ASEAN Light Vehicle Sales Update

ASEAN Sales Closed H1 2016 With Positive Result and Will Rebound in H2 From New Models

In the first six months, overall Light Vehicle (LV) sales in ASEAN increased by 2% YoY thanks to strong sales in June. Separate by the vehicle type, Passenger Vehicle (PV) YTD sales saw increasing growth in all countries except Malaysia, while Light Commercial Vehicle (LCV) YTD sales were opposite due to weak sales in Indonesia and Malaysia. Businesses in both countries cut and delay their spending as there were no significant positive economic signals. In Thailand, LCV sales rose by 1% YoY even though the economy remained weak. This was because of model activity and aggressive sales campaigns for pickups. Also, pickup trucks in Thailand are used for personal and commercial purposes.

LV sales in Indonesia increased by 2% YoY in H1 2016 since the PV demand (+13% YoY) could offset the sluggish LCV sales (-30% YoY). PV sales largely were driven by SUVs, in particular the new models: Honda BR-V, Honda HR-V, Toyota Fortuner, and Mitsubishi Pajero Sport. These models contributed to 16% of the total Indonesian market in H1 2016. The SUV share of the total market rose from 14% in 2015 to 22% in H1 2016.

The Multi Purpose Vehicle (MPV), which is the largest sales segment in Indonesia, increased by 11% YoY in H1 2016 thanks to strong demand for the new version of the Toyota Innova, facelifted Toyota Avanza, and its sister model Daihatsu Xenia and also for the Low Cost Green Car (LCGC) MPV Datsun Go+. The MPV share of the total market increased from 36% in 2015 to 38% in H1 2016, but its share of total PV sales dropped from 47% in 2015 to 45% in H1 2016. Note that the MPV/Minivan share stood at 54% in 2014 and 60% in 2013.

SUVs are likely to steal share from MPV after automaker introduced the compact SUV with the affordable prices and also the 7-seaters SUVs which directly compete to MPV. (please see table)

Share of PVs sales Indonesia market	H1 2016	2015	2014	2013
MPV/Miniivan	45%	47%	54%	60%
SUV	27%	19%	14%	16%
Car	28%	34%	32%	24%

However, MPV sales are expected to increase in the second half of this year after the Toyota group introduced its MPV LCGC models in August: Toyota Calya and Daihatsu Sigra.

Moving to the Malaysian market, sales performance in H1 2016 declined by 13% YoY; LCVs dropped by 2%, PVs by 14%.

However, the Malaysian market is expected to rebound in H2 2016 supported by national brand launching new models (Perodua and Proton): the first sedan Perodua Bezza in July, an all new Proton Perdana in June, a forthcoming new Proton Persona in August, Proton Saga in September, and the Proton rebadged Suzuki Ertiga in October this year.

Proton launching its four new models in H2 2016 led to the weak sales performance in H1 2016 and to it losing its share to the other national brand, Perodua. The national brand share of the Malaysian market remained at the same levels 48.2% and 48.5% in 2015 and H1 2016, but Proton's share dropped from 15.6% of total market in 2015 to 13.0% in H1 2016.

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For non-national brands, Honda's YTD sales dropped by 9% YoY but was better than the overall market (-13%) and Proton (-28%). So, Honda became the 2nd top-selling brand in the country instead of Proton

ASEAN Top Lines

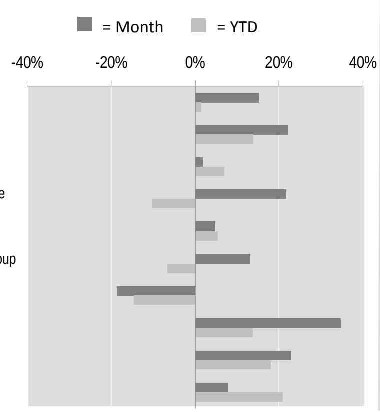
	Jun	Growth	YTD	Growth	2016	Growth
Sales	276,511	12%	1,510,163	2%		
PV	203,884	19%	1,075,408	5%	2,208,579	3%
LCV	60,828	-7%	363,132	-5%	743,907	-6%
M&H CV	11,799	5%	71,623	5%		
Production	333,076	3%	1,982,494	-1%		
PV	214,360	4%	1,265,467	-1%	2,511,431	-2%
LCV	106,104	0%	636,564	1%	1,285,920	-1%
M&H CV	12,612	13%	80,463	-6%		

Market Performance

		Jun	Growth	Share	YTD	Growth	Share
Thailand	PV	35,022	24%	55%	188,228	-1%	53%
	LCV	28,708	-4%	45%	168,782	1%	47%
Malaysia	PV	50,740	1%	89%	243,424	-14%	89%
	LCV	6,389	4%	11%	30,860	-2%	11%
Indonesia	PV	76,371	26%	88%	420,170	13%	83%
	LCV	10,620	-38%	12%	83,678	-30%	17%
Philippines	PV	28,821	38%	79%	146,682	28%	78%
	LCV	7,500	28%	21%	40,322	25%	22%
Vietnam	PV	12,930	20%	63%	76,904	19%	66%
	LCV	7,611	18%	37%	39,490	20%	34%

Group Sales Performance

ASEAN GROWTH RATE



YTD VOLUMES

	Asean Volume	Asean Growth	Thailand Volume	Thailand Growth	Malaysia Volume	Malaysia Growth	Indonesia Volume	Indonesia Growth	Philippines Volume	Philippines Growth	Vietnam Volume	Vietnam Growth
Toyota Group	504,831	1%	109,645	-11%	30,918	-20%	263,818	5%	73,208	26%	27,242	0%
Honda Group	218,908	14%	53,952	-2%	39,654	-9%	109,662	35%	11,178	28%	4,462	18%
Mitsubishi Motors	103,900	7%	28,592	21%	5,282	-6%	36,996	-9%	29,504	20%	3,526	28%
Perodua Automotive	97,370	-10%	0	N/A	97,370	-10%	0	N/A	0	N/A	0	N/A
Isuzu Motors	91,041	5%	66,970	5%	6,111	6%	4,815	-17%	12,689	27%	456	-45%
Renault-Nissan Group	80,532	-7%	23,136	-10%	21,374	-9%	26,984	-11%	7,565	49%	1,473	-8%
Suzuki Group	70,841	-14%	10,736	2%	87	-95%	49,683	-21%	6,613	37%	3,722	34%
Hyundai Group	60,746	14%	1,901	-11%	4,971	-19%	1,346	-52%	20,071	29%	32,457	22%
Ford Group	53,799	18%	18,032	26%	4,247	-36%	228	-91%	16,769	61%	14,523	24%
Mazda Motors	47,842	21%	21,160	26%	7,346	12%	3,184	-30%	1,869	18%	14,283	42%

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