

Date: 29 January, 2018

To,
BSE Limited, (Security Code : 540768)
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001

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

**Sub: SEBI (Listing Obligations and Disclosures Requirements),
Regulation 2015 - Earnings Presentation**

Dear Sir,

Please find enclosed herewith Earnings Presentation on Unaudited Standalone and Consolidated financials results of the Company for quarter and nine months ended 31 December 2017 that would be disseminated to certain Investors/ Analysts. The highlights of the same will be briefed at the investors/ analyst call scheduled to be held on Tuesday, 30 January 2018 at 4.00 p.m. IST.

The same would also be uploaded on Company's website viz. www.mahindralogistics.com.

Kindly take the same on record and acknowledge the receipt.

Thanking you,
Yours Faithfully,
For **Mahindra Logistics Limited**



Brijbala Batwal
Company Secretary
Encl: a/a



Mahindra
LOGISTICS

Mahindra Logistics Ltd

Q3 & 9M FY18 Earnings Presentation

January 29, 2018

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.





Q3 & 9M FY2018 Results Overview

Key Highlights – 9M FY2018 vs 9M FY2017

2,523 ↑ 29.8%
Revenue from operations

87 ↑ 36.2%
EBITDA

922 ↑ 36.3%
Revenue from Non Mahindra SCM
Segment

70 ↑ 36.0%
PBT

254 ↑ 17.8%
Revenue from PTS Segment

44 ↑ 31.4%
PAT

Management Comment



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

“We have delivered strong performance in the first nine months of the year recording a topline growth of 30% and EBITDA growth of 36% YoY. This was primarily driven by expanding our relationship with existing clients

The sector outlook remains exciting with multiple macro level developments taking place. As one of the largest 3PL players in India, we believe we are well-positioned to sustainably register high-growth in the years to come.”

Consolidated Summarized P&L Statement

Particulars	Q3 FY18	Q3 FY17	Y-o-Y Change (%)	9M FY18	9M FY17	Y-o-Y Change (%)
Revenue from operations	835.1	715.1	16.8%	2,523.5	1,943.6	29.8%
Other Income	1.4	2.0	-28.0%	5.1	7.9	-36.2%
Total Income	836.5	717.1	16.6%	2,528.5	1,951.5	29.6%
Gross Margin	68.4	55.1	24.2%	196.3	151.9	29.2%
EBITDA	30.9	22.2	39.2%	87.1	63.9	36.2%
Depreciation	5.3	3.8	40.7%	14.5	10.1	42.8%
EBIT	25.6	18.4	38.9%	72.6	53.8	35.0%
Interest	1.1	0.9	18.7%	2.9	2.6	14.3%
Profit before tax	24.5	17.5	40.0%	69.7	51.2	36.0%
Profit after tax	15.5	11.5	35.0%	44.4	33.8	31.4%
EPS (Diluted) in INR	2.08	1.66	25.9%	6.18	4.89	26.4%

9MFY18 Financial and Operational Discussions

Total Income grows to Rs. 2,523 crore, up 30% Y-o-Y

- The Company continues to report robust performance in 9M FY18 on the back of healthy growth seen in existing clients with addition of new clients.
- Non-Mahindra Group revenues in SCM business increases by 36%
- Non M&M Warehousing & other valued-added segments increases by 37% - contributing 22% to total Non M&M SCM revenue

EBITDA at Rs. 87 crore, up by 36.2%

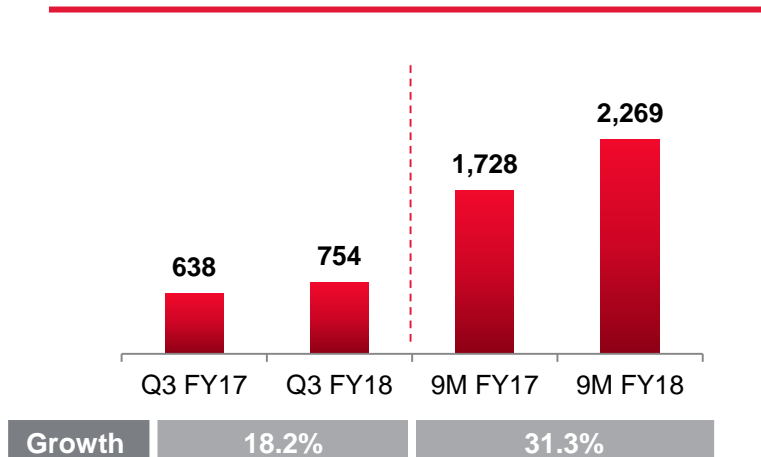
- EBITDA margins increase by 16 bps to 3.5%

PBT improves by 36.0% to Rs. 70 crore

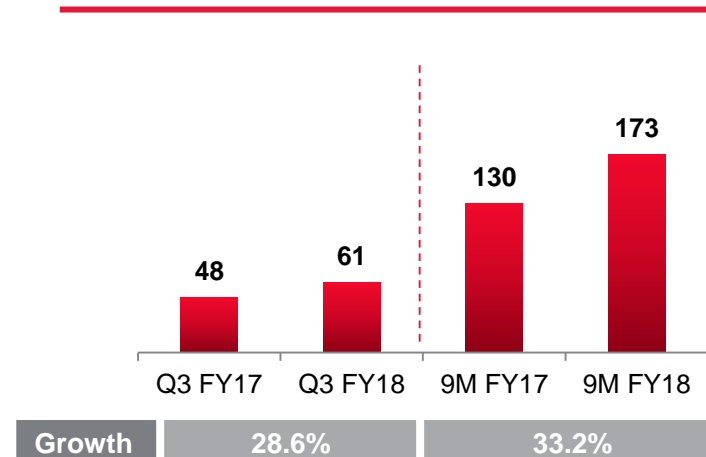
PAT higher by 31.4% to Rs. 44 crore

Segmental Performance – SCM

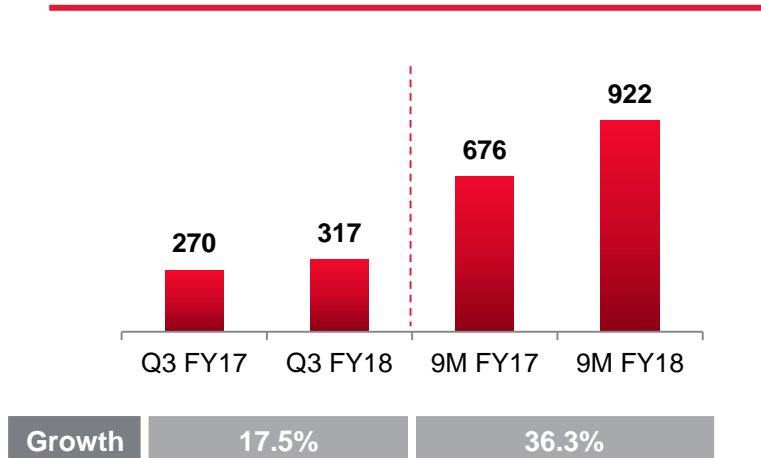
SCM Revenue



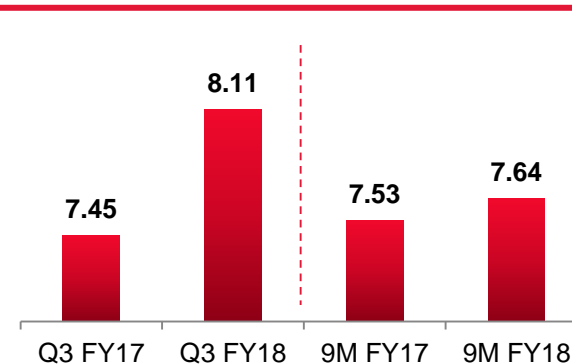
SCM Gross Margin



Non-Mahindra SCM Revenue

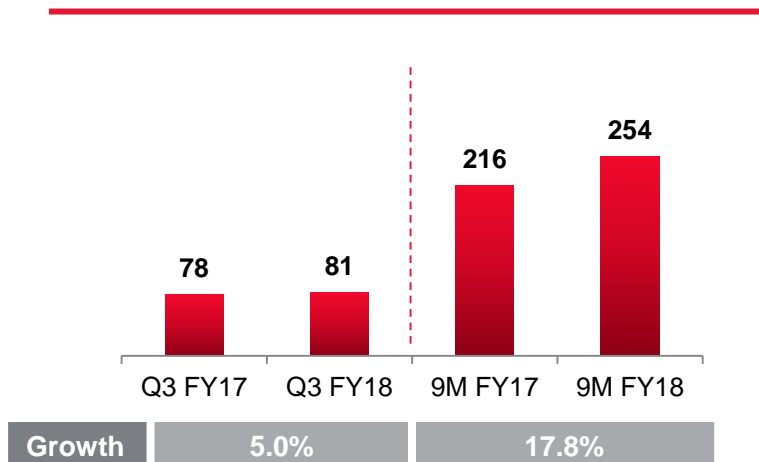


SCM Gross Margin %

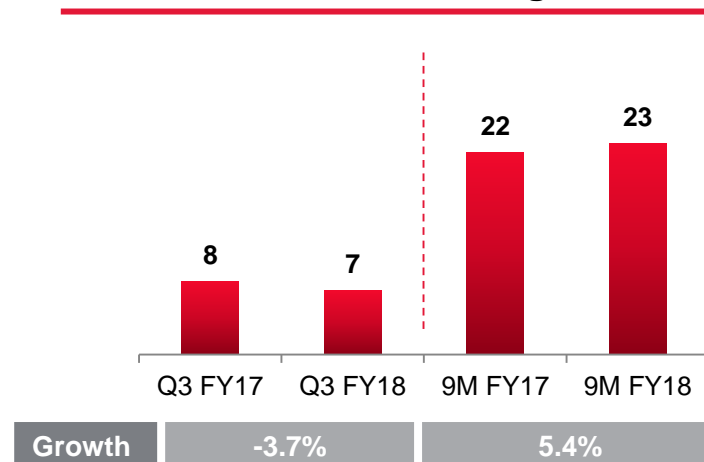


Segmental Performance – PTS

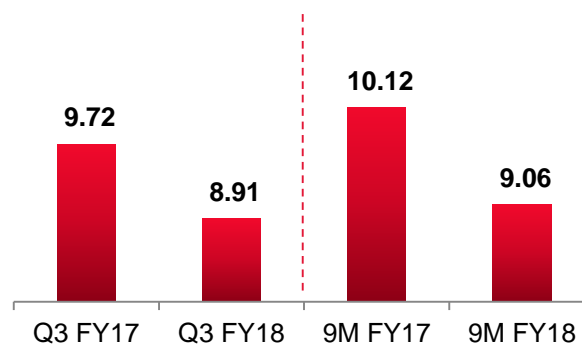
PTS Revenue



PTS Gross Margin



PTS Gross Margin %



Government Policies

- Logistics sector was accorded the infrastructure status – positive for borrowing and rate of interest
- Structural change at the government- will help in coordination between ministries and departments
 - Govt appointed Special Secretary Logistics and
 - Department of logistics has been formed under commerce ministry
- Focus by the government on reducing the cost of logistics – specific measurable parameters have been declared by the government

Awards & Recognition



MLL team wins 'Gold Award' at the National Convention on Quality Concepts at Nagpur



MLL team wins Gold Award at the Mahindra Innovation Awards 2017 for Business Model Innovation



MLL team awarded as the 'Best Service provider' by Spicer India Pvt. Ltd.

Driver Trainings under Pradhan Mantri Kaushal Vikas Yojana

265 drivers covered so far; Target to train 10,000 drivers in 2018



Noida



Pune



Chennai

CSR & Driver Welfare



**Village adoption – Tembha
(Shahapur, Thane District)**



**Children's Day celebrations with
1200+ drivers' children**



**Free HIV Medical camp for
drivers**



Company Overview



Mahindra LOGISTICS

One of India's largest 3PLs

INR 26+ Bn revenue⁽¹⁾

13,900+ work force across India⁽²⁾

470+ client and operating locations

Divisions:

Supply Chain Management

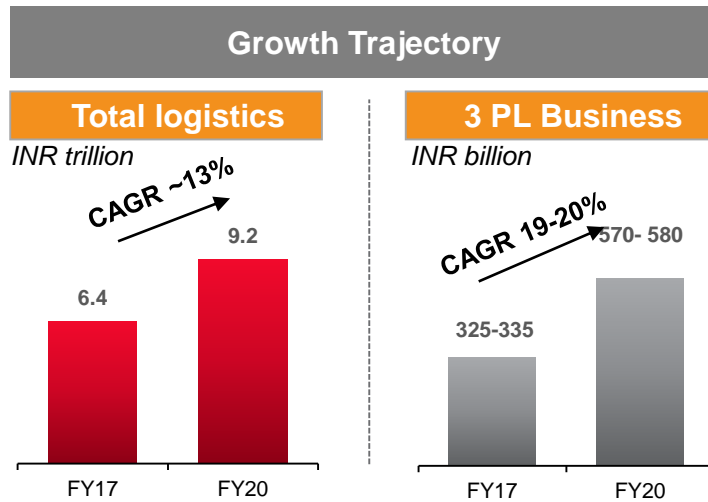
People Transport Solutions

Subsidiaries:

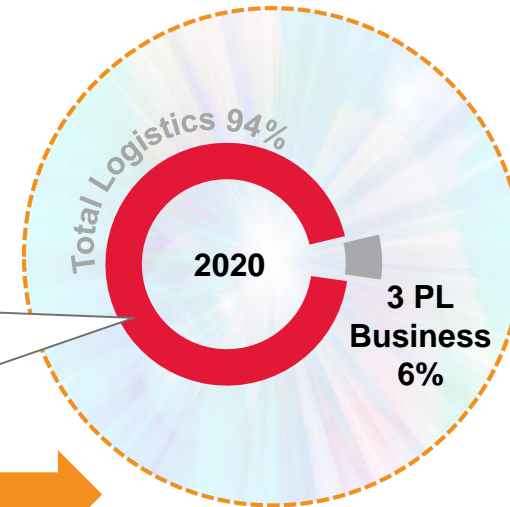
Lords Freight (India) Pvt. Ltd.

2x2 Logistics Pvt. Ltd.

3PL (Third party logistics): strong growth outlook



Huge growth opportunity in 3PL – expected to grow at CAGR of 19-20%

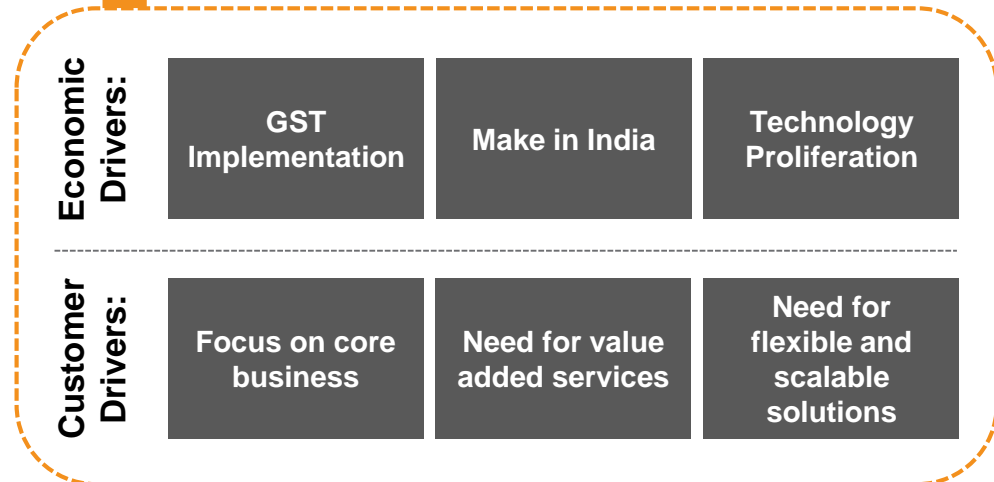


Major Trends

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

Asset-light / Low capital outlay

Asset-heavy / Capital intensive

End-to-End logistics

Limited transportation and warehousing services

Provides value added services

No value added services

Offers scalable, flexible & customized solutions

Limited scope to scale-up & provide flexible & customized solutions

Vast resource network

Restricted resource network

High return ratios

Relatively low return ratios

Operates with latest IT software's and Apps

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

Supply Chain Management (SCM)

INTEGRATED
SERVICE
PROVIDER



National transport

 **24** offices

 **350+** operating locations

 **15** Network hub locations

Warehousing & consolidation

 **10 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

Business partners network

Unique strengths that have enabled MLL to create a wide network of business partners:

- Genesis of the exceptional business model: **Large anchor client** with sizeable **PAN-India** presence – Mahindra & Mahindra
- **Mahindra brand and trust:** mutually beneficial partner relationships – based on trust and comfort built over **decades**
- MLL's **scale** enables it to provide **business assurance, process, and technology** to its business partners
- Business **partner development** and loyalty program



Business Partners

SCM
~1,000 nos.



Vehicles



PTS
~500 nos.



Manpower



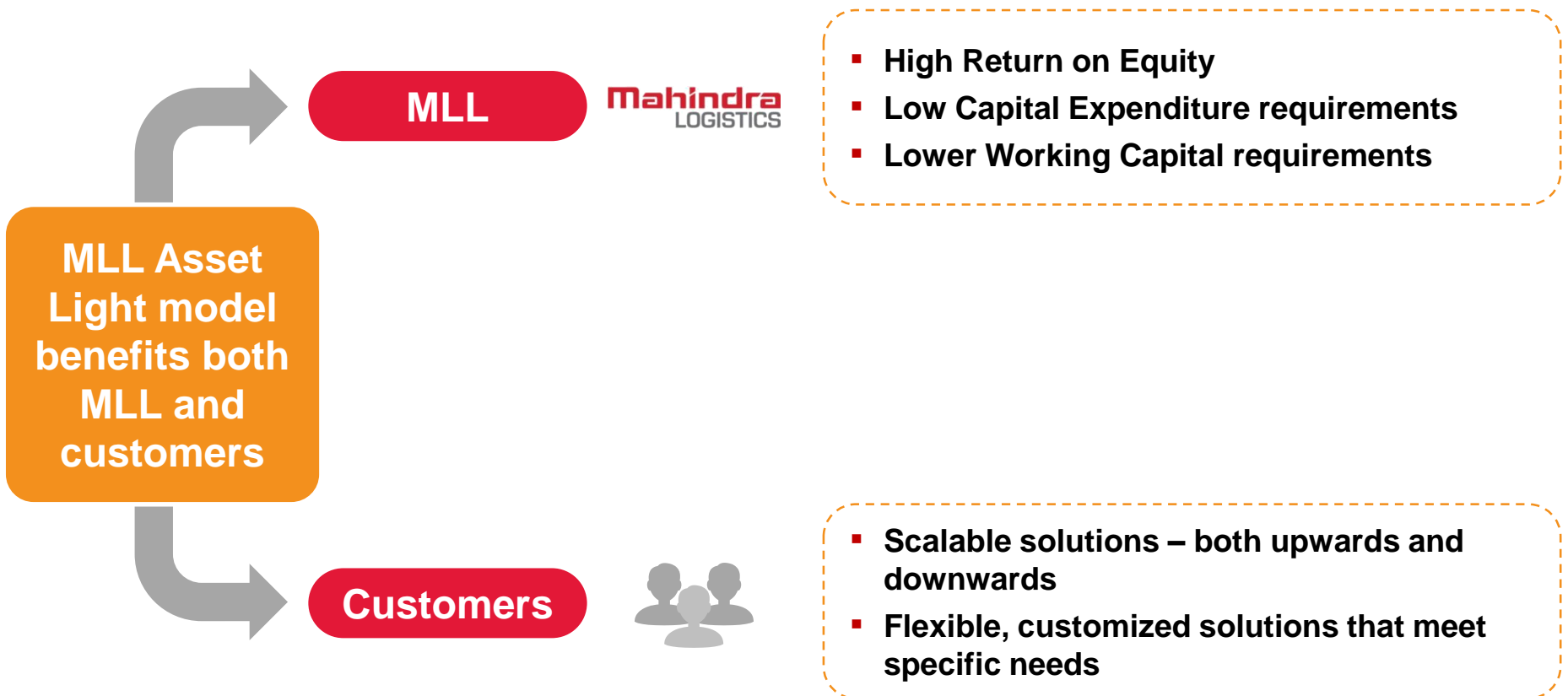
Warehouses

MLL

- Sales & Solutions design
- Process
- Technology infrastructure
- Control tower
- Training & development

Built over decades of trust and engagement

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



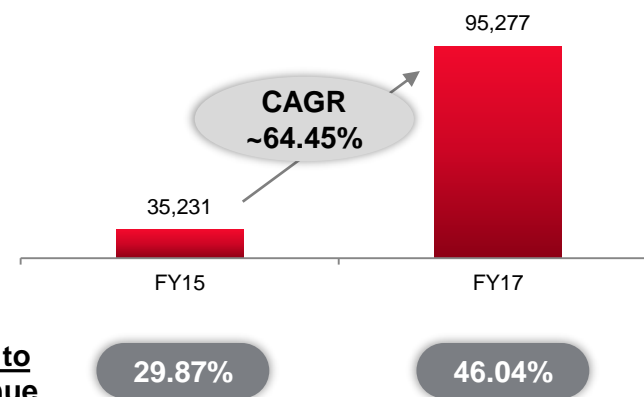
Diverse industries and clients

Diversified Logistics Company

- SCM business spans Automotive, Engineering, Consumer, Bulk, E-commerce, and Pharma sectors
- **70%** of non-Mahindra business came from **top 20 customers** in Fiscal 2017 (67% in 9M F-18)
 - 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
 - Between fiscals 2015 and 2017, **client retention rate** has been 92% for the top 25 SCM, non Mahindra group clients and 100% in 9M F18.



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



Non M&M
Revenue % to
Total Revenue

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

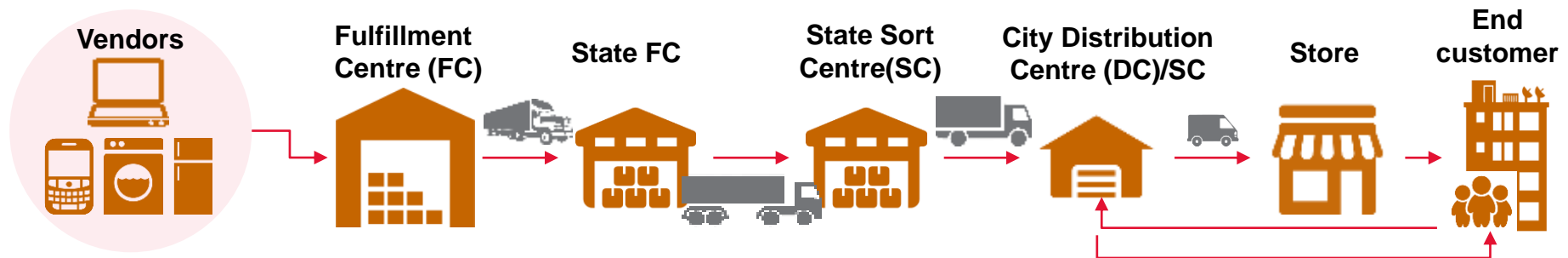
Strong focus to equally diversify across industry verticals

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

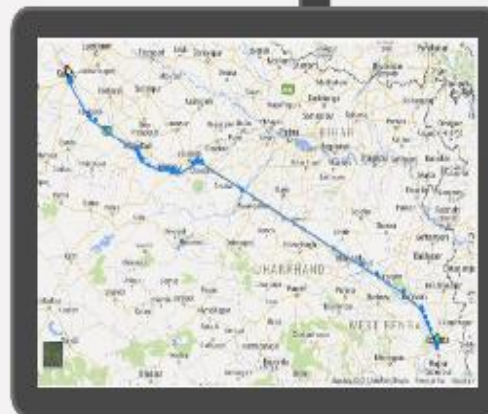
- Optimize truck planning
- Capacity and cost optimization

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 **1,700 girl students** in **FY17**



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 19 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 19 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, aerospace, commercial vehicles, components, defence, logistics, real estate, renewable energy, speedboats and steel, amongst other businesses. Headquartered in India, Mahindra employs over 240,000 people across 100 countries.

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

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Mahindra LOGISTICS

— THE CORE OF YOUR BUSINESS —

