



# Wedge Holdings Co., Ltd. June 2014 Business Presentation

3 June 2014



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# **2<sup>nd</sup> Quarter Financial Results**

# Consolidated Business Results (P/L)

(unit: 1000yen)

	Q2 Sept 2013 Period	Q2 Sept 2014 Period	YOY
Sales	2,201,414	2,751,885	125.0%
Operating Income	509,733	301,333	59.1%
Ordinary income	558,009	348,438	62.4%
Current Net Income	236,833	39,868	16.8%

# Consolidated Financial Conditions (B/S)

(unit: 1000yen)

Consolidated B/S	Sept 2013 Period	Q2 Sept 2014 Period	Ratio
Current Assets	15,330,482	17,306,228	112.9%
Fixed Assets	3,865,298	3,714,668	96.1%
(Breakdown) Investments and other assets	2,750,090	3,554,177	129.2%
Total Assets	19,195,780	21,020,897	109.5%
Current Liabilities	5,379,742	6,224,223	115.7%
Fixed Liabilities	4,078,836	4,611,085	113.0%
Total Liabilities	9,458,578	10,835,309	114.6%
Shareholders' Total Equity	5,259,714	5,299,582	100.8%
Total Net Assets	9,737,202	10,185,588	104.6%

Current Ratio	285.0%	278.0%
Fixed Ratio	73.5%	70.1%
Equity Ratio	27.4%	25.2%
D/E Ratio	170.4%	192.5%

# Segment Results

(unit: 1000yen)

Segments		Q2	Q2	YOY
		Sept 2013 Period	Sept 2014 Period	
Finance Business	Sales	1,722,384	2,442,663	141.82%
	Segment Profit	583,652	420,602	72.06%
Entertainment Businss	Sales	301,263	308,538	102.41%
	Segment Profit	62,727	89,228	142.25%

※Merchandizing Business has been transferred in the previous consolidated financial year and therefore is excluded

# Finance Business



# Finance Business



GL continues the following 3 measures:

- 1.** Controlled growth (emphasizing on quality of credit rather than sales growth)
- 2.** International expansion - Cambodia
- 3.** Offering of new services – Agricultural machine lease



# Political Conditions In Thailand

Date	Conditions of demonstrations, Coup in Thailand
2014/01/13	Large scaled demonstrations began in central Bangkok
2014/01/21	Thai government declares state of emergency in Bangkok
2014/02/02	The General Elections were disrupted by anti-government protestors, elections were called off in some regions
2014/03/21	General elections held on 2 February was nullified, Constitutional Court declares
2014/04/30	Thai Prime Minister and the NEC agrees to hold general elections on 20 July
2014/05/07	Prime Minister Yingluck loses position, Constitutional Court declares unconstitutionality
2014/05/22	Thai Military declares Coup, imposes curfew

# Political Conditions In Thailand



[写真]非常争闘宣言が出される前のタイ・バンコク（2013年12月19日撮影）



ประเทศไทย รวมเลือดเนื้อชาติเชื้อไทย



เขตรักษาป่าไทรทอง



อดีตนายกรัฐมนตรี ทวีศักดิ์ ติ้ว



เป็นประชาธิปไตยของประชาชน



# GROUP LEASE PCL





# Group Lease PCL Company Background

- Founded in 1986 with the registered capital of THB 1 million
- Listed on SET on 13-Oct-2004
- Paid-up Capital: THB 512.52 million



TWO RIBBONS represent **WIN-WIN** correlation of GL and clients/business partners  
**GREEN** represents GL heritage/identity  
**DEEP BLUE** represents stability and trust  
**BLUE** represents service excellence

# Group Lease PCL Financial Highlights (THB Million)

	2007	2008	2009	2010	2011	2012	2013
Assets	1,601.88	2,277.47	2,062.53	2,646.73	2,332.75	3,483.10	5,496.51
Shareholder's Equity	560.45	764.82	914.18	1,010.50	1,349.48	1,587.81	2,261.08
Revenue	542.08	747.98	800.21	865.32	891.26	957.66	1,471.54
Profit	107.41	183.67	181.13	263.25	215.08	357.38	240.31



TWO RIBBONS represent **WIN-WIN** correlation of GL and clients/business partners  
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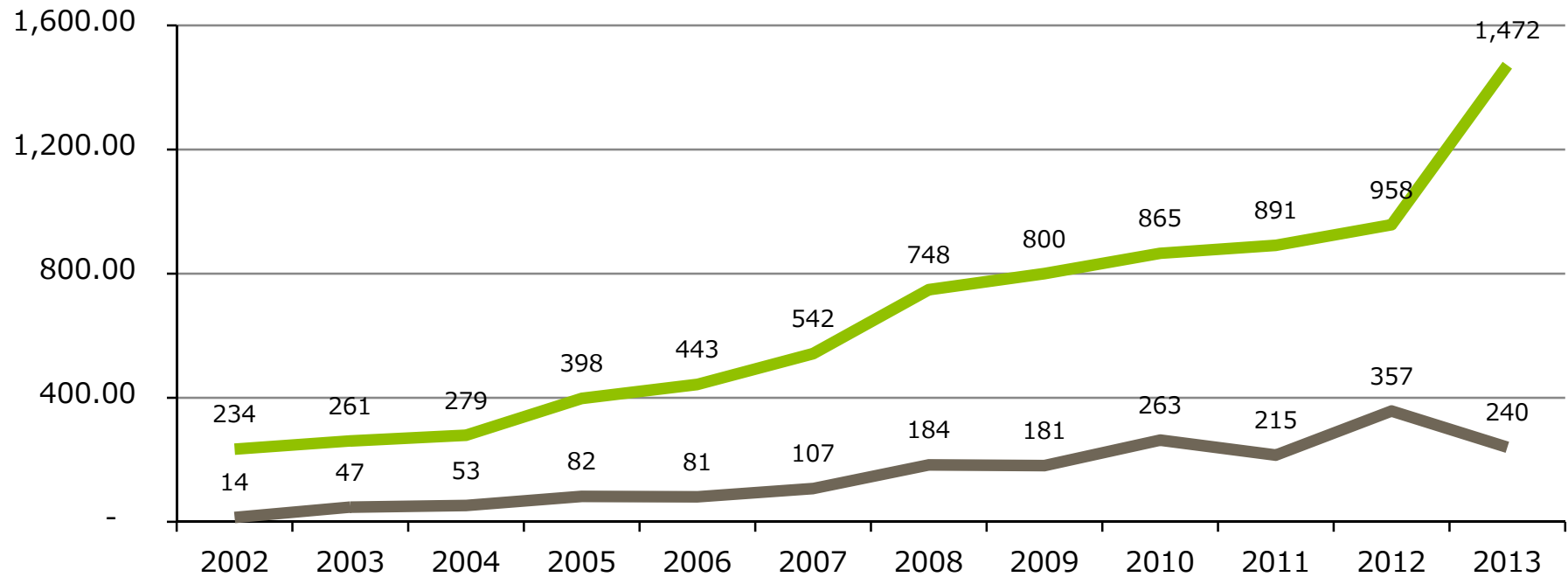
# Group Lease PCL Important Ratio

	2007	2008	2009	2010	2011	2012	2013
Allowance for Doubtful Accounts	5.22	5.96	8.92	8.65	13.2	5.28	8.09
NPL	3.03	3.91	4.37	4.8	5.76	3.26	8.85
D/E	1.86	1.98	1.25	1.61	0.72	1.19	1.43



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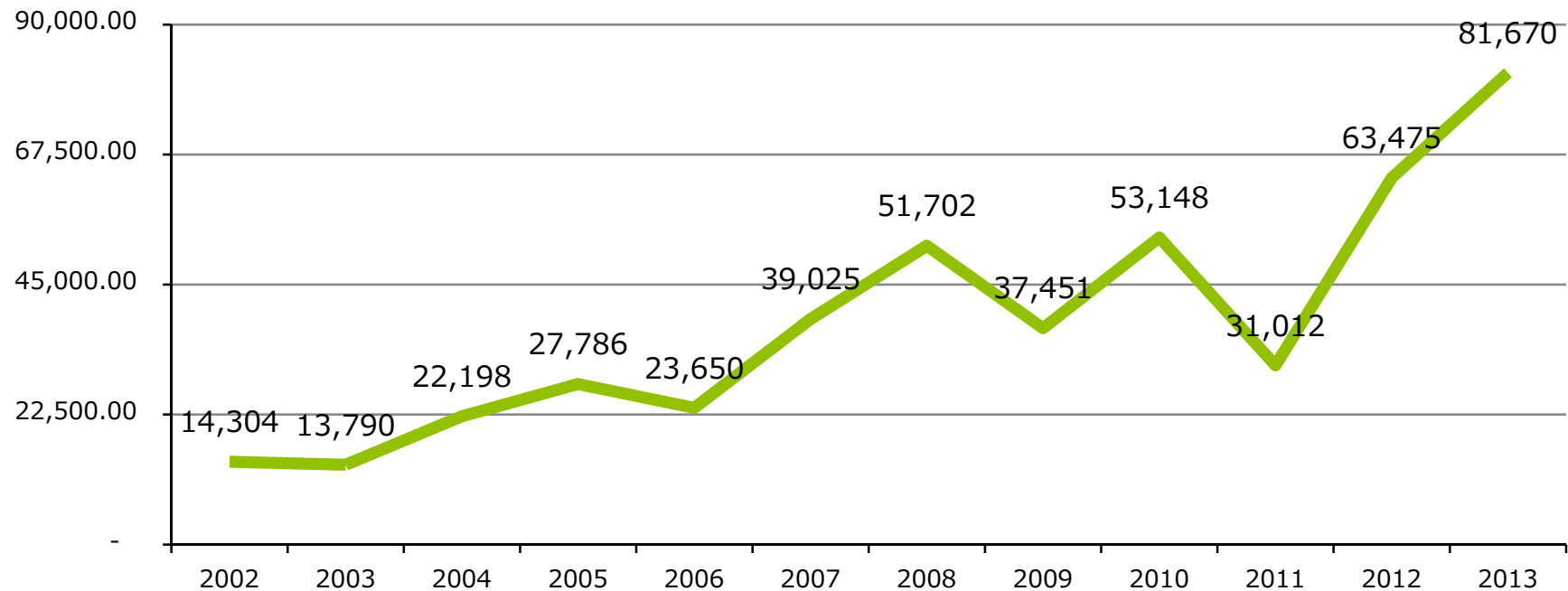
# Group Lease PCL Growth – Revenue and Profit



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# Group Lease PCL

## 10 Years Growth – Number of New contract



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# Motorcycle Finance

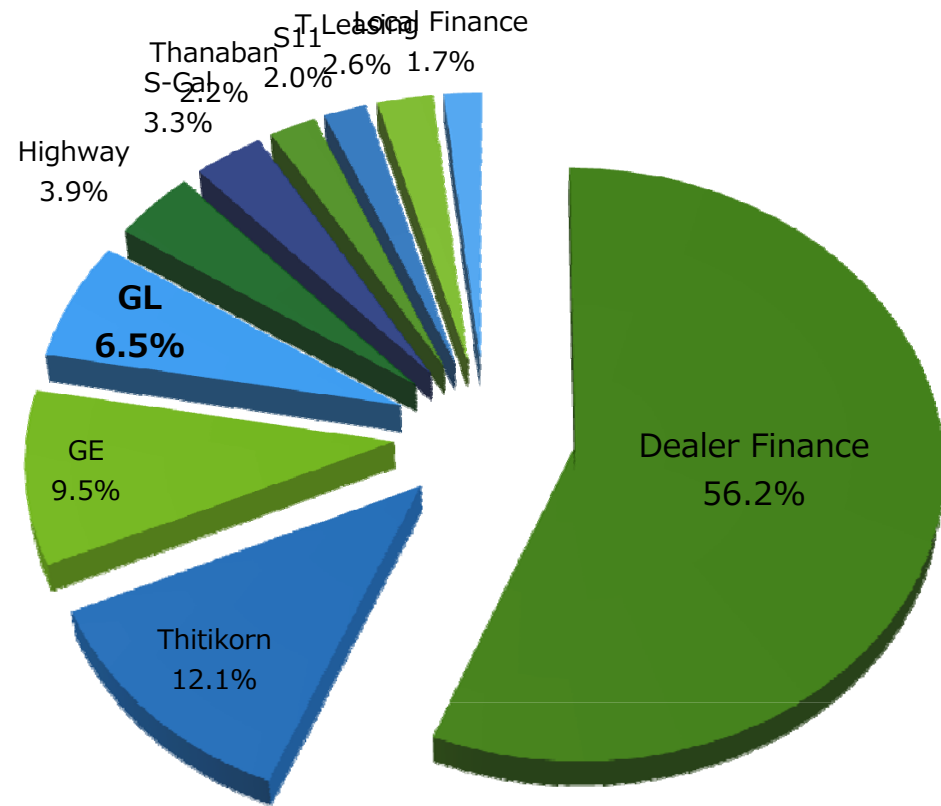
## What makes Motorcycle Finance so unique?

- ❖ “Motorcycle is a part of life”. It is indeed the most convenience part of people’s life. And people just do not want to lose it.
- ❖ The risk is minimized.
  - Motorcycle itself is the collateral.
  - The size of each loan is small. (The average loan size is THB 44,750).
- ❖ High Risk, High Return is not true. With the experience and expertise, risks can be managed.
- ❖ Not many dealers will finance by themselves as Motorcycle Manufacturers have a policy to push them to expand shops.



TWO RIBBONS represent **WIN-WIN** correlation of GL and clients/business partners  
**GREEN** represents GL heritage/identity  
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# Thailand Motorcycle Finance Market Share 2012



# Credit Approval!

**That is what makes GL unique and different from others**

- ❖ With more than 20 years experience in the business, GL has created and developed its own system to check and approve credit.
- ❖ Our system is so sophisticated and reliable that the NPL over the past is minimized.
- ❖ All staffs are well trained and really understand the criteria and process.



# Speed!

**That is what makes GL unique and different from others**

Not only that the system is reliable and accurate, our speed to approve (or disapprove) is outstandingly fast.

In most case, GL only requires 30 minutes for approval.

This is not only to impressed our customers but also to give GL the opportunity to be the first to choose the customers.

GL's philosophy is to be partners with dealers, to help them sell more motorcycle. If one particular customer does not pass our criteria, we want to make sure that the dealer has a second chance to approach other financial providers.



# Reliability and Flexibility!

That is what makes GL unique and different from others

- GL well trained and well dressed staffs are flexible and reliable to support our Partners.
- We do not relax on the criteria or jump into the price war but GL staffs are well trained to support the business of the dealers.
- GL staff will always be ready at any time, any day depending on the business hours of dealers.



# Relationship!

That is what makes GL unique and different from others

GL is the only motorcycle company with the top managements visiting dealers regularly.



# GL Finance PLC



# GL Finance PLC Background

- GLF was incorporated on **14 March 2012**
- Financial Leasing License was given by NBC (National Bank of Cambodia) on 17 May 2012.
- It is the **first Financial Leasing License** in Cambodia





# GL Finance PLC

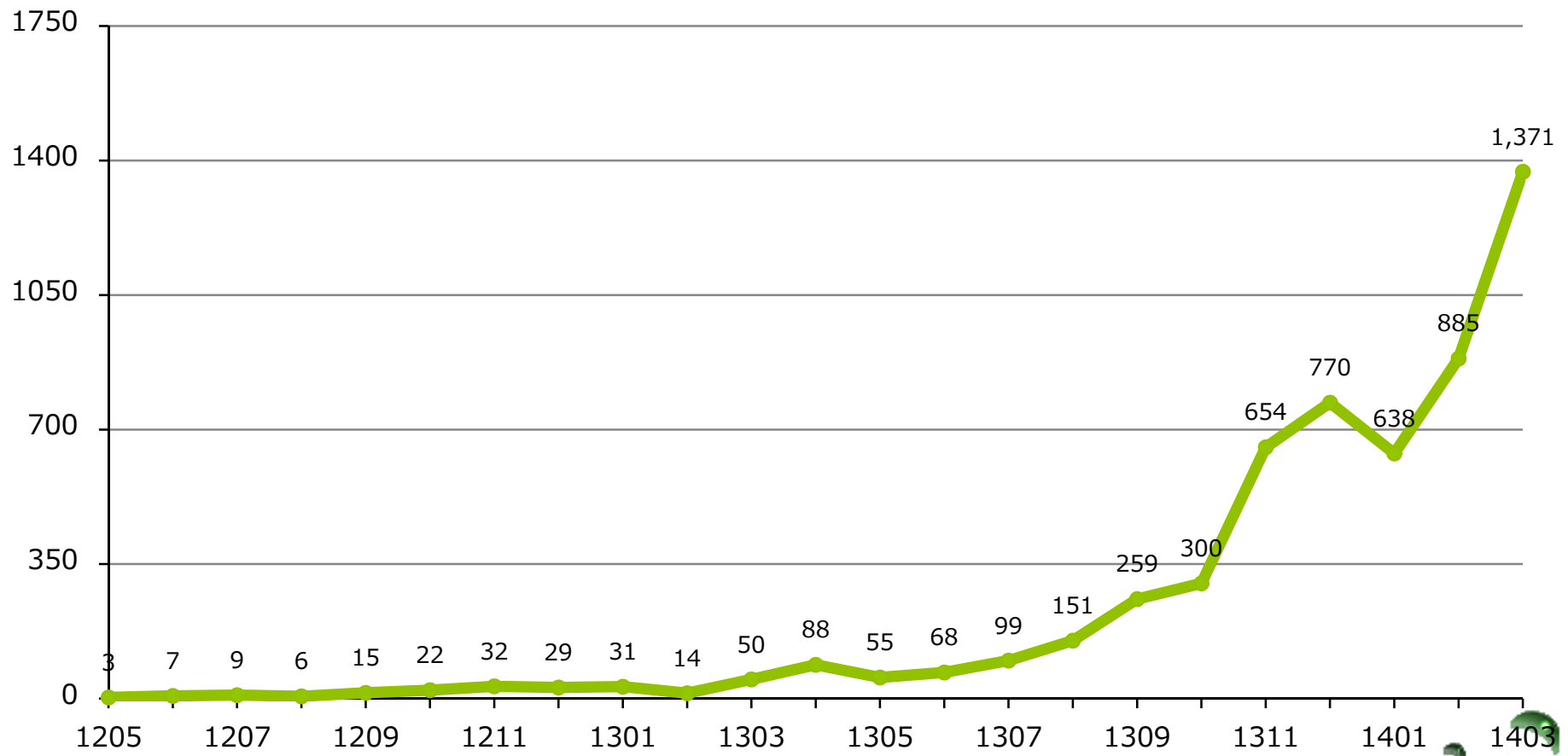
## Honda Exclusivity

- An exclusive agreement with **Honda**, the dominate motorcycle manufacturer with more than 95% share of the market.
- As of April 2014, GLF has established 47 POSs in Honda Showrooms which covers the whole Kingdom of Cambodia.



# GL Finance PLC

## Number of new Honda Lease contracts





# GL Finance PLC

## Quality of Portfolio



**49**

**Lessees Overdue  
more than 30  
days, corresponding  
to 0.14% of  
portfolio value**

**190**

**Lessees overdue  
less than 30 days,  
corresponding to  
0.24% of portfolio  
value**

**25**

**Motorcycles were  
stolen since beginning  
of operations.  
All covered  
by insurance**

# GL Finance PLC Collaboration with Kubota

- On September 5, 2013 **GL** and **Kubota** entered into the MOU to cooperate in expanding the agricultural machineries business to Cambodia.
- GLF now has started to provide financial lease services to 4 Kubota dealers in Kampong Thom, Pursat, Kampong Chhnang and Stung Treng



# Entertainment Business



# Business Results in Japan

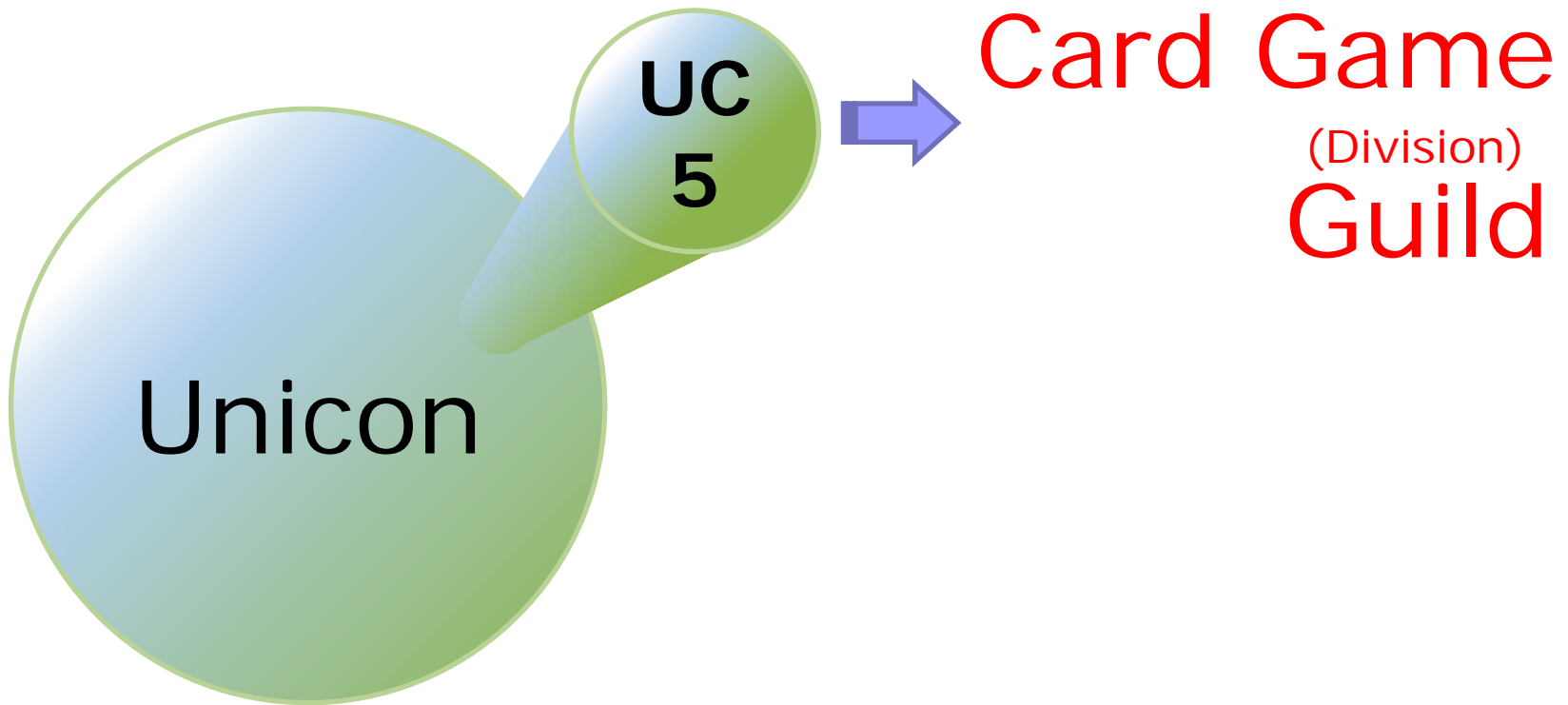
( Including Merchandizing Business )

(unit : 1000yen)

	Q2 Sept 2013 Period	Q2 Sept 2014 Period	YOY
Sales	478,225	308,564	-169,661
Operating Income	-34,146	5,192	39,338
Ordinary income	-14,740	7,729	22,469
Current Net Income	-42,055	5,228	47,283

We will maintain “editing ability” as our core business and continue to strengthen the purchasing of contents and the multi-platforming (expanded application) of existing content.







We will continue to undergo cell divisions to expand our business

Unicon

Card Game  
Guild

Spinning



# Thank you!

**Contact details for IR-related inquiries  
Wedge Holdings CO., LTD. Management  
Administration Department  
TEL: 03-6225-2161 / FAX: 03-3548-0566  
wedge-ir@wedge-hd.com  
<http://www.wedge-hd.com>**

**\*Materials stated include statements concerning the future, but these statements are guaranteed future results. Furthermore, contents of these materials has not been audited and neither its accuracy nor certainty is guaranteed.**