

HOTAI MOTOR CO., LTD.

2207TT

Agenda

- Company Introduction
- 2017 Operating Results
- 2018 Market Outlook
- 2018 Hotai Group Operating Highlights
- QA

Company Introduction

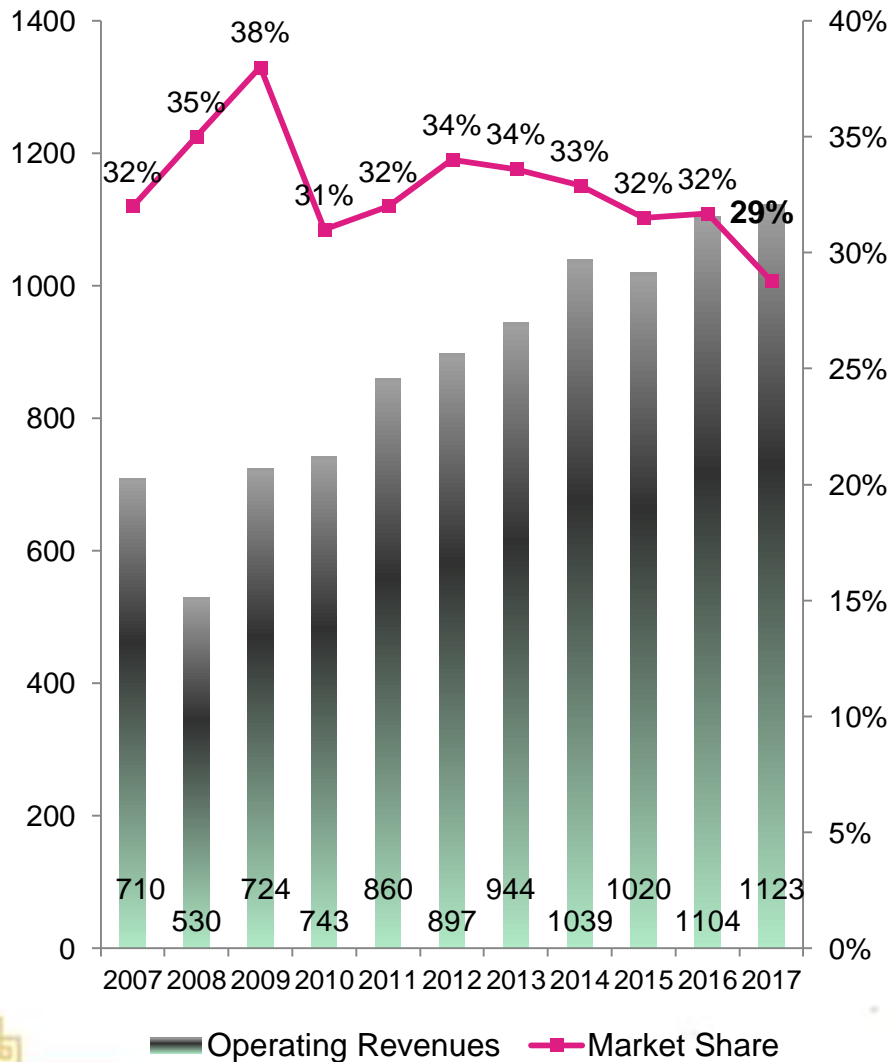
1. Hotai Motor Basic Data

Establishing date: September 1947		
Founder: Mr. Huang Lieh-Ho		Honorable Group Chairman: Mr. Su Yann-Huei
Chairman: Mr. Huang Nan-Kuang	President: Mr. Justin Su	Executive Vice President: Mr. Katsuhito Ohno
Capital amount: NT\$5.462 billion	Sales turnover: NT\$112 billion (2017)	Employees: 538 people (2017)
Product brands: TOYOTA, LEXUS, HINO Trucks, TOYOTA Industrial Equipment		

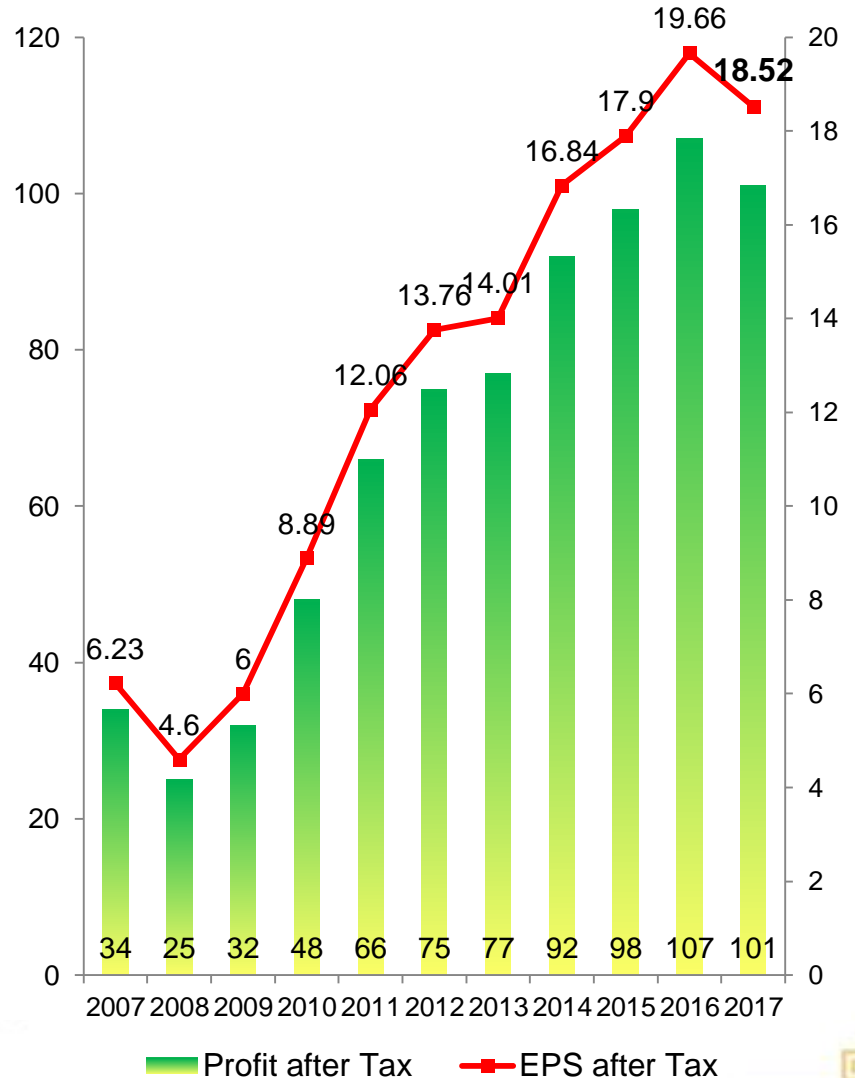


2. Operation and Financial Results

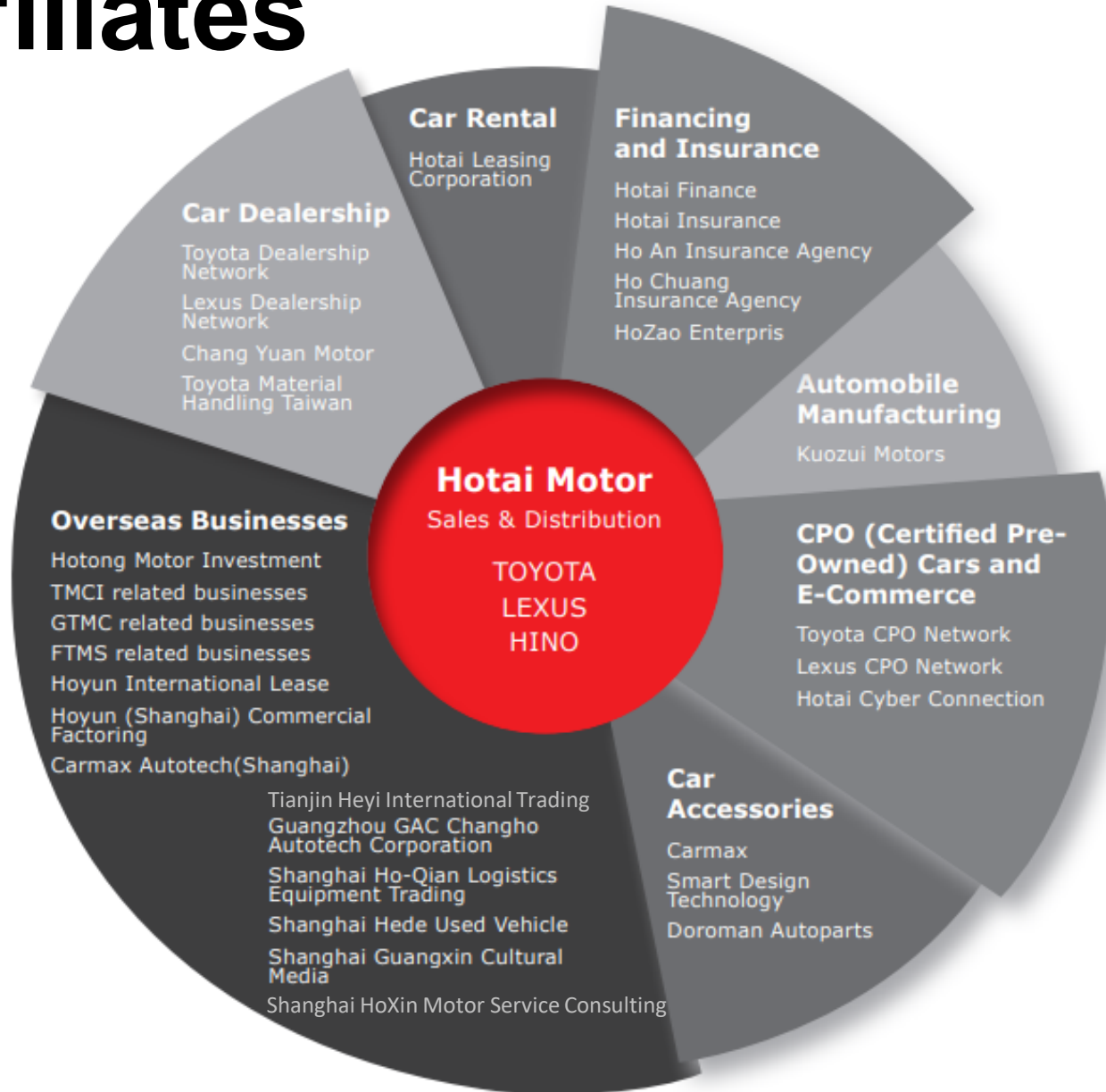
NT\$100mn



NT\$100mn



Affiliates



2018 First Half Financial Results

Unit: NTD thousands

ITEM	6 MONTHS ENDED JUN. 30, 2018	%	6 MONTHS ENDED JUN. 30, 2017	%
Operating revenue	81,099,140	84.98%	78,984,732	86.33%
Leasing income	6,693,560	7.01%	6,279,607	6.86%
Interest income	2,869,457	3.01%	2,420,673	2.65%
Others	4,774,790	5.00%	3,811,033	4.17%
<u>Total Income</u>	95,436,947	100.0%	91,496,045	100.0%
COGS	71,729,134	75.16%	70,186,750	76.71%
Operating expenses	6,900,486	7.23%	6,117,552	6.69%
Leasing cost	4,671,689	4.90%	4,779,785	5.22%
Others	3,972,055	4.16%	2,754,921	3.01%
<u>Total Expense</u>	87,273,364	91.4%	83,839,008	91.6%
Profit before income tax	8,163,583	8.55%	7,657,037	8.37%
Income tax expense	2,084,928	2.18%	1,567,592	1.71%
<u>Net profit</u>	6,078,655	6.37%	6,089,445	6.66%
<u>Profit attributable to owners of parent</u>	5,266,962	5.52%	5,368,269	5.87%
<u>EPS</u>	9.64		9.83	

Information about segment profit or loss

Unit: NTD thousands

6 MONTHS ENDED JUN. 30, 2018						
	Distributor of TOYOTA and HINO products segments	Installment trading segments	Leasing segments	Other segments	Reconciliation and elimination	Total
Total segment revenue	60,644,494	3,855,096	9,571,734	30,406,757	(9,041,134)	95,436,947
Segment income*	6,405,751	1,090,020	488,611	3,740,832	(3,561,631)	8,163,583

6 MONTHS ENDED JUN. 30, 2017						
	Distributor of TOYOTA and HINO products segments	Installment trading segments	Leasing segments	Other segments	Reconciliation and elimination	Total
Total segment revenue	61,219,216	3,468,225	9,176,086	25,080,403	(7,447,885)	91,496,045
Segment income*	6,416,790	872,132	395,329	2,750,191	(2,777,405)	7,657,037

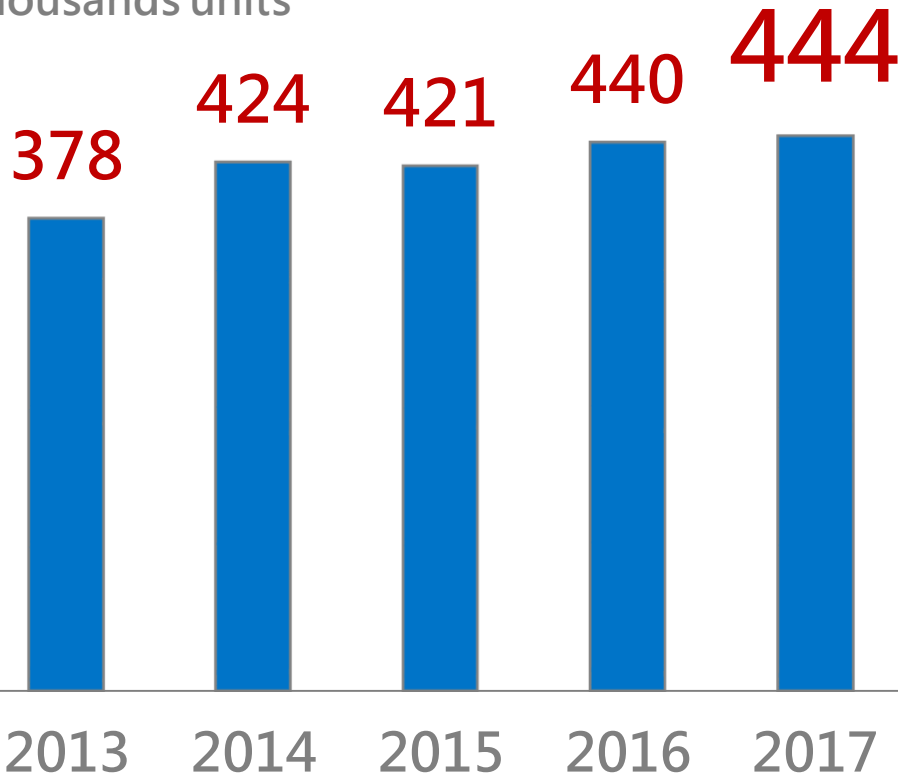
*Segment income means pre-tax profit

2017 Operating Results

2017 Market Review

Total Market

thousands units



去年新車銷量 創12年新高

逾44.4萬輛

據信譽/台北報導
進口車與運動休旅車 (SUV) 領軍，加上舊換新補貼政策持續發酵，推升2017年國內車市復甦，總銷量突破44.4萬輛，創下12年新高。進口車市占率則達41.7%新高紀錄，SUV占比達32%躍升最受歡迎車種。展望2018年車市，車商多半「審慎樂觀」看待，估計維持40萬~44萬輛平盤。進口車占比恐將進一步推展至45%以上。

車商分析，12月各車商操作盤算不一，包括中華三菱、裕隆日產、台灣福斯等車商在年度目標獲達成後，中旬起紛紛放慢交車進度，企圖保留訂單衝高今年元月業績。也因此原本首屆第四的台灣本田，12月正常交車「無保留」下，單月市占一舉衝高至市場第二。

包括像史可維 (Skoda) 等部分進口車商，也由於船期較晚，從歐陸運抵元月再交車。業者估計，12月總量至元月的新車訂單估計達2,000~3,000張，可望推升元月車市規模有上看4.8萬輛的實力，較去年同期約4.5萬輛進一步增加。

另有車商透露，部分業者為衝刺目標填補，要求經銷商在11~12月大領新中古車為業績灌水，避免影響隔年1月正常銷售。但批發新中古車等過程，經銷商則無。

車商	新車銷牌數 (輛)	市占率 (%)	年增率 (%)
和泰豐田	126,084	28.8	-0.2
中華三菱	48,248	10.9	4.0
裕隆日產	42,631	9.6	-4.7
台灣本田	34,071	7.7	
裕隆福特	26,017	6.3	
台灣福特	22,809	5.1	
裕隆福特	22,809	5.1	

車市去年豐收 衝上44.4萬

掛牌數寫12年新高 和泰車、中華三菱分別蟬聯亞軍 業者預期今年

記者邱智偉/台北報導
2017年台灣車市掛牌總數達44.46萬輛，年增1.1%，創下12年新高。進口車市占率則達41.7%新高紀錄，SUV占比達32%躍升最受歡迎車種。展望2018年車市，車商多半「審慎樂觀」看待，估計維持40萬~44萬輛平盤。進口車占比恐將進一步推展至45%以上。

17年上半年受到年終大減價、舊換新補貼政策發酵，推升2017年國內車市復甦，總銷量突破44.4萬輛，創下12年新高。進口車市占率則達41.7%新高紀錄，SUV占比達32%躍升最受歡迎車種。展望2018年車市，車商多半「審慎樂觀」看待，估計維持40萬~44萬輛平盤。進口車占比恐將進一步推展至45%以上。

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2017 Operating Review



Results



128,084 Units

TOYOTA 113,622 + LEXUS 14,462



No. 1 in 16 consecutive years

2018 Market Outlook

2018 Market Outlook

2018 total market
expected to reach

440,000 units



1

Stable
Economy
Environment



2

Policy Support
Commodity-tax
rebate policy



2018 Target for



Sales units

131,000 units

Market share

30%

TOYOTA 115,000 units + LEXUS 16,000 units



2018 Operating Highlights

2018 Operating Highlights



1. Continuing to introduce new models and enhance the competitiveness of the current models.

Q1

SIENNA



ALPHARD



2018 Operating Highlights

和泰汽車



YARIS VIOS

Q2

內外革新 x 全面升級

全新進化
大器外觀

質感躍進
超乎想像

駕乘體驗
顛覆期待

極致安全
絕不妥協



2018 Operating Highlights



ALL NEW

ALL NEW

AURIS

Q4



2018 Operating Highlights



2. Amazing Services

VR safety experience

TSS/VSC/TRC/HAC

TOYOTA VR 體驗

VR- car exhibition

for few imported car

Coming Soon



2018 Operating Highlights



3. Social Media Management



4 million members
keep increasing ↑



Official channel is
under preparation

2018 Operating Highlights



4. YOUNG the Brand



2018 Operating Highlights



1. Continuing to introduce new models and enhance the competitiveness of the current models.

LS 350

Feb.



UX

Year
end



2018 Operating Highlights

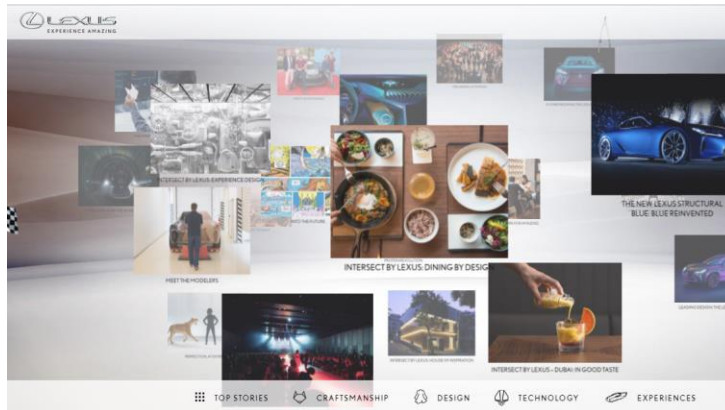
2. Strengthen experienced marketing to empower the brand



2018 Operating Highlights



3. Strengthen digital media management



2018 Operating Highlights



4. Sales Location



2018 Flagship Sales
Location: **2**



Maintenance service
Location: **1**

2018 Operating Highlights



5. Amazing Services



Coffee Experience
(LEXUS x UCC)



Smart Robot
Pepper

2018 Operating Highlights

Continuing to introduce new models and enhance the competitiveness of the current models.

All New
RM

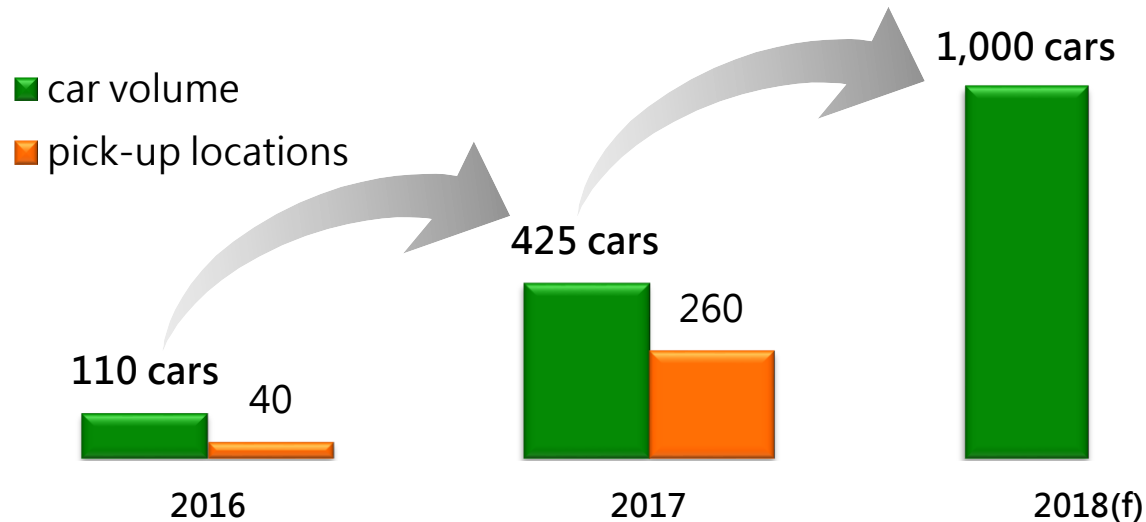


Target for Commercial Vehicles: **6,000** units

Operating Highlights for subsidiary



- Increase Car Volume for iRent



- Cross-Industry Collaboration

- Continuously expanding to new vehicle pick-up locations through Cross-Industry collaboration.

Operating Highlights for subsidiary



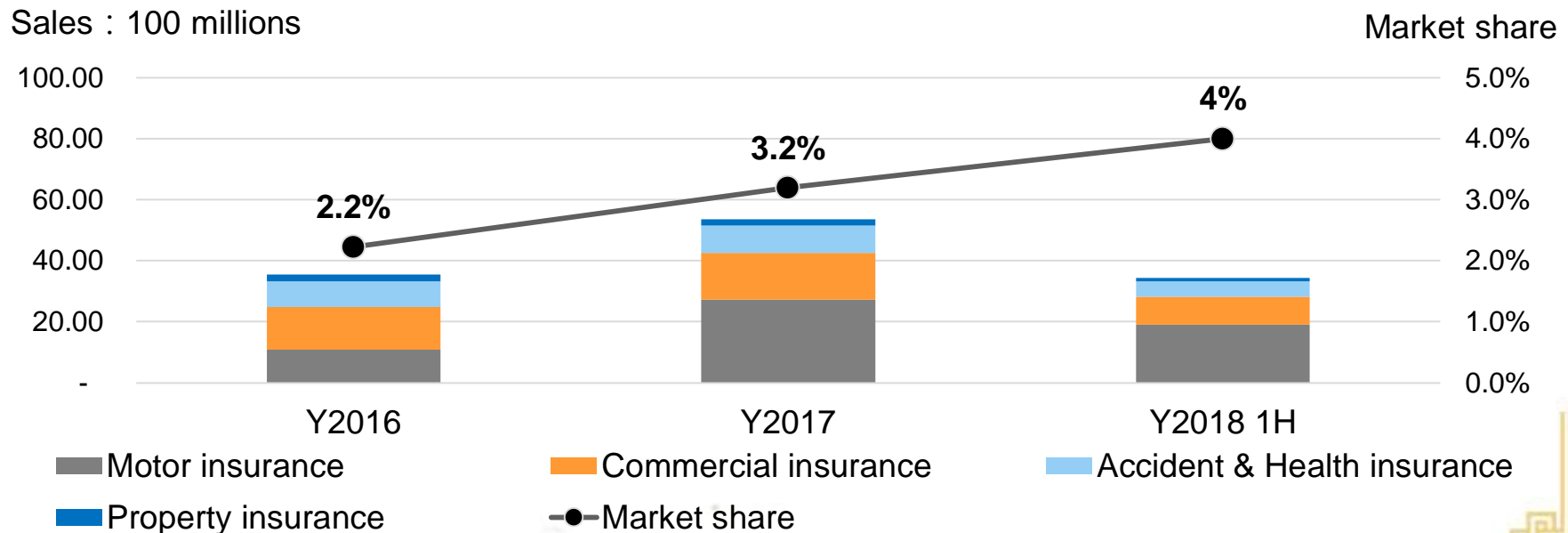
- Continuing to introduce new type of car accessories to meet customers' needs.
- Developing global supply chain for TMC



Operating Highlights for subsidiary



- To provide one-stop service for customers, Hotai has invested Hotai Insurance since Jan. 2017.
- Market share and sales breakdown for Hotai Insurance :



2018 CSR

300,000
trees 

一車  一樹

讓愛啟動

CR volunteers
activities

Media promotion

2018 CSR

Hotai National Blood Donor Month



Donating the **10th** Blood Bus
Accumulation of blood donation
exceeds **150 million** c.c.

2018 CSR



Donate Crossing Guard Equipment



Road Safety Storytelling Tour

Maintaining road safety for millions of elementary school students in Taiwan

Q&A