

April 19, 2018

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| <p>BSE Limited Corporate Relationship Department, P.J.Towers, Dalal Street, Fort, Mumbai - 400 001.</p> <p>BSE Scrip Code: 532756</p> | <p>National Stock Exchange of India Limited, Corporate Relationship Department, Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.</p> <p>NSE Scrip Code: MAHINDCIE</p> |
|---|---|

Subject: Investor Presentation on Q1 CY18 Results

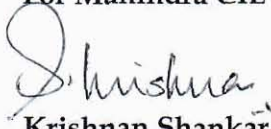
Dear Sir/Madam,

Please find enclosed the herewith Investor Presentation on Q1 CY18 Results.

Kindly acknowledge the receipt of the same.

Thanking you,

Yours faithfully,
For Mahindra CIE Automotive Limited



Krishnan Shankar
Company Secretary & Head - Legal
Encl: As above



Investor Presentation

Q1 CY 2018 Results

Mahindra CIE Automotive Limited

19th March 2018 | Mumbai



Mahindra CIE

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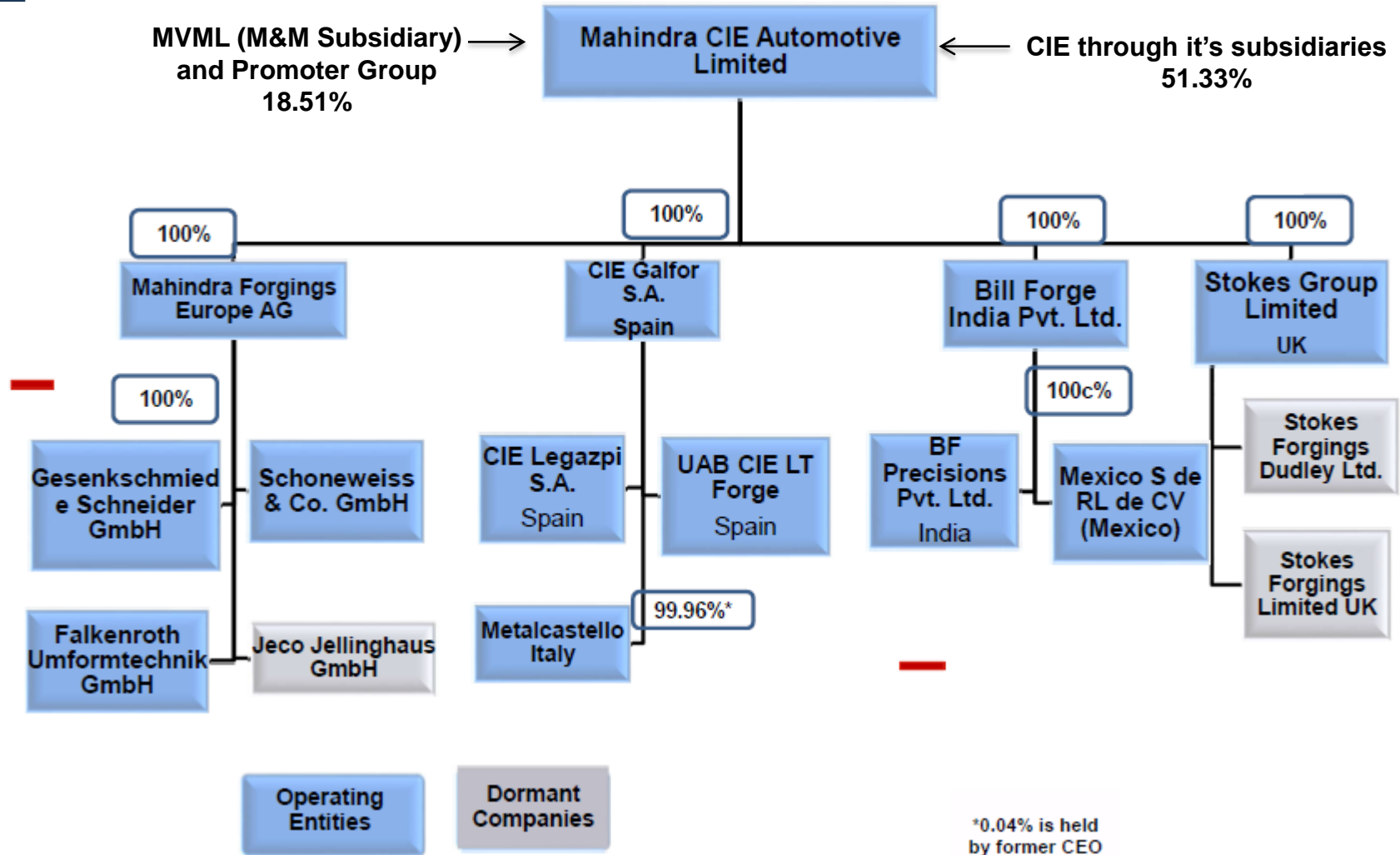
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MCIE Overview

Legal Structure



MCIE India

Q1 C18 results

Financial Update

| (INR Mio) | Jan-Mar 2018 | Change | Jan-Mar 2017 | Oct -Dec 2017 |
|------------------------|--------------|--------|--------------|---------------|
| Sales (without Excise) | 7,756 | +24% | 6,234 | 6,661 |
| EBITDA (*) | 1,175 | +49% | 790 | 829 |
| EBITDA% | 15.1% | | 12.7% | 12.4% |
| EBIT (*) | 875 | +71% | 511 | 522 |
| EBIT % | 11.3% | | 8.2% | 7.8% |
| EBT | 967 | +88% | 515 | 406 |
| EBT% | 12.5% | | 8.3% | 6.1% |

(*) EBITDA: EBIT+ Depreciation, EBIT = EBT + Finance Costs

Market Update (Production)

| | Jan-Mar 2018 v/s Jan-Mar 2017 | Jan-Mar 2018 v/s Oct-Dec 2017 |
|------------------|-------------------------------|-------------------------------|
| PV | -1.5% | 8.7% |
| UV | 30.2% | 12.1% |
| LCV | 36.6% | 28.3% |
| MHCV | 17.8% | 25.4% |
| Two Wheelers | 28.0% | 14.0% |
| Tractors | 31.3% | 1.0% |
| Key Customers(#) | 11.7% | 11.9% |

M&M, Maruti and Tata Motors combined constitute more than 50% of MCIE India business, includes production for which the segments considered are: M&M includes PV+UV+LCV+Tractors but excludes two wheelers and 3Wheelers, while for Tata Motors it includes PV+UV+LCV but excludes MHCV and Maruti includes PV+LCV. The growth of MCIE's customers weighted as per their share of business in MCIE India for the Jan-Mar 2018 growth is 18.5% and sequential growth is 15.7%

As per International classification the segment defined as <6T is equivalent to the Indian segment PV+UV+LCV. The growth rate for <6T for Jan-Mar quarter as compared to previous year is 9.7% and sequential quarters is 12.1%

- Significant sales growth in all divisions
- Excellent trend in operative EBITDA. EBITDA% of Q4 C17 was affected by one time VRS and other provisions
- EBT: Positive exchange rate effect of 107 Mio in BF Mexico

MCIE Europe

Q1 C18 results

Financial Update

| (INR Mio) | Jan-Mar 2018 | Change | Jan-Mar 2017 | Oct -Dec 2017 |
|---------------------------|--------------|--------|--------------|---------------|
| Sales (without Excise) | 11,416 | +26% | 9,041 | 9,588 |
| EBITDA (*) | 1,464 | +27% | 1,156 | 1,486 |
| EBITDA% | 12.8% | | 12.8 % | 15.5% |
| EBIT (*) | 1,052 | +35% | 777 | 1,017 |
| EBIT % | 9.2% | | 8.6% | 10.6% |
| EBT | 930 | +46% | 639 | 930 |
| EBT% | 8.1% | | 7.1% | 9.7% |

Market Update (Production)

| | Jan-Mar 2018 v/s Jan-Mar 2017 | Jan-Mar 2018 v/s Oct-Dec 2017 |
|--------------------|-------------------------------------|-------------------------------------|
| Passenger Vehicles | -1.5% | 5.5% |

Similarly as per VDA, Commercial Vehicle production in Germany in Q1 has fallen by approximately 6% as compared to the same period last year.

(*) EBITDA: EBIT+ Depreciation, EBIT = EBT + Finance Costs

Exchange Rates considered for Jan-Mar 2018, Jan-Mar 2017 and Oct-Dec 2017 are 79.21, 71.47 and 76.32 INR/Euro respectively

- Positive exchange rate impact of +10% in sales vs Q1 2017
- Q1 2018 results negatively affected by steel price, increase has not been received from customers. Most customers have already agreed to the increase
- Q4 2017 included retroactive steel price increase (impact of 68 Mio from previous quarters) and reversal of excess provisioning for Inventory

MCIE Consolidated

Q1 C18 results

| (INR Mio) | Jan-Mar 2018 | Change | Jan-Mar 2017 | Oct -Dec 2017 |
|---------------------------|--------------|--------|--------------|---------------|
| Sales (without Excise) | 19,107 | +26% | 15,212 | 16,184 |
| EBITDA (*) | 2,638 | +36% | 1,946 | 2,317 |
| EBITDA% | 13.8% | | 12.8 % | 14.3% |
| EBIT (*) | 1,927 | +50% | 1,288 | 1,536 |
| EBIT % | 10.1% | | 8.5% | 9.5% |
| EBT | 1,898 | +62% | 1,170 | 1,330 |
| EBT% | 9.9% | | 7.7% | 8.2% |

(*) EBITDA: EBIT+Depreciation, EBIT = EBT + Finance Costs

Exchange Rates considered for Jan-Mar 2018, Jan-Mar 2017 and Oct-Dec 2017 are 79.21, 71.47 and 76.32 INR/Euro respectively

- Operative margins (excluding steel price effect) improving, both in India and Europe
- EBT: positive exchange rate impact in BF Mexico of 107 INR Mio

Other Details

Q1 CY2018 Results

| (INR Mio) | India | Europe | Consolidated |
|-------------------------|-------|--------|--------------|
| Other Operating Revenue | 519 | 354 | 858 |
| Other Income | 27 | 25 | 52 |

Annexure 1: Results Declared to SEBI

STATEMENT OF PROFIT & LOSS ACCOUNTS

Rs.in Lakhs

| Part-I Particulars | | | STANDALONE | | | |
|---------------------------|----|---|----------------|------------------------------|----------------|-------------------|
| | | | Quarter Ended | | | Year Ended |
| | | | March 31, 2018 | December 31, 2017 | March 31, 2017 | December 31, 2017 |
| | | | Un Audited | Un Audited (Refer Note 3) | Un Audited | Audited |
| I | | Revenue from operations | 61,197 | 56,150 | 51,296 | 206,333 |
| II | | Other Income | 610 | 377 | 243 | 1,269 |
| III | | Total Revenue (I+II) | 61,807 | 56,527 | 51,539 | 207,602 |
| IV | | Expenses | | | | |
| | a) | Cost of materials consumed | 34,319 | 29,358 | 25,525 | 105,223 |
| | b) | Changes in stock of finished goods, work-in process | (703) | (1,170) | 46 | (1,265) |
| | c) | Employee benefit expense | 6,738 | 7,559 | 5,585 | 24,250 |
| | d) | Finance costs | 152 | 330 | 326 | 982 |
| | e) | Depreciation and amortisation expenses | 1,885 | 2,282 | 1,712 | 7,593 |
| | f) | Excise Duty on Sales | - | - | 4,843 | 10,266 |
| | g) | Other expenses | 13,451 | 14,571 | 10,866 | 48,384 |
| | | Total Expenses (IV) | 55,840 | 52,930 | 48,903 | 195,433 |
| V | | Profit before exceptional items and tax (III-IV) | 5,966 | 3,597 | 2,636 | 12,169 |
| VI | | Exceptional item (Refer Note 6) | - | 690 | - | 690 |
| VII | | Profit before tax (V-VI) | 5,966 | 2,907 | 2,636 | 11,479 |

STATEMENT OF PROFIT & LOSS ACCOUNTS.. CONT

Rs.in Lakhs

| Part-I Particulars | | | STANDALONE | | | |
|---------------------------|----|--|----------------|------------------------------|----------------|-------------------|
| | | | Quarter Ended | | | Year Ended |
| | | | March 31, 2018 | December 31, 2017 | March 31, 2017 | December 31, 2017 |
| | | | Un Audited | Un Audited (Refer Note 3) | Un Audited | Audited |
| VIII | | Tax expenses | | | | |
| | 1) | Current tax | 1,896 | 1,989 | 1,260 | 5,317 |
| | 2) | Deferred tax | 213 | (546) | (288) | (767) |
| | | Total tax expense (VIII) | 2,109 | 1,443 | 973 | 4,550 |
| IX | | Profit after tax (VII-VIII) | 3,857 | 1,465 | 1,664 | 6,930 |
| X | | Other Comprehensive income | | | | |
| | A | i) Items that will not be reclassified to profit or loss | - | (75) | - | (75) |
| | | ii) Income tax relating to items that will not be reclassified to profit or loss | - | 26 | - | 26 |
| | B | i) Items that will be reclassified to profit or loss | - | - | - | - |
| | | ii) Income tax relating to items that will be reclassified to profit or loss | - | - | - | - |
| | | Total Other Comprehensive Income | - | (49) | - | (49) |
| XI | | Total comprehensive income for the period (IX+X) | 3,857 | 1,416 | 1,664 | 6,881 |
| | | Earnings per equity share face value ₹ 10 each | | | | |
| | 1) | Basic | 1.02 | 0.39 | 0.44 | 1.83 |
| | 2) | Diluted | 1.02 | 0.39 | 0.44 | 1.83 |

- 1 The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (IndAS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
- 2 The Company has investment of Rs. 69,742.51 Lakhs in Mahindra Forgings Europe AG (MFE AG), Germany. After the significant decline in demand due to economic downturn in Europe and some onetime costs due to one plant closure, MFE AG results got impacted in 2015 and 2016. Actions initiated by the new management team has shown significant improvement in results for 2017. In view of this and the expected improvements, the Company is of the view that, there is no diminution in the Company's investments in MFE AG. The auditors while taking note of the actions initiated by the management, have mentioned this as a "Matter of Emphasis" in their report.
- 3 The figures for the quarter ended December 31, 2017 are the derived figures between the audited figures for the year ended December 31, 2017 and published reviewed figures of September 30, 2017.
- 4 Pursuant to the Order of Hon'ble National Company Law Tribunal, Mumbai, dated December 13, 2017, four of the Company's subsidiaries, namely, Mahindra Forgings International Limited (MFIL), Mahindra Forgings Global Limited (MFGL), Mahindra Gears & Transmission Private Limited (MGTPPL) and Crest Geartech Private Limited (Crest Geartech) ("Transferor Companies") merged with the Company with effect from July 1, 2017 (being the appointed date as per the Scheme of Amalgamation). Consequently, the Company has accounted for the merger (with effect from July 1, 2017) during the quarter ended December 31, 2017. Hence, the results for the quarter ended March 31, 2018 are not comparable with those of the quarters ended December 31, 2017 and March 31, 2017.

MCIE SEBI RESULT NOTES – Continued

5 Revenue from Operations for the quarter ended March 31, 2017 and year ended December 31, 2017 includes excise duty which is discontinued w.e.f July 1, 2017 upon implementation of Goods and Services Tax (GST) in India. In accordance with Ind AS 18, Revenue, GST is not included in Revenue from Operations. In view of the aforesaid restructuring of Indirect taxes, Revenue from Operations for the quarter ended March 31, 2018 and December 31, 2017 are not comparable with the previous quarter ended March 31, 2017.

Rs in Lakhs

| Particulars | Standalone | | | |
|--|----------------|----------------------------------|----------------|-----------------------------|
| | Quarter ended | | | Year ended |
| | March 31, 2018 | December 31, 2017 (Refer Note 3) | March 31, 2017 | December 31, 2017 (Audited) |
| Revenue from Operations | 61,197 | 56,150 | 51,296 | 206,333 |
| Less: Excise duty | - | - | 4,843 | 10,266 |
| Revenue from Operations (Net of Excise duty) | 61,197 | 56,150 | 46,453 | 196,067 |

6 The exceptional item pertains to Voluntary Retirement Schemes.

MCIE SEBI RESULT NOTES – Continued

- 7 The Company manufactures automotive components and is of the view that it constitutes a single business segment in accordance with IndAS 108 “Operating Segments” notified pursuant to Companies (Accounting Standard) Rules, 2015
- 8 The above results have been subjected to Limited Review by the auditors of the Company in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on April 19, 2018.
- 9 Previous period figures have been regrouped / reclassified, wherever necessary to conform to the current years classification.

For and on behalf of the Board of Directors,

Executive Director

Date : April 19, 2018

Place : Mumbai

Annexure 2: Market Overview and Outlook

India Market: Key Segments Update - Quarterly

Demand Growing

Market - Production Numbers

| Period | Cars + UV's | | CV's | | Tractors | | Two Wheelers | |
|--------|-------------|------|---------|-------|----------|------|--------------|------|
| | Units | Δ% | Units | Δ% | Units | Δ% | Units | Δ% |
| Q1 C18 | 1,024,441 | 6.2 | 291,806 | 28.3 | 189,818 | 31.3 | 5,989,795 | 28.0 |
| Q4 C17 | 933,851 | 5.6 | 229,573 | 21.9 | 188,019 | 10.0 | 5,252,975 | 16.4 |
| Q3 C17 | 985,345 | 2.1 | 211,260 | 11.8 | 203,400 | 19.8 | 6,267,056 | 12.6 |
| Q2 C17 | 885,980 | 9.8 | 162,077 | -21.2 | 195,737 | 14.7 | 5,637,231 | 9.0 |
| Q1 C17 | 961,935 | 10.3 | 227,601 | -0.7 | 167,659 | 40.5 | 4,671,778 | -1.2 |

Source: SIAM, TMA

•Δ % - means comparison of Quarter volumes of this financial year with that of the same quarter of the previous financial year.
E.g. Q1 C18 Volume is compared to Q1 C17 volume respectively.

Market Outlook - India

- **PVs+ UVs:**

“The domestic passenger vehicle industry is expected to grow at 9-11% in 2017-18 over a high base of 2016-17. The growth is expected to continue its momentum at 9-11% in 2018-19 as well.”... CRISIL Research report downloaded on 18 April 2018

- **CVs:**

“LCVs to continue to grow at ~13% in fiscal 2019, aided by higher replacement demand, improved agricultural output and private consumptionMHCV sales is expected to continue growing, at ~9% over a high base, in fiscal 2019...” ... CRISIL Research report downloaded on 18 April 2018

- **Tractors:**

“CRISIL Research expects domestic tractor sales volumes to continue growth momentum from previous year, and increase by 18-20% in 2017-18, on the back of a second consecutive near normal monsoon (5% below Long Period Average) and favourable farm sentiments. Tractor sales to further improve by 11-13% in 2018-19 over the high base this fiscal, with assumptions of a normal monsoon and increased government support.”... CRISIL Research report downloaded on 18 April 2018

- **Two Wheelers:**

“CRISIL Research projects the two-wheeler industry to grow by 10-12% in fiscal 2019 assuming normal monsoons, improved affordability, and positive rural sentiment. Further improvement in government spending is likely to boost demand in the second half of fiscal 2019, pushing demand upwards by 1-3%.” ... CRISIL Research report downloaded on 18 April 2018

Market Outlook - Europe

Mature Market, Stable Growth

- EU – Cars:
 - *IHS Global has forecasted that the Passenger Vehicle production will grow at a slow but steady pace of 0.7% CAGR from 2017-2022.*
- EU - CVs:
 - *IHS Global has forecasted that the Medium and Heavy Commercial Vehicle production will grow at a steady pace of 2.3% CAGR from 2017-2022.*



Thank you

Mahindra CIE