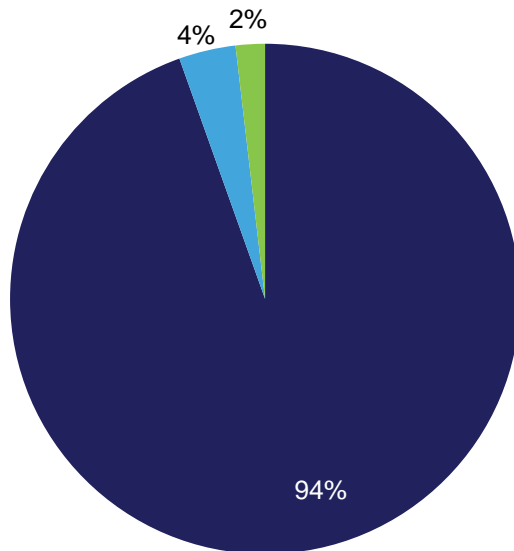
- Allowance for doubtful accounts

	Outstanding AR as of 31 Dec 12 (Bt)	Allowance for doubtful accounts				
		Previous		New		Change
		%	Bt	%	Bt	Bt
Current	2,604,418,221	1	26,044,184	1	26,044,182	(2)
Overdue 1 month	185,488,778	1	1,854,888	10	18,548,878	16,693,990
Overdue 2-3 months	196,973,280	2	3,939,465	20	39,394,656	35,455,191
Overdue 4-6 months	117,784,030	100	117,784,030	40	47,108,942	(70,675,089)
Overdue 7-9 months	37,709,295	100	37,709,295	60	22,616,795	(15,092,499)
Overdue 10-12 months	10,571,186	100	10,571,186	80	8,441,073	(2,130,113)
Overdue > 12 months	12,763,960	100	12,529,151	100	12,388,856	(140,295)
Total	3,165,708,750		210,432,199		174,543,382	(35,888,817)

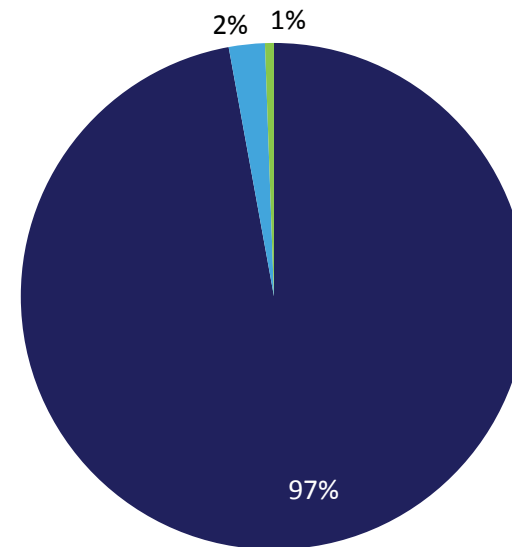
- Accounting adjustments made to better accurately reflect GL's current business circumstances
- Net impact is a decrease in allowance of doubtful accounts by THB35.9m, a decrease in deferred tax by THB7.2m, and an increase in net profit by THB28.7m

* As of 31 Dec 2012

Gross Loans



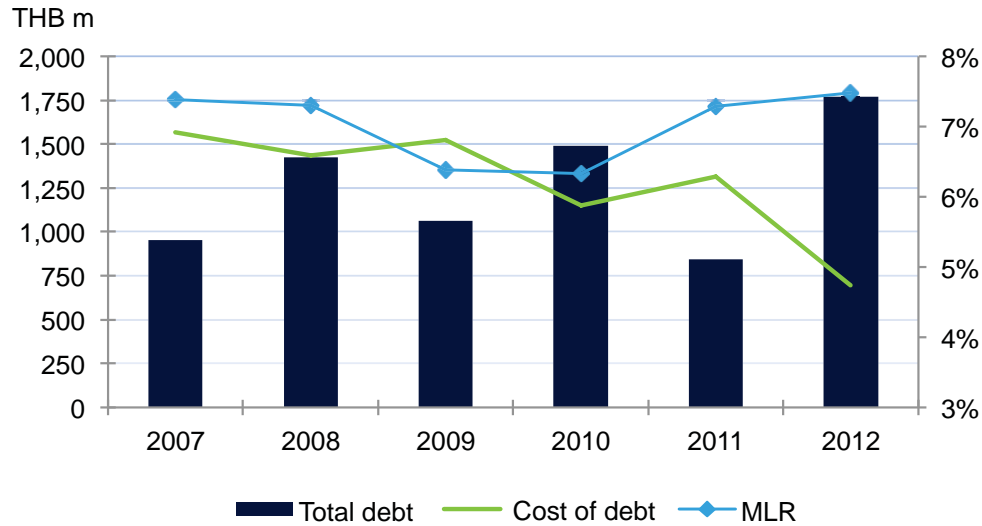
Net Loans



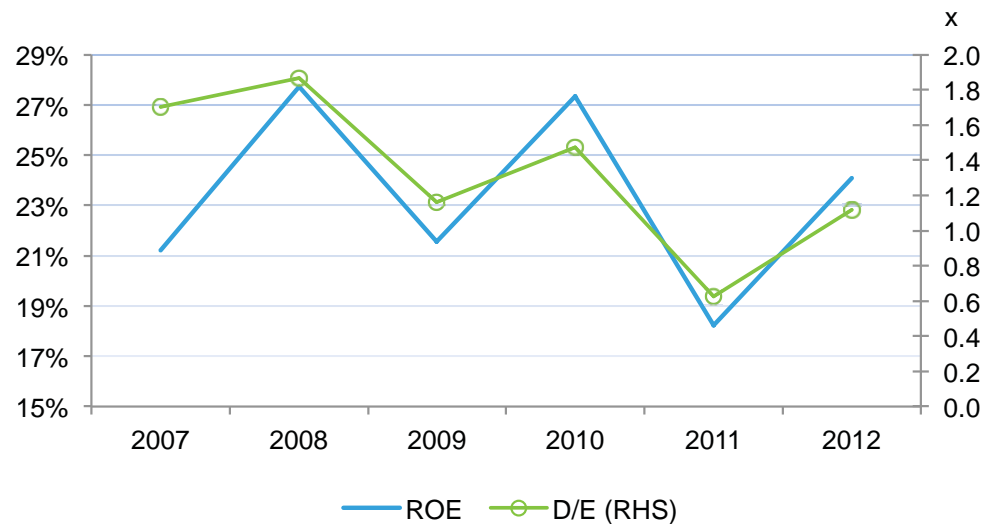
■ Current - 3 months ■ Overdue 4-6 months ■ Overdue >6 months

- This demonstrates GL's ability to acquire good quality customers and maintain a high collection ratio

LOW FUNDING COSTS & HIGH RETURNS

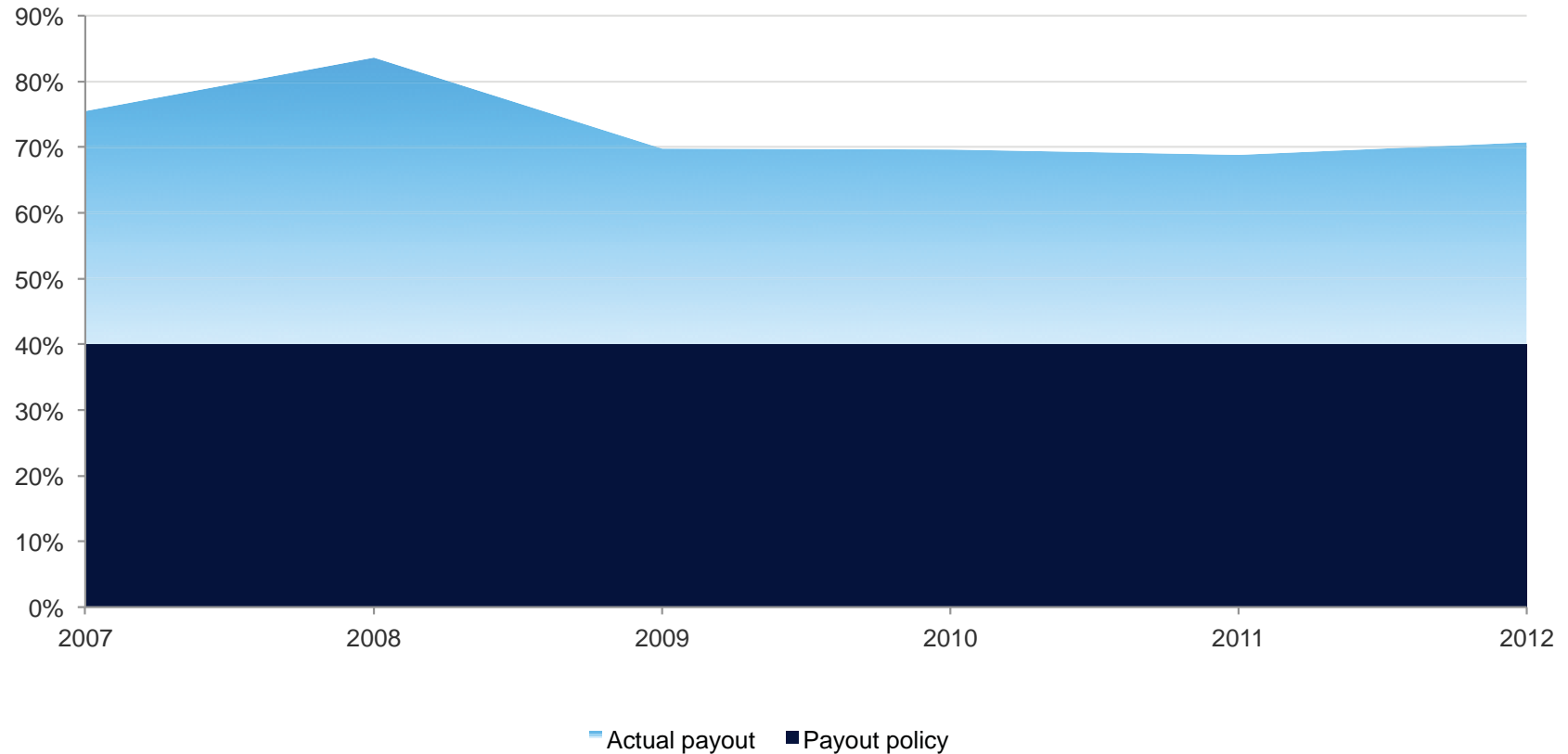


- Larger scale and stronger credibility result in lower costs of debt
- GL's improving financial performance has allowed it to attain lower cost of debt



- Optimizing balance sheet to maximize returns
- GL's low debt to equity ratio will allow the company to continue to expand further

CONSISTENT DIVIDEND PAYMENTS



- Dividend payout policy is *not less than 40% of net profit*
- Past actual dividend payouts have been greater than 60% over the past 6 years
- 2012 Payout equates to 70% of net profit

RECENT CAPITAL DEVELOPMENTS

9,248,828 units

of GL-W2 exercised on the
2nd exercise date

- 9,248,828 ordinary shares at THB 35
- Total = THB 323.71 m

12,967,439 units

of GL-W2 remaining

- Ratio = 1:1 at THB 35

Increased registered capital from

THB 570 m to THB 675 m

- To reserve for stock dividend payment, warrant exercise ratio adjustment, and for the purpose of general mandate (right offering)

Announced an interim dividend (3Q12) of THB 1.00/share (XD: 29 Mar 13)

Proposing a change of par value
from THB 5.0 to THB 0.5/share



Proposing a final dividend of THB 1.020/share
(XD: 9 May 13)

Stock dividend:

ratio = 5.45 : 1 equivalent to THB 0.9180/share at THB 5 par
or THB 0.0918/share at THB 0.5 par

Cash dividend:

THB 0.1020/share at THB 5 par or
THB 0.0102/share at THB 0.5 par



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