

Our Ref: MLLSEC/14/2019

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Date: 30 January 2019

Regd Office
Mahindra Towers,
P. K. Kurne Chowk, Worli,
Mumbai - 400 018

To,
BSE Limited (Security Code: 540768)
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai-400 001

CIN : L63000MH2007PLC173466

National Stock Exchange of India Ltd., (Symbol: MAHLOG)
Exchange Plaza, 5th Floor,
Plot No. C/1. "G" Block,
Bandra -Kurla Complex, Bandra (East)
Mumbai -400 051

Dear Sirs,

Sub: Earnings Presentation for the quarter and nine months ended 31 December 2018 - Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations")

In compliance with Regulation 30(6) of the Listing Regulations and other applicable provisions, if any, of the Listing Regulations, please find enclosed herewith Earnings Presentation on Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended 31 December 2018 (subjected to Limited Review). The highlights of the same including general business overview would be disseminated by the Company to several Analysts/Institutional Investors/Funds.

The enclosed earnings presentation is also being uploaded on Company's website viz. www.mahindralogistics.com in compliance with Regulation 46(2) of the Listing Regulations.

Kindly take the above on record and acknowledge receipt of the same.

Thanking you,

Yours Faithfully,
For **Mahindra Logistics Limited**



Brijbala Batwal
Company Secretary

Enclosure: as above



Mahindra
LOGISTICS

Mahindra Logistics Ltd

Q3 & 9M FY19 Earnings Presentation

January 30, 2019

Disclaimer

Certain statements and opinions with respect to the anticipated future performance of Mahindra Logistics in the presentation (“forward-looking statements”), which reflect various assumptions concerning the strategies, objectives and anticipated results may or may not prove to be correct. Such statements generally are identified by forward-looking words such as “believe,” “plan,” “anticipate,” “continue,” “estimate,” “expect,” “may,” “will” or other similar words. They involve a number of risks, uncertainties and assumptions which could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These include, among other factors, changes in economic, political, regulatory, business or other market conditions. Such forward-looking statements only speak as of the date the presentation is provided to the recipient and Mahindra Logistics is not under any obligation to update or revise such forward-looking statements to reflect new events or circumstances. No representation or warranty (whether express or implied) is given in respect of any information in this presentation.





9M FY2019 Results Overview

Key Highlights – 9M FY2019 vs 9M FY2018

2,837 ↑ 12.4%

Revenue from operations

116 ↑ 33.3%

EBITDA

992 ↑ 7.9%

Revenue from Non Mahindra SCM
Segment

98 ↑ 40.0 %

PBT

288 ↑ 13.2%

Revenue from PTS Segment

63 ↑ 41.0%

PAT

A decorative graphic consisting of a red triangle pointing downwards and to the right, with a grey diagonal line extending from the bottom-left corner of the red triangle towards the bottom-right corner of the page.

Management Comment



Commenting on the performance, Mr. Pirojshaw Sarkari (Phil), CEO at Mahindra Logistics Ltd. said:

“Having completed one year since our listing, I am happy that we continued to generate value for all our stakeholders.

In Q3 our non-Mahindra SCM business is back to delivering high growth. This segment recorded the highest ever quarterly revenues. We have added new clients across the service offerings – transportation, warehousing, stores & linefeed and people transport solutions.

We continue to have positive outlook towards the sector as we help customers redesign their supply chain for effectiveness and efficiency”.

Consolidated Summarized P&L Statement

Particular	Q3 FY19	Q3 FY18	YoY Change (%)	9M FY19	9M FY18	YoY Change (%)
Revenue from operations	981.1	835.1	17.5%	2836.7	2,523.5	12.4%
Other Income	1.6	1.4	14.3%	5.7	5.1	11.8%
Total Income	982.7	836.5	17.5%	2842.4	2,528.6	12.4%
Gross Margin	77.9	68.4	13.9%	234.3	196.3	19.4%
EBITDA	37.5	30.9	21.4%	116.1	87.1	33.3%
Depreciation	5.7	5.3	7.5%	15.9	14.5	9.7%
EBIT	31.7	25.6	23.8%	100.2	72.6	38.0%
Interest	0.9	1.1	-18.2%	2.5	2.9	-13.8%
Profit before tax	30.7	24.5	25.3%	97.6	69.7	40.0%
Profit after tax	19.2	15.5	23.9%	62.6	44.4	41.0%
EPS (Diluted) in INR	2.68	2.08	28.8%	8.69	6.18	40.6%

Note: 1. All figures in INR crore, unless stated otherwise

9M FY19 Financial highlights

Revenue from operations grows to Rs. 2,837 crore, up 12.4% Y-o-Y

- M&M revenues in SCM business increases by 15.4%
- Non-M&M revenues in SCM business increases by 7.9%
 - Revenue from warehousing & other valued-added services increases by 28.5%

EBITDA at Rs. 116.1 crore, up by 33.3%

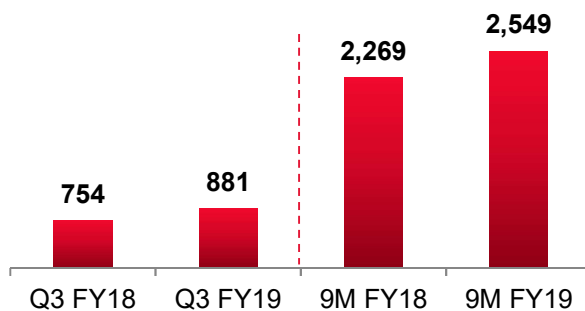
- Expansion in gross margin due to operational efficiency and better revenue mix
- No Fixed Term Strategic Consulting Service Fees compared to a cost of Rs.5.8 crore in 9M FY19
- Marginally negative impact of E-commerce peak and slow down in auto sector, especially in Q3

PBT improves by 40% to Rs. 97.6 crore

PAT higher by 41.0% to Rs. 62.6 crore

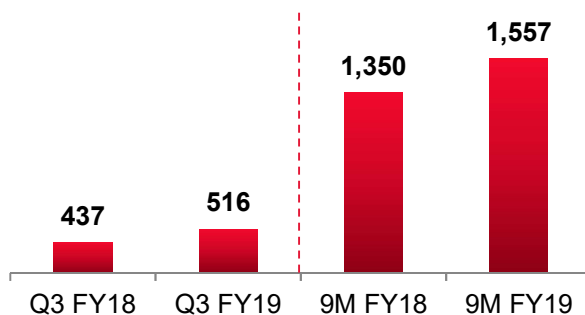
Segmental Performance – SCM

Revenue



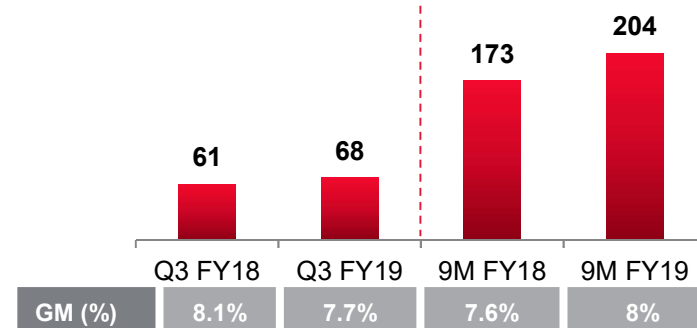
Growth	16.9%	12.3%
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Mahindra Revenue



Growth	17.9%	15.4%
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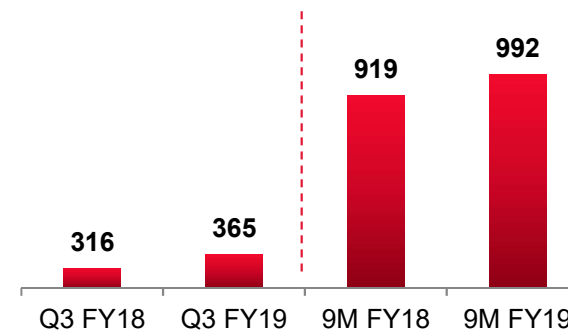
Gross Margin (GM)



GM (%)	8.1%	7.7%	7.6%	8%
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Growth	10.6%	17.5%
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Non-Mahindra Revenue

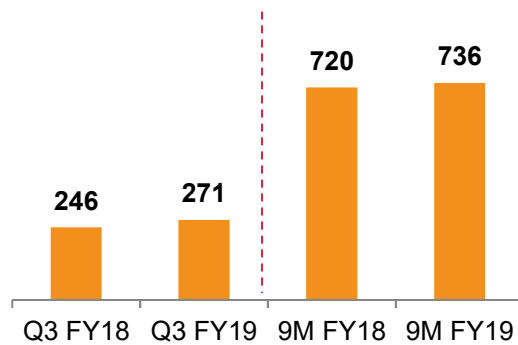


Growth	15.5%	7.9%
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Note: 1. Consolidated financials 2. All figures in INR crore, unless stated otherwise.

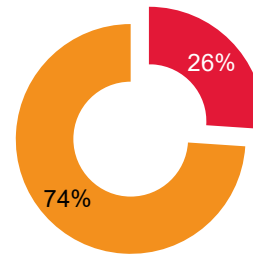
Non-Mahindra SCM Revenue Analysis

Transportation



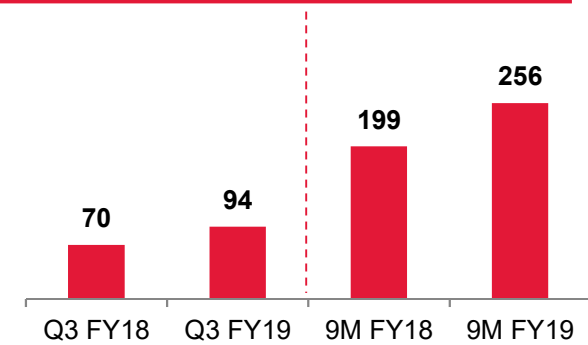
Growth	10.3%	2.2%
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Show Historic Break up



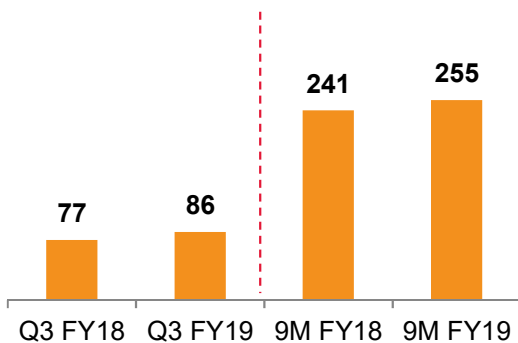
Activity-wise
Breakup 9M FY19

Warehouse & other value-added segments

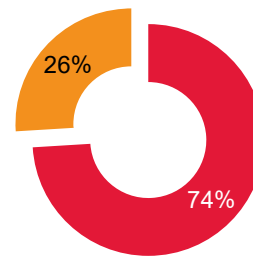


Growth	33.6%	28.5%
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Auto

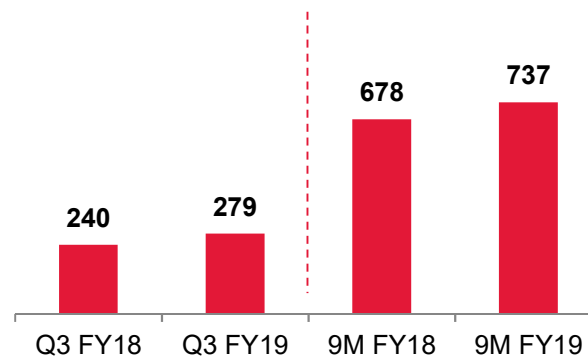


Growth	17.2%	13.4%
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Industry-wise
Breakup 9M FY19

Non-Auto

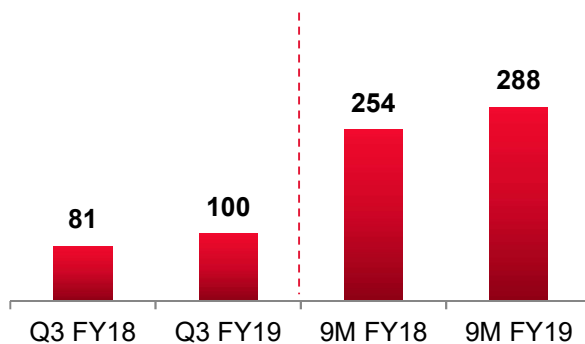


Growth	15.0%	6.1%
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Note: 1. Consolidated financials 2. All figures in INR crore, unless stated otherwise.

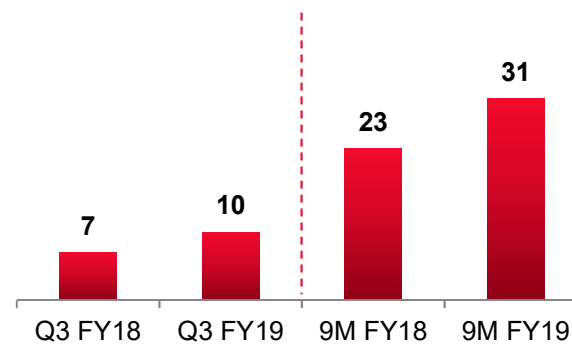
Segmental Performance – PTS

Revenue



Growth	22.8%	13.2%
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Gross Margin (GM)



GM (%)	8.9%	10.4%	9.1%	10.7%
Growth	42.6%	33.2%		

The government continues to work towards developing the logistics sector

Logistics Development Committee



- The Economic Advisory Council to the Prime Minister has constituted a Logistics Development Committee under the Chairmanship of Dr. Bibek Debroy, to assess key challenges and suggest reforms in logistics development

Appointment of special secretary, logistics



- The government appointed N Sivasailam as Special Secretary (logistics)
- The new logistics division within the department of commerce is preparing a national integrated logistics plan

Policy on Multi-modal logistics parks



- The government is formulating a policy for the integrated development of multi-modal logistics parks
- The policy will help establish a single authority for the approval of parks, and standards setting

Customers Won (Partial list)

We added several new customers this quarter. Some of the notable ones are given below:

- Multinational engineering and industrial major
- Global construction equipment manufacturer
- Global telecom equipment manufacturer
- India's leading lubricant manufacturing and marketing company
- Multinational beverage group
- Leading non-ferrous manufacturer

MLL media presence grew across segments in Q3

Mahindra Logistics on the move for acquisitions

Eyeing foreign freight forwarders, says CEO Sarkari

MAMUNI DAS
New Delhi, November 28
Mahindra Logistics is looking to acquire an overseas freight forwarder as part of its

ones they use. We explain to them the total cost of ownership, which is lower in these trucks. Even if these trucks cost more initially, a half kilometre a litre improvement in mileage means lower cost for truckers who drive an average of 7,000-8,000 km a month. Additionally, we explain to them Forward Charge Mech-



who goes to South from West gets return cargo as well. By assuring return cargo, they charge us bit less for a round trip. The more warehouses we manage, the more round trip cargo we can provide to our partners.

What are your plans for freight forwarding?

years, freight forwarding has to contribute 10-15 per cent of revenue.

Have freight rates gone up with increase in fuel prices? Not necessarily. Trucks are becoming bigger, they travel more distance a day. Move in India has to be cheaper if Make in India has to succeed.

THE HINDU BUSINESS LINE

Mahindra Logistics to use REITs to expand in warehouse space

Know the skills required to shine during campus placements in the Logistics Sector



Mr. Mehernosh N. Mehta
VP- Human Resources | Mahindra Logistics
24 Oct 18

TIMES JOBS.COM

AUTOCAR PROFESSIONAL

INTERVIEW

EXCLUSIVE

Pirojshaw Sarkari:
'Industry is confident that Indian logistics players can handle Just In Time and Just In Sequence.'

Companies Roll Out the Red Carpet to Bring Talented Women Back into the Workplace

ECONOMIC TIMES

Mahindra Logistics Looks to Buy Tech Cos to Boost Digitisation

FIRST ON ET NOW **MARGIN CHEER FOR MAH LOGISTICS**

MAH LOGISTICS
Q2 Highlights
PAT up 38.2% YoY at ₹19 cr

Mahindra Logistics
527.00 VOL 5.3K
10.45 1.94%

SBI Q2 MGMT CALL
R. Rajanick

Mahindra Logistics: Year End Overview and 2019 Outlook

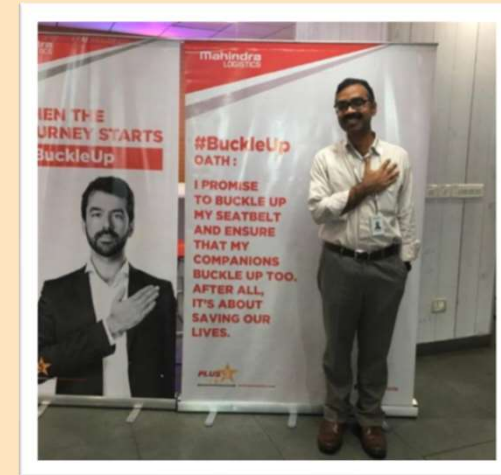
MARITIME LOGISTICS

Indian logistics: Weaving the tech magic

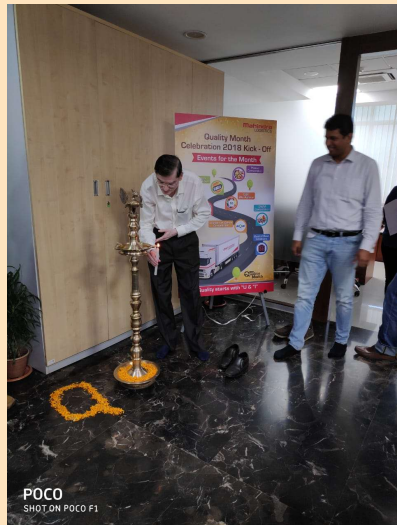
CARGO TALK

Road Safety campaign - #BuckleUp, Making safety a way of life for employees and customers

#BuckleUp Safety Campaign was run for 7 customers over 11 locations ensuring that safety is made a way of life



Launched Quality Month – contests and awards to recognize and promote quality



- Quality Month was celebrated in November, to emphasize the importance of quality at MLL
- Various competitions were held to raise awareness about quality



MLL served as the official Logistics Travel Partner for the Deaf ICC T20 World Cup

- MLL was the proud Logistics Travel Partner for the first ever Deaf ICC T20 World Cup
- MLL was responsible for the travel of 8 international teams from countries such as Sri Lanka, Australia, Nepal, and South Africa



Driver welfare and trainings being conducted at various locations



Train the trainer program organized for 22 employees under PMKVY



Driver training under PMKVY. ~6,900 drivers trained to date



Other driver welfare activities

MLL living its purpose – empowering communities to *Rise*



- Beach cleaning initiative at various locations under Swacch Bharat Abhiyaan
- Kerala Flood Relief Fund distribution by Phil in Cochin
- Inauguration of the water project in Jambulpada, Tembha village



Recognition received during the quarter



NITIE Awards: MLL won 3 silver awards



CII SCALE Award for overall excellence



Mahindra Innovation Awards: Gold award for Mobile Dock Leveler



MLL General Motors team won an award for excellence at the National Convention on Quality Concepts, Gwalior



Company Overview



Mahindra LOGISTICS

One of India's largest 3PLs
INR 34+ Bn revenue⁽¹⁾
17,900+ work force across India⁽²⁾
475+ client and operating locations

Divisions:


Supply Chain Management
People Transport Solutions

Subsidiaries:

Lords Freight (India) Pvt. Ltd.
2x2 Logistics Pvt. Ltd.

Joint Venture:

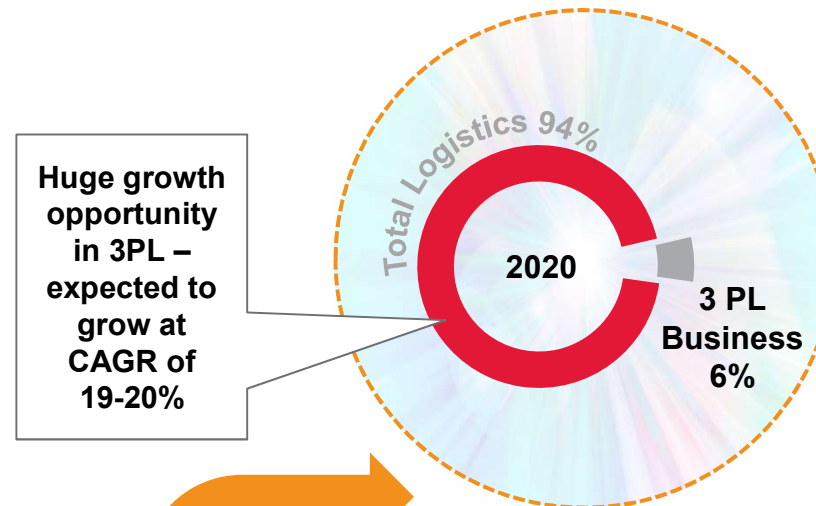
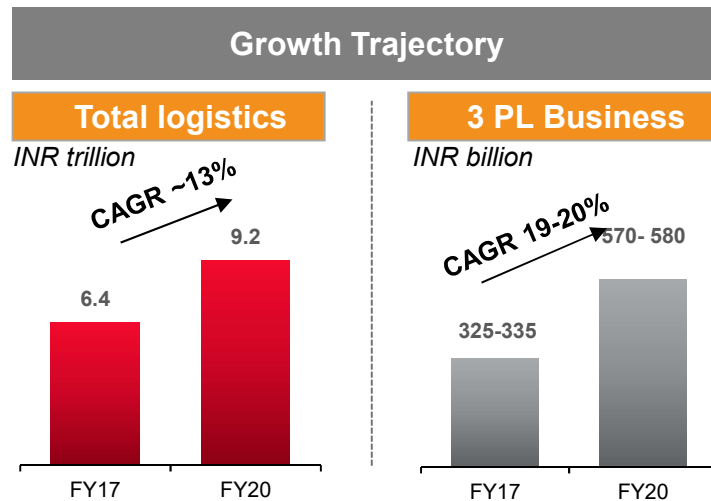
Transtech Logistics Private Limited



MLL Bhiwandi warehouse

(1). Revenue for FY18
(2). Includes 3rd Party Contract Manpower

3PL (Third party logistics): strong growth outlook

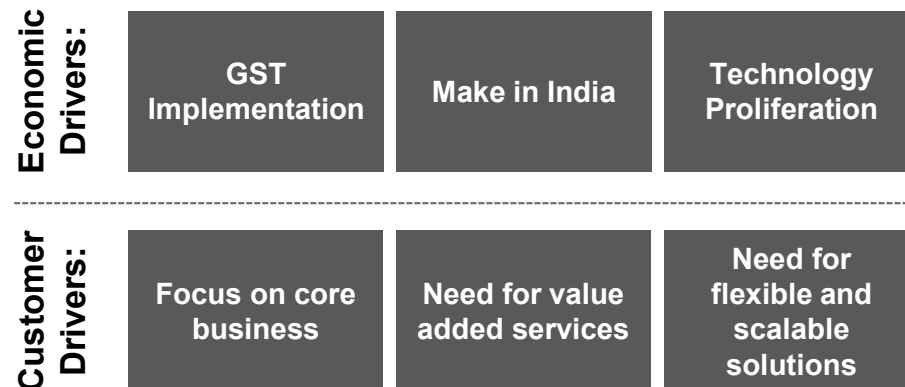


Major Trends

Large organized 3PL players to enjoy a distinctive edge over smaller, unorganized players due to:

- Pan-India presence
- Ability to offer scalable and flexibility solutions
- Solutions driven capability
- Technology driven implementation
- Cost-effective solutions
- Professional management and brand

3PL Growth Drivers



GST to act as a major driver for future growth and consolidation

No Borders

- Seamless inter-state movement of goods
- Redesign of supply chain – efficiencies instead of tax

De-Bottlenecking

- Removal of check posts - speed up transportation

Value Added Services

- Opportunity to offer value-added services - restructure and manage complex distribution channels

Hub-and-Spoke

- Efficiencies through organized logistics, and lower freight costs

Consolidation

- Expected consolidation of warehouses
- Advent of large multi-user integrated regional warehouse

MLL: Ready for GST

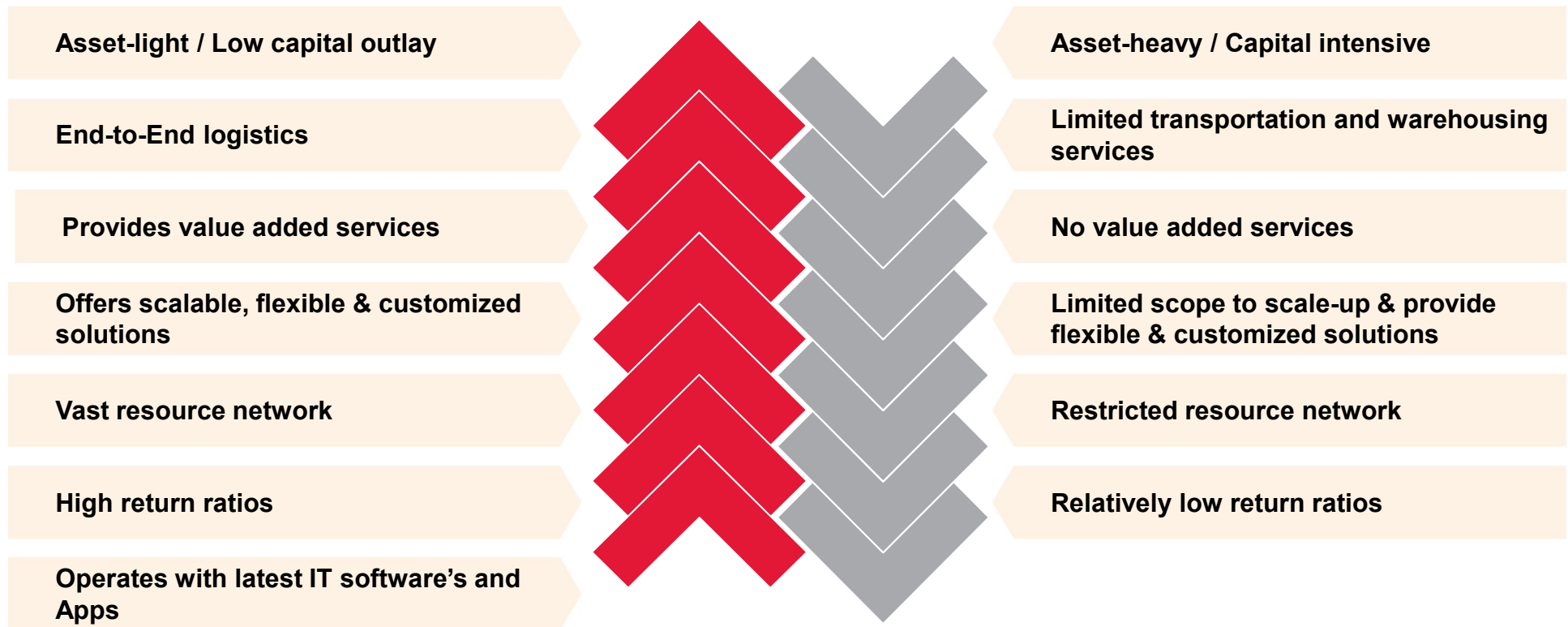
- GST ready multi-user warehousing in certain key locations
- Cater to changing transportation requirements
 - Primary – bigger trucks
 - Secondary – longer distances; more reliable transit time to maintain service levels

MLL: Differentiated Play: 3PL Offerings

One stop shop for logistics end-users: MLL pursues a unique 'asset-light' business model to provide customized logistics solutions across a diverse set of industries

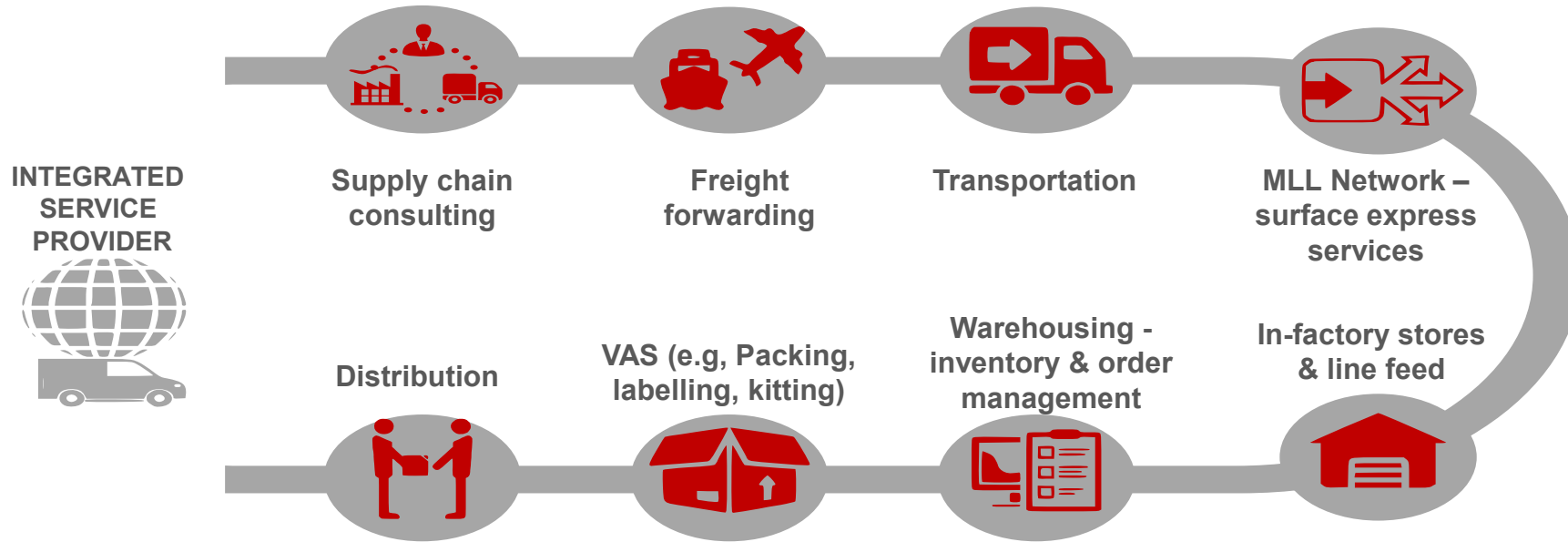
3 PL

2 PL






MLL is one of the Pioneers of 3PL model in India

Supply Chain Management (SCM)



National transport

-  **24** offices
-  **350+** operating locations
-  **20+** Network hub locations

Warehousing & consolidation

-  **15 mn+** sq ft
-  **50+** stockyards

In-Factory stores and line feed

-  At **35+** manufacturing locations across India

Integrated end to end service offerings to the customer

People Transportation Solutions (PTS)

One of India's largest organized asset light player

Offers technology enabled people transportation solutions and services to over 120 domestic & multinational corporates

12 Cities

120+ Clients

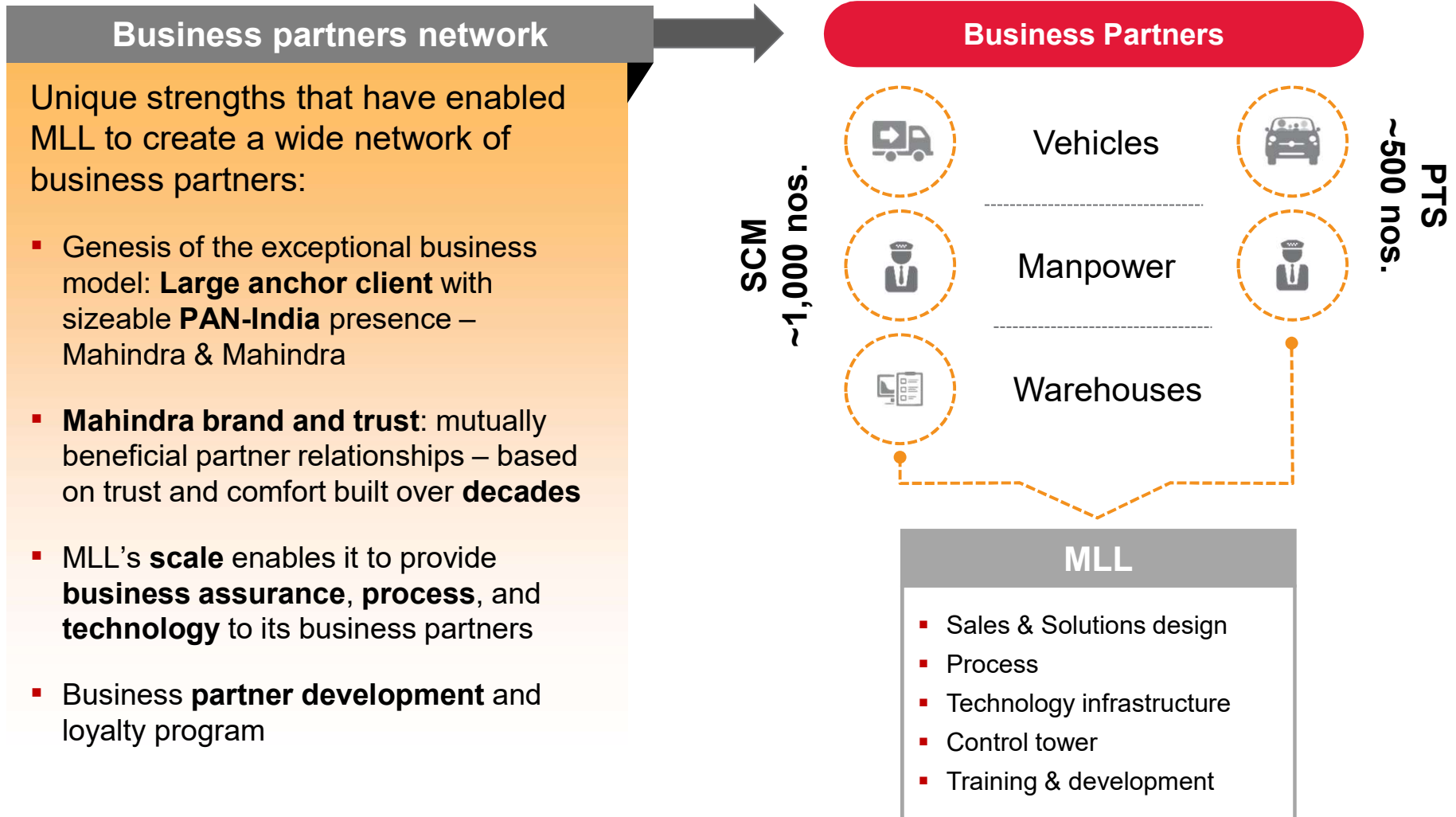
500+ Business Partners



Clients

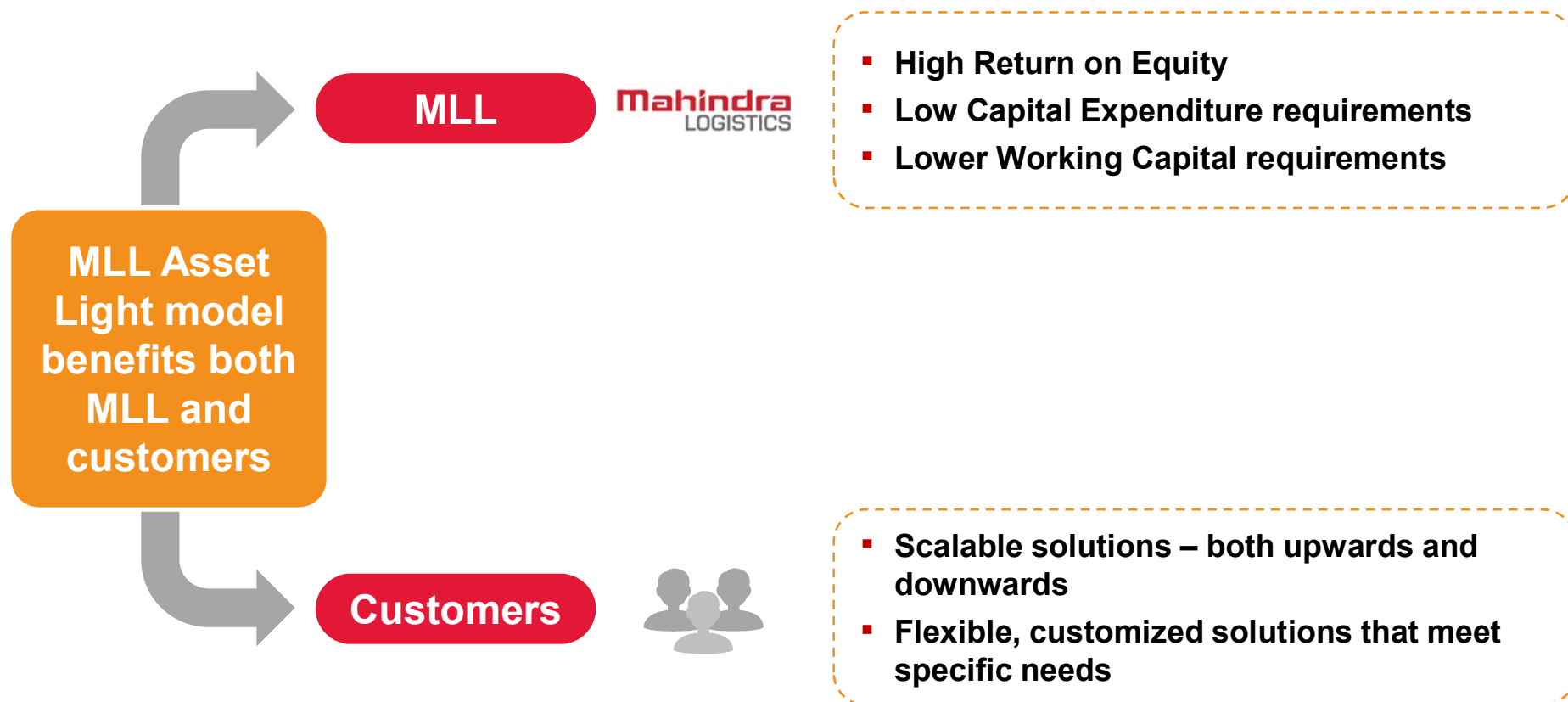
Primarily serve leading corporates: IT, ITeS, Business Process Outsourcing, Financial services, Consulting and Manufacturing Industries

Asset light business: formidable ecosystem of business partners



Built over decades of trust and engagement

MLL's competitive advantage: 'Asset-Light' model



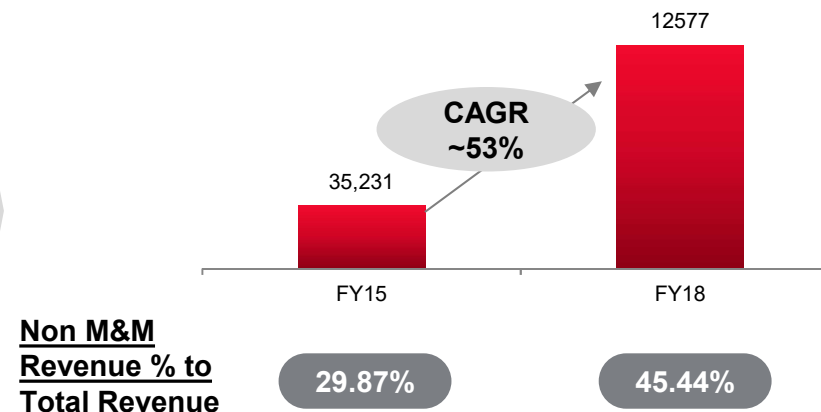
Diverse industries and clients

Diversified Logistics Company

- SCM business spans Automotive, Engineering, Consumer, Bulk, E-commerce, and Pharma sectors
- **66%** of non-Mahindra business came from **top 20 customers** in Fiscal 2018
 - Given the nature of business, engagement originates at CXO level – leading to **deep relationships**
 - MLL is deeply **ingrained in clients operational ecosystem** – own employees present in various client manufacturing facilities. Cost of replacement is significant
 - **Client retention rate** has been 96% for the top 25 SCM, non Mahindra group clients in F18.



Revenue from ops for Non-Mahindra SCM (INR lakhs)



Diverse industries: track record of leveraging existing skills to enter fast growing verticals

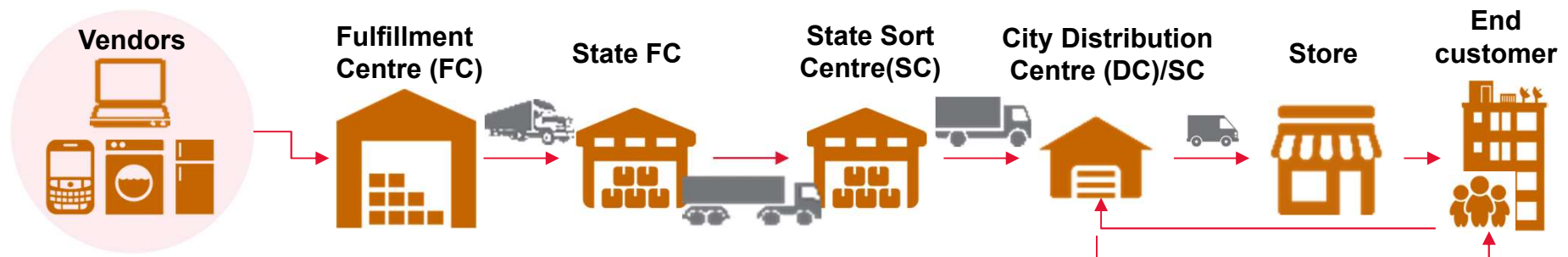
Strong focus to equally diversify across industry verticals

Strategy of cross-deployment of skills – entry and expansion into existing and new areas such as Auto engineering, consumer & pharma, e-Commerce & bulk

E-commerce – New business vertical delivering growth

- E-commerce **service portfolio** has been **enhanced** over a period of time
- Includes not only transportation and warehousing but also **integrated logistics management**

Expanding array of services to provide comprehensive solutions to clients in e-commerce space



Technology and control tower is a key differentiator

What does it do?

End to end truck track and trace

- Time management
- Minimize idle time
- Maximize truck utilization

Dispatch planning

- Optimize truck planning
- Capacity and cost optimization

Value added services

- SMS & Email service updates

Configurable Geo Fencing
Geo-tagging for critical points on the route to get regular alerts on the shipment

Trend Analysis
Rigorous analysis of planned vs. actual ETA to analyze erratic deviations in delivery



Location Clustering
"Red Colored Area Has Highest Load and Disruptions in India"

Hub Level Monitoring
The shipments can be tracked through hubs and pin codes across the country. Detailed hub level load reports help in assessing hub performance

Real Time Shipment Tracking
Tracking the current location of the shipment along with the detailed Location History

SLA and KPI Measurement
Accurate SLA and KPI measurement through detailed reports

KEY ROLES FOR THE CONTROL TOWER



TRACKING



ANALYTICS



SHIPMENT
CREATION



HELPDESK



NEW ACCOUNT
ON-BOARDING

Corporate Social Responsibility

Driver Welfare

Driver welfare is a major focus area for us. Activities include:

- Developing **restrooms** and other **infrastructure** facilities for drivers along highways and at major loading or unloading points
- Training on **safe driving** (e.g. seat belt campaign)
- **Scholarships** for the **children** of drivers



Nanhi Kali

- Project Nanhi Kali was initiated by the K. C. Mahindra Education Trust, with the aim of providing **primary education** to **underprivileged girl children** in India
- Through Nanhi Kali, MLL has sponsored the **education** of nearly **1,776 girl students** in **FY18**



Thank You





About Us

About Mahindra Logistics

Mahindra Logistics Limited (MLL) is a portfolio company of Mahindra Partners, the USD 1 billion private equity division of the USD 20.7 billion Mahindra Group. MLL is an integrated third-party logistics (3PL) service provider, specializing in supply chain management and people transport solutions. Founded more than a decade ago, MLL serves over 300 corporate customers across various industries like Automobile, Engineering, Consumer Goods and E-commerce. The Company pursues an “asset-light” business model, providing customised and technology enabled solutions that span across the supply chain and people transport operations.

For more information, visit www.mahindralogistics.com

About Mahindra Partners

Mahindra Partners is the 1 billion USD Incubation, Private Equity & Venture Capital division of the Mahindra Group. Its mission is to accelerate value creation through a diversified global portfolio of emergent businesses. The portfolio spans across multiple industries like logistics, steel processing, renewable energy, conveyor systems, retail, infrastructure consulting and skill building, luxury boat manufacturing and media. It has recently expanded operations in U.S. by investing in the IoT and shared mobility space.

For more information, visit www.mahindrapartners.com

About Mahindra

The Mahindra Group is a USD 20.7 billion federation of companies that enables people to rise through innovative mobility solutions, driving rural prosperity, enhancing urban living, nurturing new businesses and fostering communities. It has a leadership position in utility vehicles, information technology, financial services and vacation ownership in India and is the world’s largest tractor company, by volume. It also enjoys a strong presence in agribusiness, components, commercial vehicles, consulting services, energy, industrial equipment, logistics, real estate, steel, aerospace, defence and two wheelers. Headquartered in India, Mahindra employs over 200,000 people across 100 countries.

Learn more about Mahindra on www.mahindra.com / Twitter and Facebook: @MahindraRise

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Mahindra LOGISTICS

