

Regulatory Story

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Jardine Strategic Hldgs Ltd - JDS JC&C's Investment in Siam City Cement
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Jardine Strategic Hldgs Ltd
30 March 2015

The following announcement was issued on 29th March 2015 by the Company's 74%-owned subsidiary, Jardine Cycle & Carriage Limited.

QUOTE

Investment in a 24.9% Interest in Siam City Cement

1. THE INVESTMENT

29th March 2015 - The Board of Directors of Jardine Cycle & Carriage Limited ("JC&C") wishes to announce that on 28th March 2015, JC&C unconditionally agreed to acquire a 24.9% interest in Siam City Cement Public Company Limited ("Siam City Cement") from Thai Roc-Cem Ltd. (the "Vendor"), a wholly-owned subsidiary of Holcim Ltd, for a total consideration equivalent to some US\$615 million (the "Investment").

Siam City Cement is the second largest cement manufacturer in Thailand. It owns three cement plants with a total cement production capacity of 14.5 million tonnes per annum. In addition to cement, the company produces concrete and other building materials. Siam City Cement was incorporated under the laws of Thailand in 1969, and has been listed on the Stock Exchange of Thailand since 1977.

Alex Newbigging, Group Managing Director of JC&C, said, "Our investment in Siam City Cement is in line with the Group's strategy of augmenting our portfolio of significant business interests in the region alongside our continued investment and involvement in Astra International and our other automotive interests. The investment will provide us with a meaningful exposure to the Thai economy in an established sector and in a company with a strong reputation."

2. TERMS OF THE INVESTMENT

JC&C is to acquire 57,270,000 ordinary shares in the capital of Siam City Cement ("Sale Shares") representing approximately 24.9% of the issued share capital. The Investment is expected to settle and complete on or around 16th April 2015, after which Siam City Cement will become an associated company of JC&C.

The purchase consideration for Investment is the Thai baht equivalent of US\$615 million (the "Purchase Consideration") and will be satisfied wholly in cash, which will be funded by bank borrowings. The Purchase Consideration represents a discount of 2% to the closing market price of a Sale Share of THB358 on 27th March 2015. JC&C will be entitled to receive the final dividend declared on the Sale Shares in respect of the year ended 31st December 2014.

The Purchase Consideration was arrived at after arm's length negotiations with the Vendor and on a willing buyer and willing seller basis taking into account various factors including the market price of the Sale Shares as well as Siam City Cement's financial position, past performance and future prospects.

3. RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL

The relative figures of the Investment, computed according to Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("Listing Manual") and based on the Investment, the Purchase Consideration and JC&C's announced financial results for its financial year ended 31st December 2014, are as follows:

	The Investment	The Group	%
(a) Net profit attributable to the Sale Shares, compared with the Group's net profit	US\$38.9 million	US\$820.2 million	4.7
(b) Aggregate value of the Purchase Consideration, compared with JC&C's market capitalisation ⁽¹⁾ on 27th March 2015	US\$615.4 million	US\$10,701.7 million	5.8

Notes:

(1) The market capitalisation of JC&C is based on approximately 355.7 million ordinary shares of JC&C in issue (excluding treasury shares) and the closing price of S\$41.20 per JC&C share on 27th March 2015.

The Investment is considered to be a disclosable transaction for the purposes of Chapter 10 of the Listing Manual as one of the relative figures computed above exceeds 5%. As none of the relative figures exceeds 20%, JC&C is not required to obtain shareholders' approval for the Investment.

4. FINANCIAL EFFECTS OF THE INVESTMENT

For illustrative purposes only, based on JC&C's announced financial statements for the financial year ended 31st December 2014 and the announced financial statements of Siam City Cement for the financial year ended 31st December 2014, the financial effects of the Investment on the JC&C Group will be as follows:

(i) **Net tangible assets ("NTA")**

Assuming that the Investment had been completed on 31st December 2014, the effect of the Investment on the NTA per JC&C share ("JC&C Share") is as follows:

	Before the Investment	After the Investment
NTA (US\$ million)	4,267.4	3,794.5
Number of issued JC&C Shares (million)	355.7	355.7
NTA per JC&C Share (US\$)	12.0	10.7

(ii) **Earnings per JC&C Share ("EPS")**

Assuming that the Investment had been completed on 1st January 2014, the effect of the Investment on the EPS for the financial year ended 31st December 2014 is as follows:

	Before the Investment	After the Investment
Basic EPS		
Profit attributable to JC&C shareholders (US\$ million)	820.2	853.6
Weighted average number of issued JC&C Shares (million)	355.7	355.7
EPS (US cents)	230.59	239.98

(iii) **Gearing**

Assuming that the Investment had been completed on 31st December 2014, the effect of the Investment on the gearing of the JC&C Group (excluding financial services) is illustrated as follows:

	Before the Investment	After the Investment
Net borrowings (US\$ million)	239.0	854.4
Total equity (US\$ million)	10,798.6	10,798.6
Gearing	2%	8%

5. OTHER

None of the directors or controlling shareholders of JC&C has any interest, direct or indirect, in the Investment (save for their interests arising by way of their shareholdings and/or directorships).

JC&C was jointly advised on the transaction by Bank of America Merrill Lynch and Phatra Securities PCL.

By order of the Board of
JARDINE CYCLE & CARRIAGE LIMITED

29th March 2015

Corporate Profile

Jardine Cycle & Carriage ("JC&C") is a leading Singapore-listed company and a member of the Jardine Matheson Group. It has an interest of just over 50% in Astra, a premier listed Indonesian conglomerate, as well as other motor interests in Southeast Asia. Together with its subsidiaries and associates, JC&C employs around 245,000 people across Indonesia, Malaysia, Singapore, Vietnam and Myanmar.

Astra is the largest independent automotive group in Southeast Asia, with further interests in financial services, heavy equipment and mining, agribusiness, infrastructure and logistics and others, and information technology. JC&C has motor businesses operating in Singapore, Malaysia and Myanmar under the Cycle & Carriage banner, as well as other motor interests through Tunas Ridean in Indonesia and Truong Hai Auto Corporation in Vietnam. The JC&C Group represents some of the world's leading motoring marques including Mercedes-Benz, Toyota, Honda, Kia and Mazda.

For further information, please contact:

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This and other Group announcements can be accessed through the Internet at www.jcclgroup.com.

UNQUOTE

Neil M McNamara, Jardine Matheson Limited
for and on behalf of Jardine Strategic Holdings Limited

30th March 2015

www.jardines.com

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