



SOLLERS GROUP

2013 IFRS RESULTS

- 
- 2013 SOLLERS STRATEGIC DEVELOPMENTS
 - RUSSIAN AUTOMOTIVE MARKET OVERVIEW
 - SOLLERS OPERATING AND FINANCIAL PERFORMANCE IN 2013
 - SALES STRUCTURE AND DEBT POSITION
 - SOLLERS' JOINT VENTURES' RESULTS
 - 2014 OUTLOOK

RECENT STRATEGIC DEVELOPMENTS

February 2013

SOLLERS-BUSSAN JV started the production of Toyota Land Cruiser Prado in Vladivostok



April 2013

SOLLERS-ISUZU JV started the production of a new ISUZU NQR90 chassis with a payload of 6.6 tons in Uliyanovsk



April 2013

MAZDA SOLLERS JV started the production of a new Mazda 6 sedan in Vladivostok



April 2013

Ford Sollers JV launched CKD assembly of the Ford Explorer



May 2013

Ford Sollers JV started construction of the engine plant in Tatarstan

June 2013

Ford Sollers JV launched assembly of Ford Tourneo Custom MPV



RECENT STRATEGIC DEVELOPMENTS

August 2013

UAZ launched the production and sales of a new Patriot model with Dymos transfer gearbox (Korea) and new interior



August 2013

MAZDA SOLLERS JV launched the production of SsangYong Actyon 2014 with restyled exterior and interior

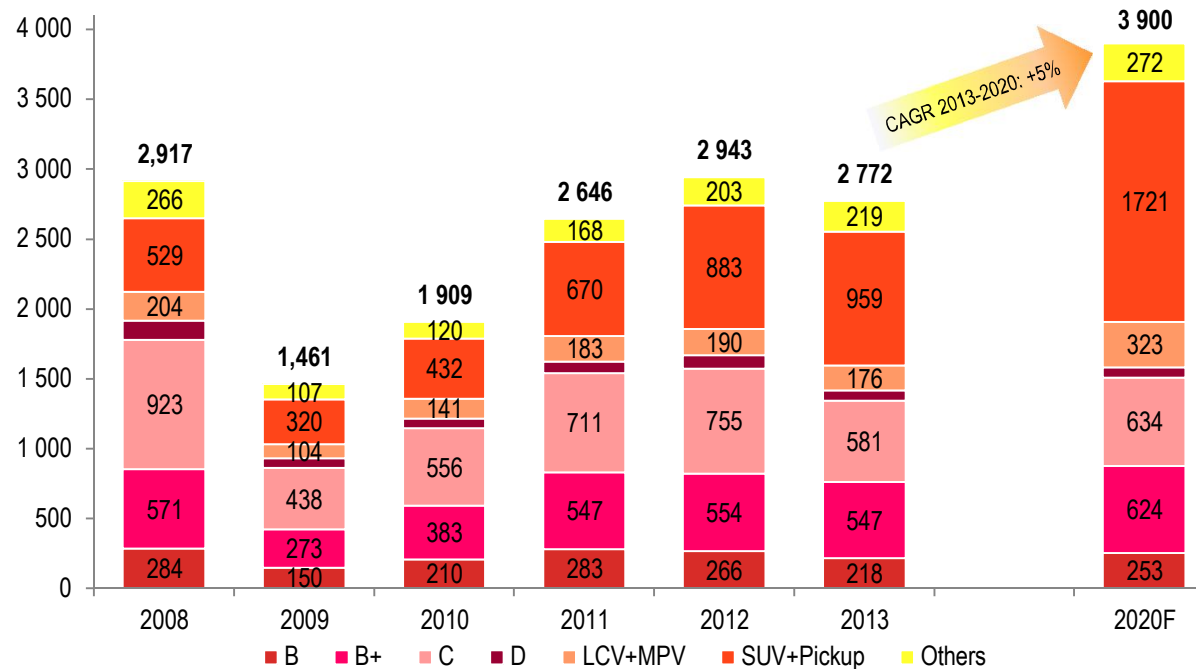


October 2013

Ford Sollers JV launched CKD assembly of the Ford Kuga crossover



RUSSIAN AUTOMOTIVE MARKET 2008-2020, K UNITS*



SHORT-TERM MARKET TRENDS

- Overall slowdown of the economy pushes automotive sales down
- FY2013 sales of new passenger cars and light commercial vehicles reached 2.77 mils units, 5.8% below last year's record level
- Interest rates on car loans remain high
- One of the major trends - SUV segment continues to grow (+9% in 2013 y-o-y)
- Weak rouble and low disposable income are main reasons of the short-term decrease in consumer confidence, which creates deferred demand

LONG-TERM DRIVERS FOR MARKET GROWTH

- The market is expected to grow as economy recovers
- Low car density in Russia: 281 vehicles per 1000 capita (compared to 577 in Western Europe)
- Old car park: average passenger car age in Russia is 12 years (every third car is older than 15 years)
- The share of credit sales is 38% which is significantly lower than industry average

* Retail domestic sales, source- AEB (Association of European Businesses)

SOLLERS GROUP WHOLESALAS, K UNITS

	2013	2012	CHANGE
Consolidated sales volume	98	103	(5%)
UAZ	63	70	(10%)
Hunter	8	10	(25%)
Patriot	20	22	(9%)
Old LCV, MPV model range	30	33	(9%)
New LCV model range	5	5	2%
SsangYong	35	33	8%
Rexton	1	2	(59%)
Kyron	12	12	2%
NEW Actyon (incl. Actyon Sports)	22	19	16%

SOLLERS' JV WHOLESALERS, K UNITS

	2013	2012	CHANGE
JVs sales volume	139	138	1%
FORD SOLLERS	105	134	(22%)
Focus	63	94	(33%)
Mondeo	7	14	(54%)
Transit	15	13	15%
Kuga	13	5	157%
Explorer	5	3	93%
Other models	3	6	(55%)
SOLLERS ISUZU	1.6	0.7	129%
MAZDA SOLLERS	26	3	>100%
CX-5	20	3	>100%
Mazda 6	6	0	-
SOLLERS BUSSAN (TOYOTA LC PRADO)	7	0	-

2013 FINANCIAL RESULTS

	2013	2012	GROWTH	2013	2012	GROWTH
	RUB MLN.			USD MLN.*		
Sales	61,317	65,549	(4,232)	1,925	2,108	(183)
EBITDA	6,387	7,652	(1,265)	201	246	(45)
EBITDA margin	10.4%	11.7%	(1.3%)	10.4%	11.7%	(1.3%)
Operating income	5,241	7,245	(2,004)	165	233	(68)
Operating income margin	8.5%	11.1%	(2.6%)	8.5%	11.1%	(2.6%)
Net profit/(loss) for the period	3,625	5,843	(2,218)	114	188	(74)
Operating cash flow	6,163	6,434	(273)	194	207	(13)
Free cash flow	6,923	5,747	1,176	218	185	33
Net debt at the end of the period	3,491	7,880	(4,389)	107	260	(153)

* \$ average exchange rate: 2012 – 31.09
 2013 – 31.85
 31/12/2012 – 30.37
 31/12/2013 – 32.73

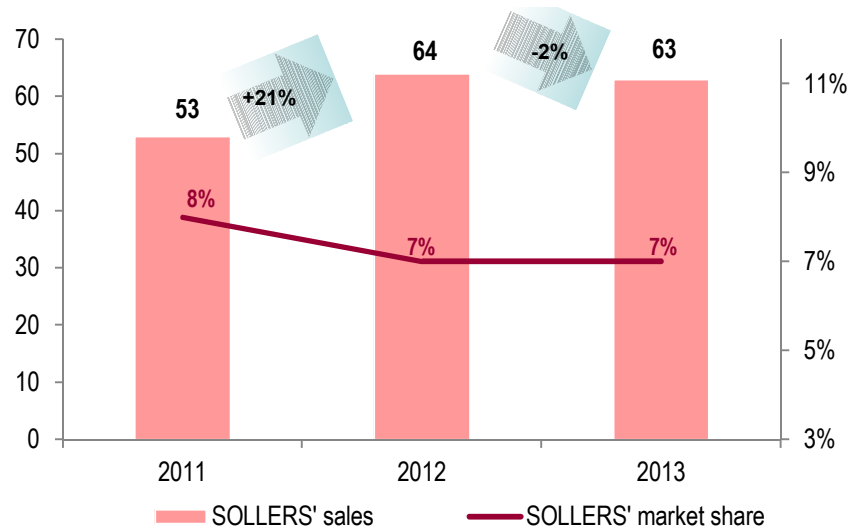
On the back of strong financial performance in 2013 on April 7, 2014, SOLLERS' Board of Directors proposed a dividend of RUB 52.52 per share, which implies 10% yield (as of 04.04.2014)

SOLLERS' DIVIDEND HISTORY

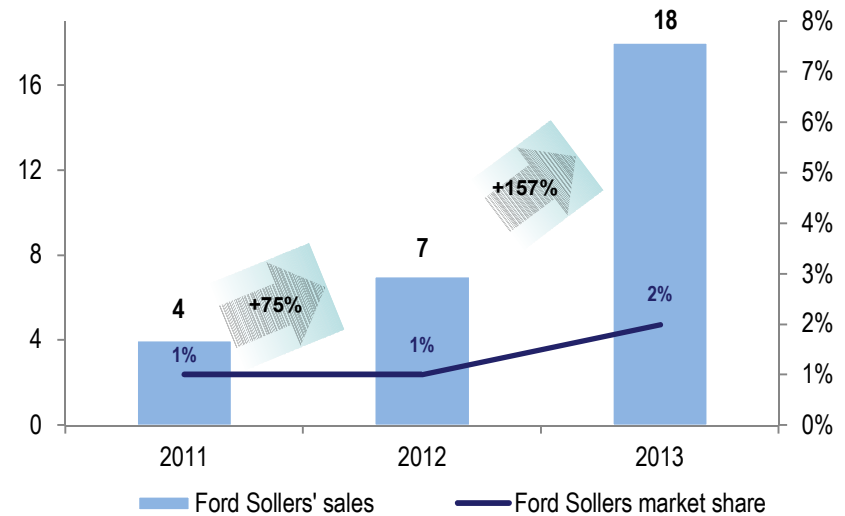
	2003	9M 2004	2004	2005	2006	2007	1H 2008	2012	P2013
Dividend per share (RUB)	17.00	10.00	11.00	14.00	19.70	29.18	16.00	52.52	52.52
Declared dividend (MLN RUB)	375	298	328	480	675	1,000	548	1,800	1,800
Dividend yield (as of record date)	n/a	n/a	n/a	2%	2%	2%	2%	7%	10%*
Payout ratio	0.4	n/a	0.2	0.3	0.4	0.4	n/a	0.3	0.5
Record date	09.01.2004	28.10.2004	21.04.2005	21.04.2006	01.04.2007	11.04.2008	05.09.2008	08.04.2013	n/a

* As of 04/04/2014

SOLLERS' SUV + PICKUP SALES 2011-2013, K UNITS*



FORD SOLLERS' SUV + PICKUP SALES 2011-2013, K UNITS*



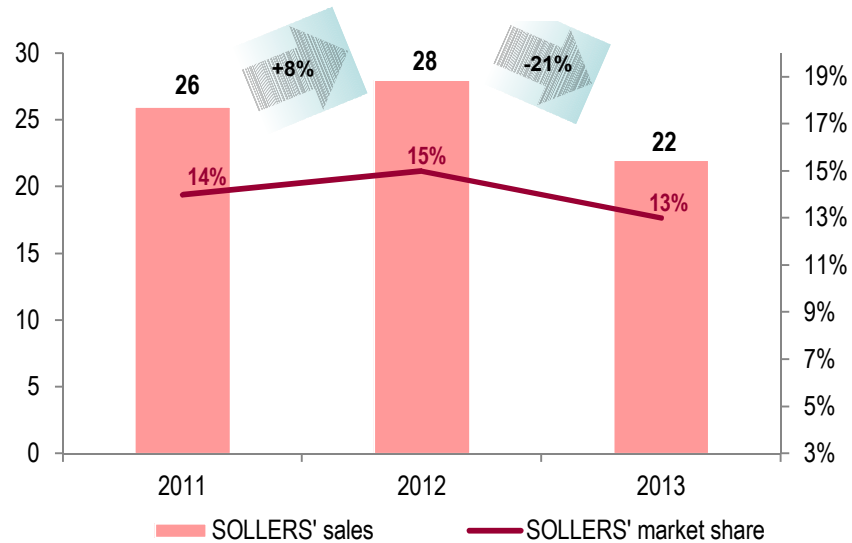
MARKET TRENDS IN 2013

- Growth in the segment of foreign brands assembled in Russia – 19%
- Major increase in crossover subsegment – 15%
- SsangYong sales of SUV grew by 9%, in line with SUV market. The growth mainly driven by the sales of Actyon crossover
- UAZ SUV sales decreased by 11% due to decline in sales of UAZ Hunter (old SUV model range)

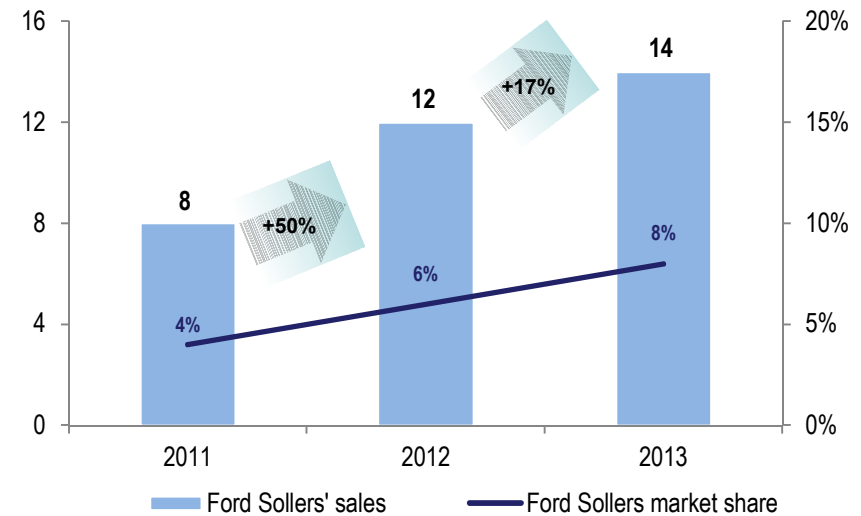
* Source– AEB (Association of European Businesses), Company

SALES OF LIGHT COMMERCIAL VEHICLES (LCV+MPV+CDV) 2011-2013

SOLLERS' LCV SALES 2011-2013, K UNITS*



FORD SOLLERS' LCV SALES 2011-2013, K UNITS*



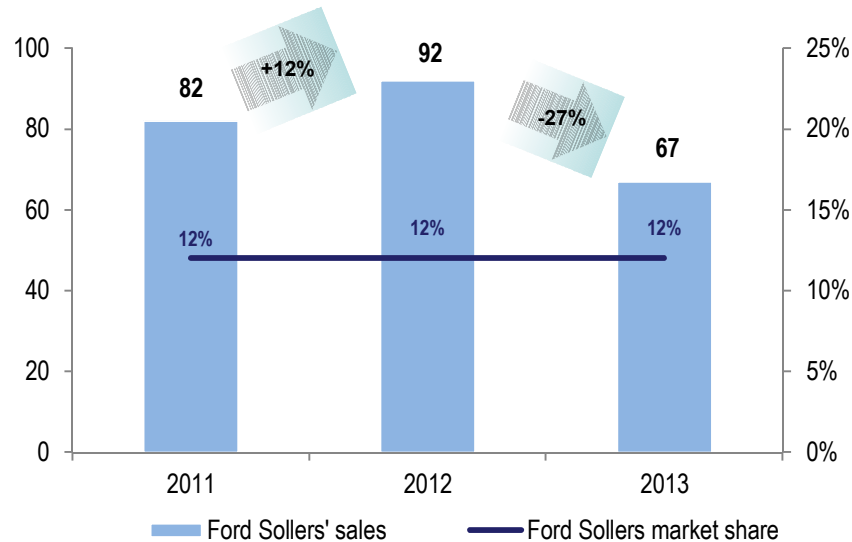
MARKET TRENDS IN 2013

- UAZ is #2 producer of LCVs in Russia with 13% market share in 2013
- Ford increased its LCV market share from 6% in 2012 to 8% as of the end of 2013

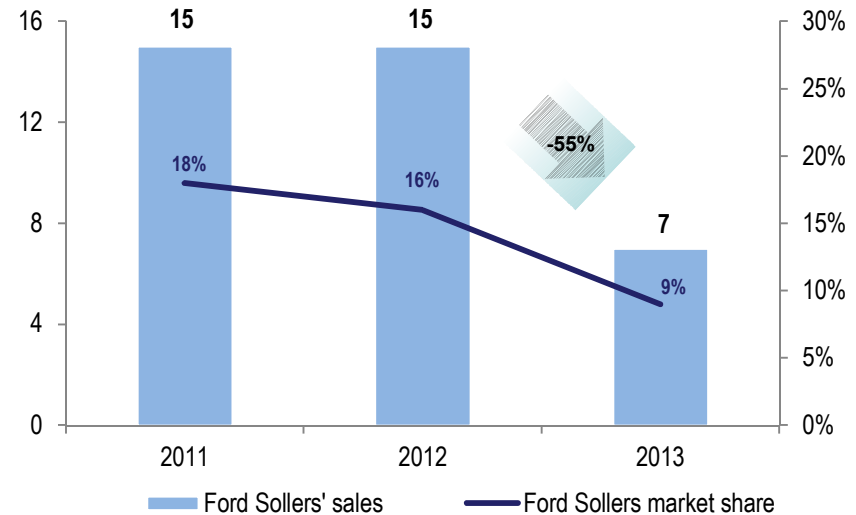
* Source– AEB (Association of European Businesses), Company

SALES OF PASSENGER CARS: C & D SEGMENTS 2011-2013

FORD SOLLERS' C- CLASS SALES 2011-2013, K UNITS*



FORD SOLLERS' D- CLASS SALES 2011-2013, K UNITS*



MARKET TRENDS IN 2013

- C-segment went down by 23%
- The segment of foreign brands assembled in Russia remains its market share of 48%
- Ford Sollers' sales slowdown due to segment maturity and strong competition from B+ and SUV segments

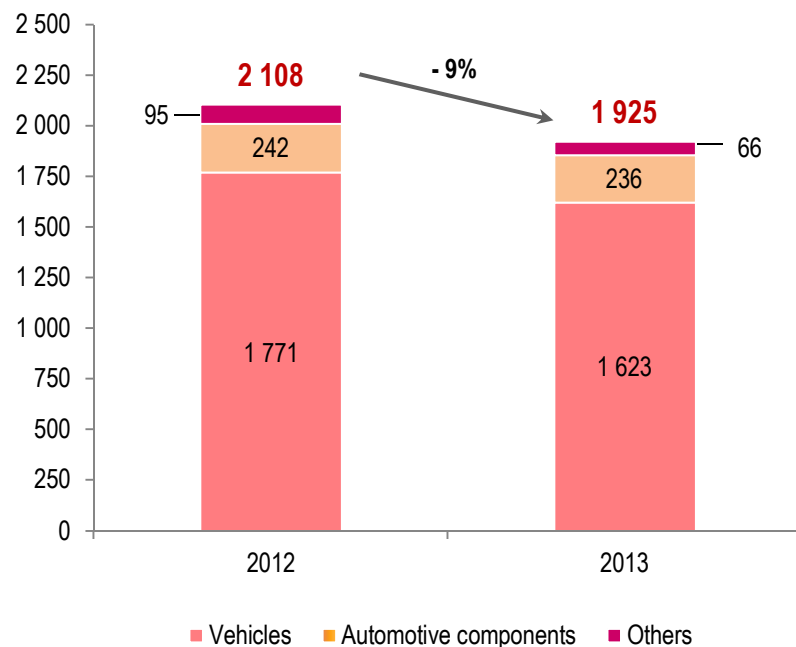
MARKET TRENDS IN 2013

- In 2013 the Russian market for D-class cars decreased by 21%
- The segment is represented by imported vehicles and foreign brands assembled in Russia
- In 2013 the segment of foreign brands assembled in Russia faced strong competition from imported vehicles, which market share went up from 76% in 2012 to 84% in 2012
- Ford Sollers sales decreased by 55% due to production constraints

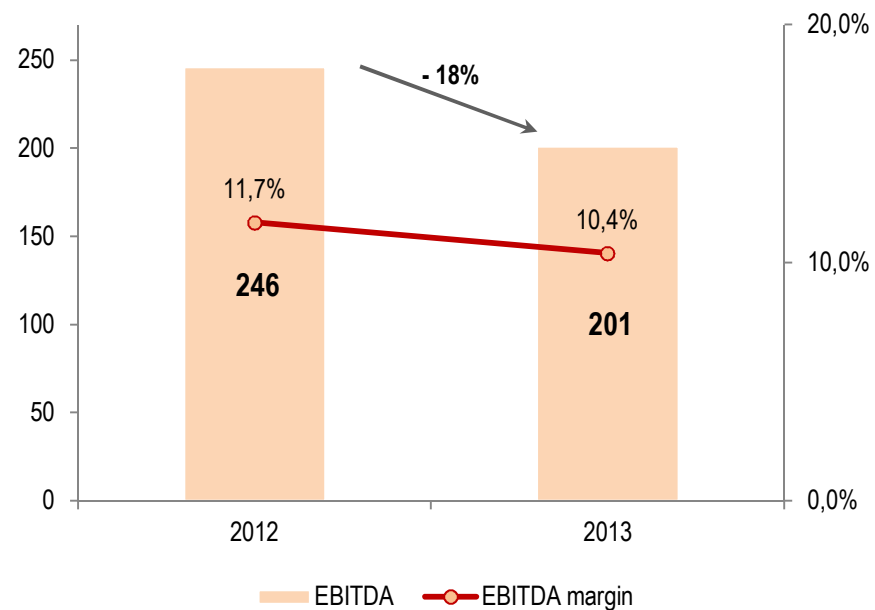
* Source– AEB (Association of European Businesses), Company

STRONG OPERATING RESULT: EBITDA MARGIN 10.4%

SALES STRUCTURE



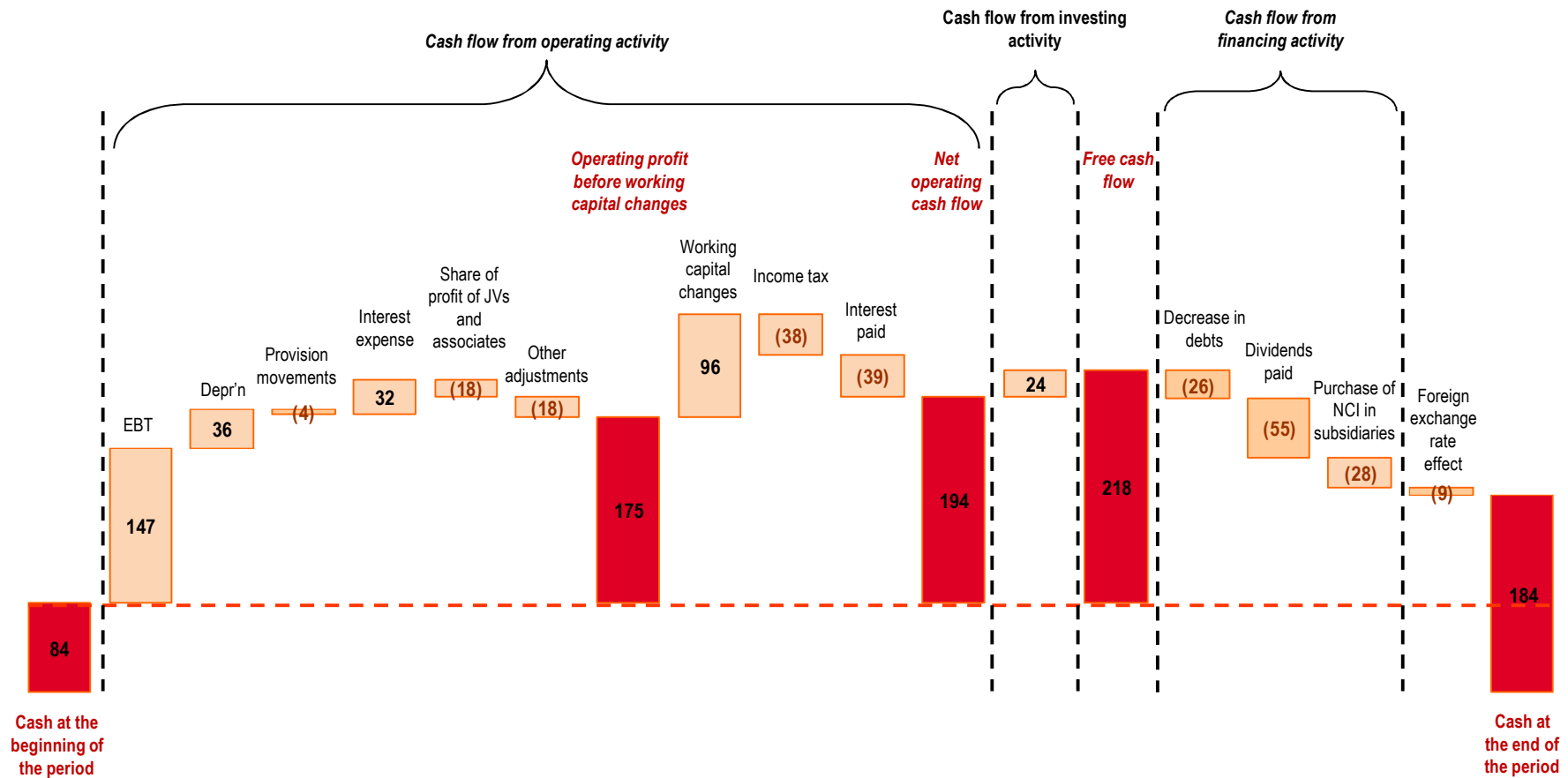
EBITDA CHANGE



Changes in business structure, transfer of SsangYong production to the MAZDA SOLLERS JV, lead to declining EBITDA margin

\$ average exchange rate: 2012 – 31.09
2013 – 31.85

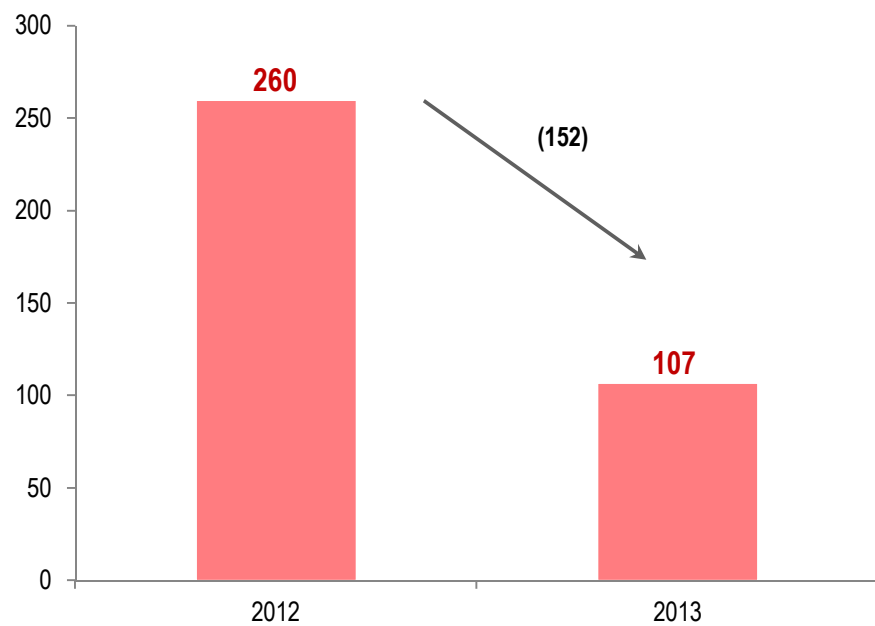
CASH FLOW, USD MLN.



- Cash inflow from investing activity mostly include net proceeds from sale and purchase of property, plant and equipment

\$ average exchange rate: 2012 – 31.09
2013 – 31.85

NET DEBT POSITION



AVERAGE INTEREST RATE

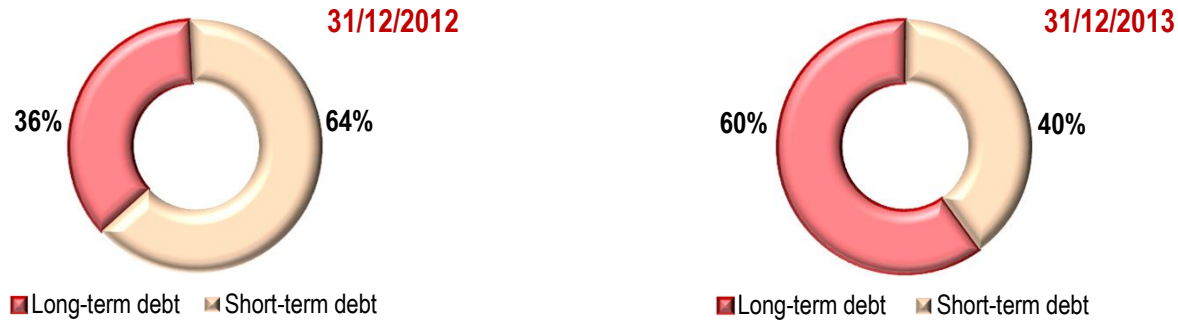
DATE	RATE
31/12/2012	9.8%
31/12/2013	8.7%

NET DEBT/ EBITDA RATIO

DATE	RATIO
31/12/2012	1.0
31/12/2013	0.6

\$ average exchange rate: 31/12/2012 – 30.37
31/12/2013 – 32.73

DEBT STRUCTURE: MATURITY PROFILE



	31/12/2012	31/12/2013	CHANGE	%
Long-term debt	123	175	52	42%
Short-term debt	220	116	(104)	(47%)
Total debt	343	291	(52)	(15%)
Cash at the end of period	84	184	100	119%
Net debt	259	107	(152)	(59%)

- SOLLERS' Group managed to reduce its total debt by 15% and at the same time increased the share of long-term debt in the debt structure to 60%
- Low gearing, fixed interest rates, rouble denominated debt improve SOLLERS' financial position

\$ average exchange rate: 31/12/2012 – 30.37
31/12/2013 – 32.73

FORD SOLLERS JV: OPERATING PERFORMANCE

FOD SOLLERS JV FINANCIAL RESULTS 2012-2013*

	2013	2012
USD MLN.		
Revenue	2,585.9	2,925.7
Operating profit	12.6	105.6**
Operating profit margin	0%	4%
Net profit	(10.0)	63.8
Net profit margin	0%	2%

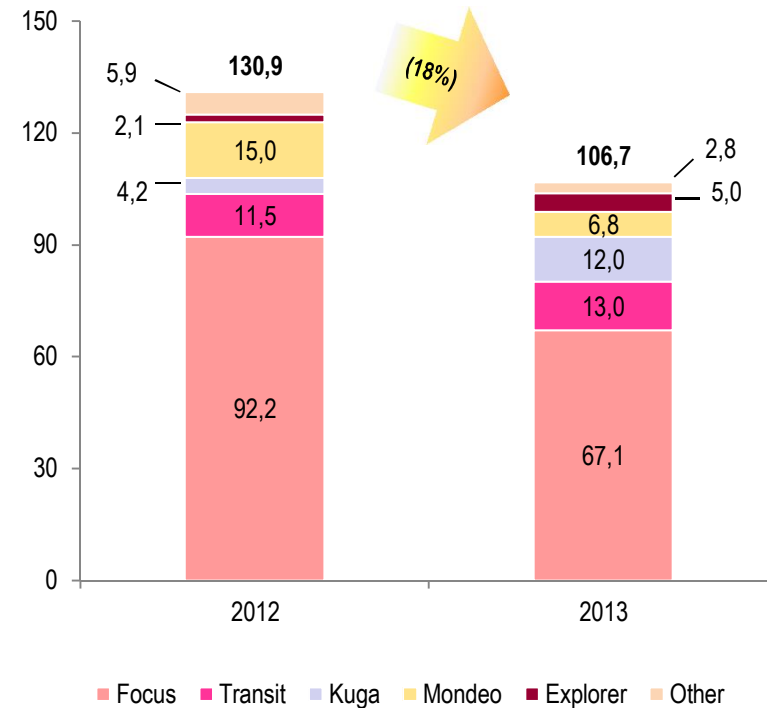
* \$ average exchange rate: 2012 – 31.09
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** Including one-off items

*** Retail domestic sales , source– AEB (Association of European Businesses)

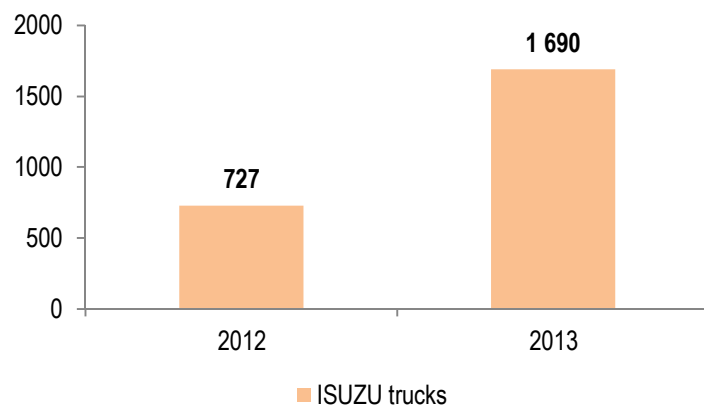
FORD SOLLERS SALES 2012-2013, K UNITS***

MODEL	2012	2013	CHANGE	%
SUVs	6.3	17.0	10.7	170%
LCVs	12.2	13.9	1.7	14%
C and D-class	107.2	73.9	- 33.3	-31%
Others	5.2	1.9	-3.4	-64%
Total	130.9	106.7	-24.2	-18%



SOLLERS-ISUZU JV: FINANCIAL PERFORMANCE

SOLLERS-ISUZU JV SALES 2012-2013, UNITS



SOLLERS-ISUZU JV FINANCIAL RESULTS 2012-2013*

	2013	2012 **
	USD MLN.	
Revenue	62.4	14.4
Operating profit	5.3	(0.5)
Operating profit margin	9%	-
Net profit	7.1	4.3
Net profit margin	11%	30%

- In April 2013 SOLLERS-ISUZU JV started the production of a new ISUZU NQR90 chassis with a payload of 6.6 tons in Uliyanovsk

* \$ average exchange rate: 2012 – 31.09
 2013 – 31.85
 31/12/2012 – 30.37
 31/12/2013 – 32.73

** 2012 results cover only 4Q2012 (after the deconsolidation from SOLLERS' Group)

MAZDA SOLLERS JV FINANCIAL RESULTS*

	2013	2012
	USD MLN.	
Revenue	1,226.6	84.4
Operating profit	43.2	4.3
Operating profit margin	3.5%	5.0%
Net profit	22.6	3.0
Net profit margin	1.8%	3.6%

SOLLERS-BUSSAN JV FINANCIAL RESULTS*

	2013	2012
	USD MLN.	
Revenue	321.3	0
Operating profit	13.3	(1.4)
Operating profit margin	4.2%	-
Net profit	10.6	(1.2)
Net profit margin	3.3%	-

- In April 2013 MAZDA SOLLERS JV started the production of a new Mazda 6 sedan in Vladivostok
- In August 2013 MAZDA SOLLERS JV launched the production of SsangYong Actyon 2014 with restyled exterior and interior
- Total production output of MAZDA SOLLERS JV amounted to 58.1 K units (in 2012 – 3.4 K units)

- In February 2013 SOLLERS-BUSSAN JV started the production of Toyota Land Cruiser Prado in Vladivostok
- 7.8 K units were produced by SOLLERS-BUSSAN in 2013

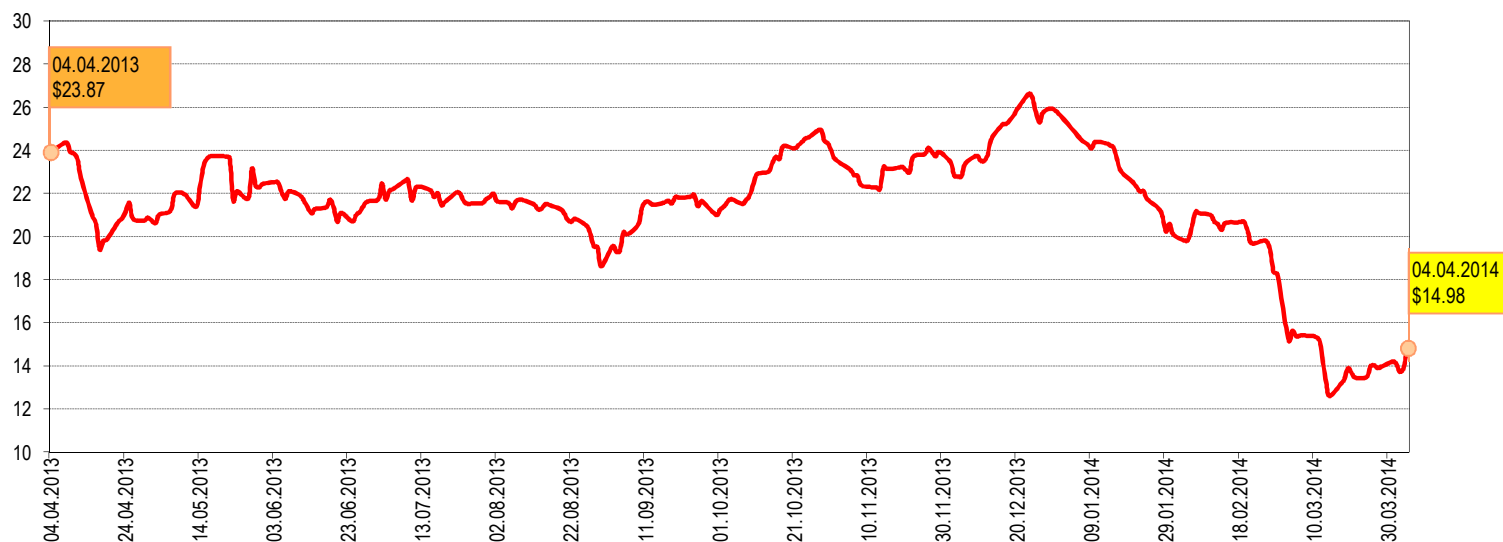
* \$ average exchange rate: 2012 – 31.09
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 31/12/2012 – 30.37
 31/12/2013 – 32.73

SOLLERS-FINANCE FINANCIAL RESULTS*

	2013	2012
	USD MLN.	
Revenue	18.8	14.0
Operating profit	7.1	4.8
Operating profit margin	38%	34%
Net profit	5.7	3.9
Net profit margin	30%	28%

* \$ average exchange rate: 2012 – 31.09
 2013 – 31.85
 31/12/2012 – 30.37
 31/12/2013 – 32.73

TICKER: SVAV



Stock exchange data at 04.04.2014

Market capitalisation (\$ mln.)	513
Shares (mln.)	34.27
Price at 04.04.2014 (\$)	14.98



Thank you for attention!

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