

Date: 1 November 2018

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Mahindralogistics.com

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

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

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 half year ended 30 September 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 half year ended 30 September 2018 (subjected to Limited Review) that would be disseminated by the Company to Analysts/Institutional Investors/Funds. The highlights of the same including general business overview would be briefed at the conference call with several analysts/institutional investors scheduled on Friday, 2 November 2018.

The aforementioned Earnings Presentation has also been uploaded on Company's website viz. www.mahindralogistics.com in compliance with Regulation 46(2)(o) 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

Q2 & H1 FY19 Earnings Presentation

November 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.





H1 FY2019 Results Overview

Key Highlights – H1 FY2019 vs H1 FY2018

1856  **9.9%**
Revenue from operations

79  **40.0%**
EBITDA

627  **3.8%**
Revenue from Non Mahindra SCM
Segment

67  **47.9%**
PBT

188  **8.7%**
Revenue from PTS Segment

43  **50.1%**
PAT

Management Comment



Commenting on the H1 FY2019 performance, Mr. Pirojshaw Sarkari (Phil), CEO at Mahindra Logistics Ltd. said:

- “In the first half of the financial year, our profitability has improved by 50% due to our focus on optimization of operations leading to expansion of gross margins. We have added marquee clients to our portfolio and are working with them in providing technology enabled logistics solutions.
- We continue to remain optimistic on the growth potential of the sector. We are encouraged by the government plans and actions for improving the logistics sector. Mahindra Logistics is working with the government departments, industry platforms and other logistics players in supporting these plans.”

Consolidated Summarized P&L Statement

Particular	Q2 FY19	Q2 FY18	Change (%)	H1 FY 2019	H1 FY 2018	Change (%)
Revenue from operations	927.4	835.9	10.9%	1,855.5	1,688.4	9.9%
Other Income	1.3	1.6	-20.4%	4.2	3.6	15.6%
Total Income	928.6	837.5	10.9%	1,859.7	1,692.0	9.9%
Gross Margin	75.6	63.3	19.4%	156.4	128.0	22.2%
EBITDA	35.2	27.6	27.5%	78.6	56.2	40.0%
Depreciation	5.1	5.0	3.3%	10.2	9.1	11.5%
EBIT	30.1	22.7	32.8%	68.4	47.0	45.5%
Interest	0.8	0.9	-13.5%	1.6	1.8	-13.3%
Profit before tax	29.3	21.7	34.8%	66.9	45.2	47.9%
Profit after tax	19.1	13.8	38.2%	43.4	28.9	50.1%
EPS (Diluted) in INR	2.65	1.95	35.9%	6.01	4.09	46.9%

Consolidated Balance Sheet Statement

Particular	30 th Sept. 2018 Unaudited	31 st Mar. 2018 Audited	30 th Sept. 2017 Unaudited
Non Current Assets			
a) Property, Plant and Equipment / Intangible Assets & CWIP incl of Goodwill	66.4	66.4	71.5
b) Other Assets	133.6	135.5	101.3
SUB-TOTAL	200.0	201.9	172.8
Current Assets			
(a) Trade Receivables	610.4	520.0	497.8
(b) Cash, Cash Equivalents & Bank Balance	66.0	66.0	50.8
(c) Other Assets	202.9	198.2	422.7
	879.3	784.2	971.3
TOTAL ASSETS	1079.3	986.1	1144.1
Equity			
(i) Equity attributable to owners	448.1	419.6	383.3
(ii) Equity attributable to non controlling interests	6.4	7.0	6.0
SUB-TOTAL	454.4	426.6	389.3
Non Current Liabilities			
a) Financial Liabilities - Borrowings & Other financial liability	13.6	18.1	22.5
b) Provisions	16.1	14.8	14.9
SUB-TOTAL	29.7	32.9	37.4
Current Liabilities			
i) Financial Liabilities - Borrowings & Other financial liability	33.11	21.2	37.1
(ii) Trade Payables	541.09	486.3	658
iii) Other Liabilities & Provision	21.02	19.1	22.3
SUB-TOTAL	595.22	526.6	717.4
TOTAL EQUITY & LIABILITIES	1079.3	986.1	1144.1

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

H1 FY19 Financial highlights

Revenue from operations grows to Rs. 1856 crore, up 9.9% Y-o-Y

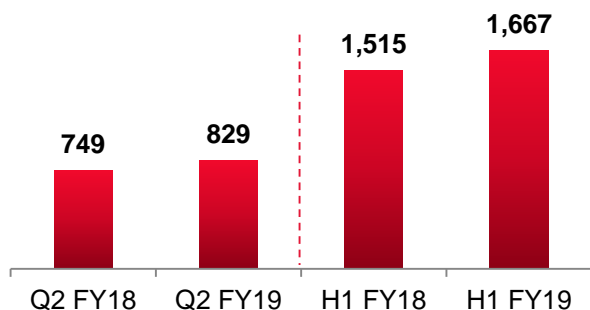
- M&M revenues in SCM business increases by 14.13%
- Non-M&M revenues in SCM business increases by 3.84%
 - Revenue from warehousing & other valued-added services increases by 26%

EBITDA at Rs. 79 crore, up by 40.0%

- 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 crore in H1 FY18
- Increase in other income by Rs 0.56 crore, largely due to interest on income tax refund
- **PBT improves by 47.9% to Rs. 66.9 crore**
- **PAT higher by 50.1% to Rs. 43 crore**

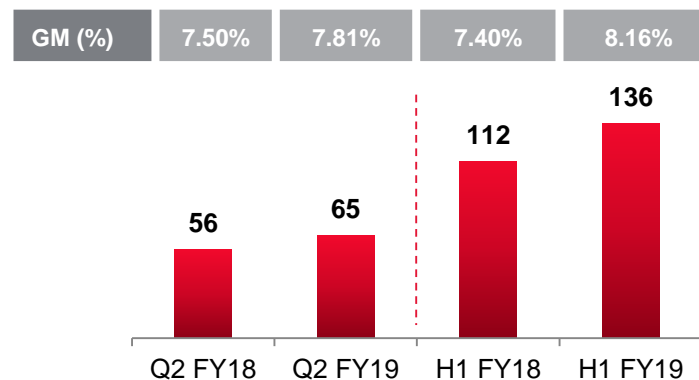
Segmental Performance – SCM

Revenue



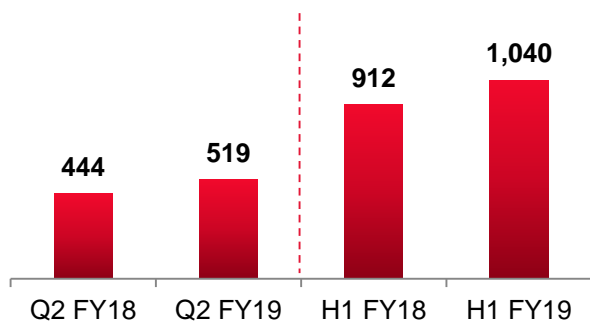
Growth	10.7%	10.0%
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Gross Margin



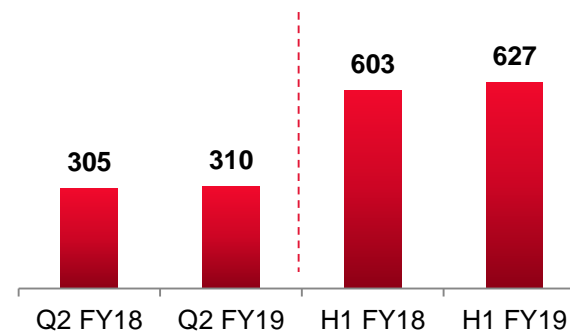
Growth	15.31%	21.29%
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Mahindra Revenue



Growth	16.9%	14.13%
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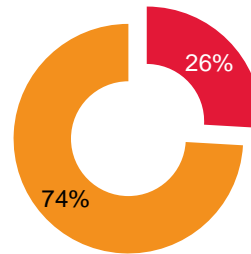
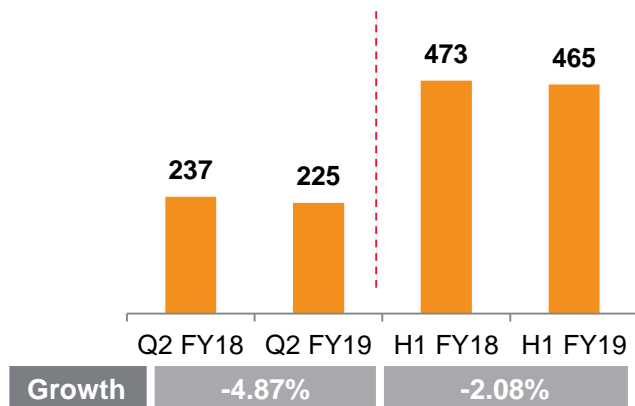
Non-Mahindra Revenue



Growth	1.65%	3.85%
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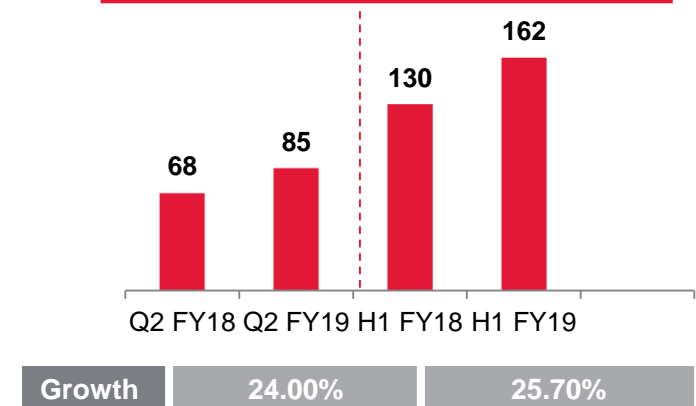
Non-Mahindra SCM Revenue Analysis

Transportation

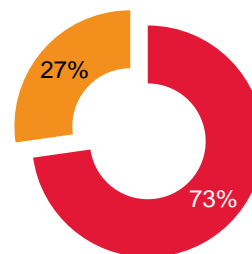
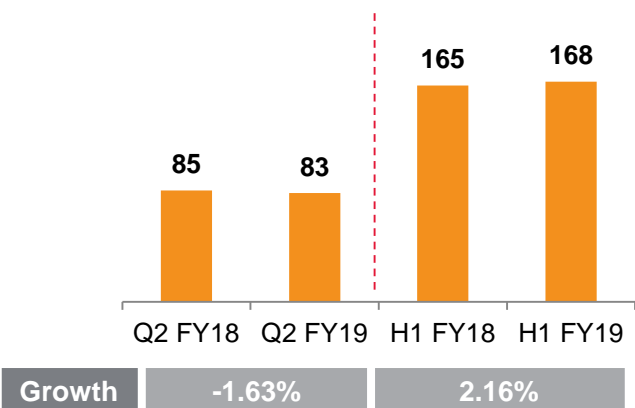


Activity-wise
Breakup H1 FY19

Warehouse & other value-added segments

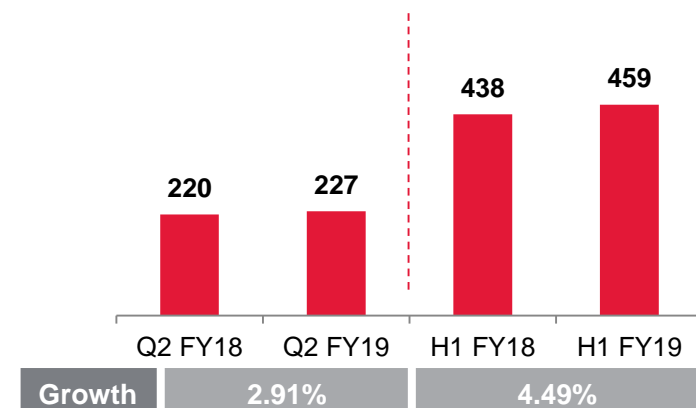


Auto



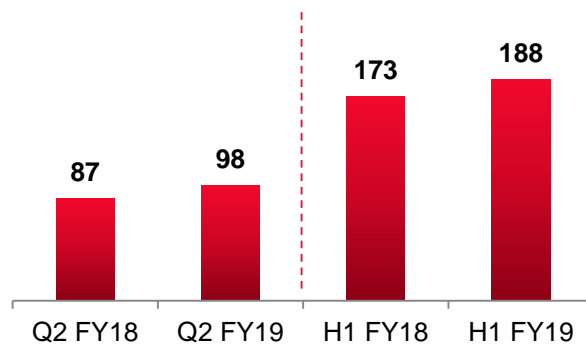
Industry-wise
Breakup H1 FY19

Non-Auto



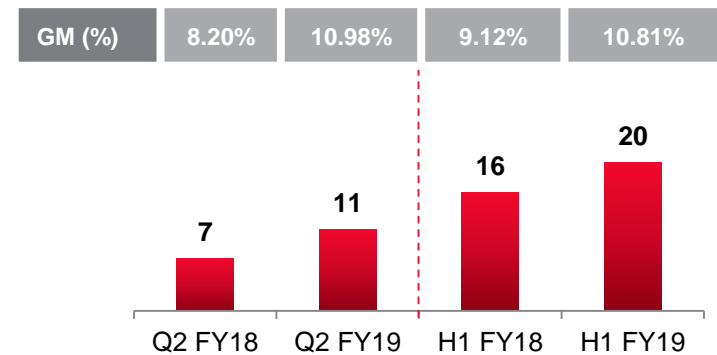
Segmental Performance – PTS

Revenue



Growth	13.06%	8.73%
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Gross Margin (GM)



Growth	51.38%	28.84%
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Logistics industry continues as a focus area for the government

Govt emphasis on logistics



Logo



Policy on MMLP



Logistics Policy



Logistics Portal

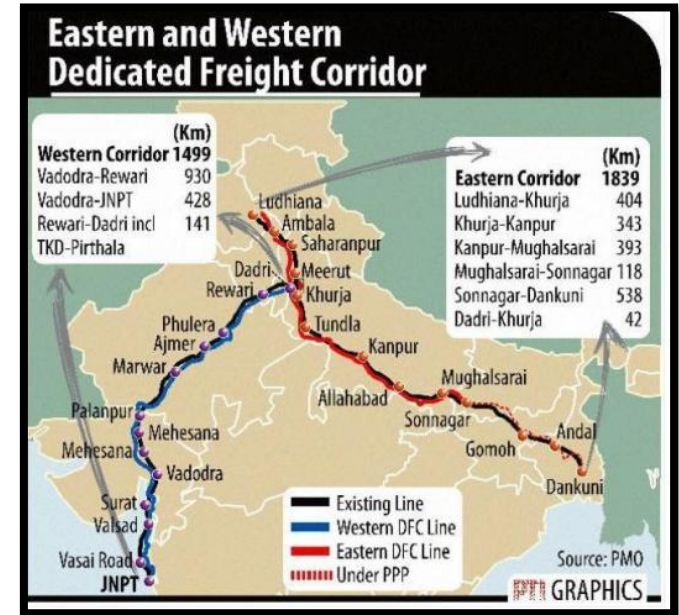
Load Capacity for heavy vehicles increased

Government raises load capacity for heavy vehicles by 20-25 per cent

ET Bureau | Updated: Jul 17, 2018, 07:39 AM IST

Save

Trial run completed on DFC



Truckers strike

Truckers call off strike after government assurance to look into demands

All India Motor Transport Congress, which claims support of 93 lakh truckers, had gone on an indefinite strike demanding reduction in diesel prices, among others, from July 20.

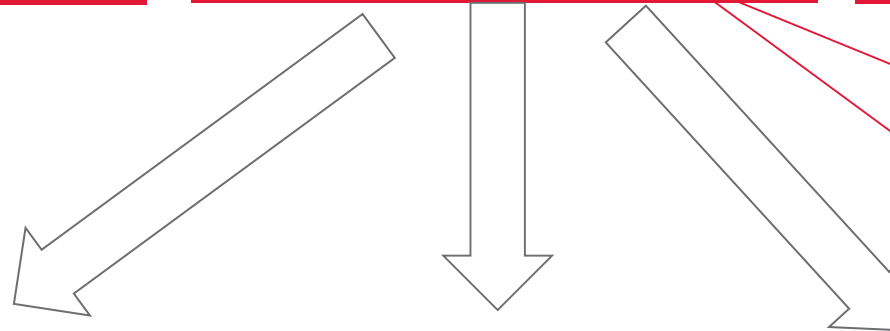
MLL is leading standardisation efforts through CII and the Department of Logistics

CII is driving 3 initiatives for improving the logistics sector

Research on Logistics
Cost

Standardization in Logistics
Sector

Image of Logistics
Sector



The standardization sub-group is headed by MLL

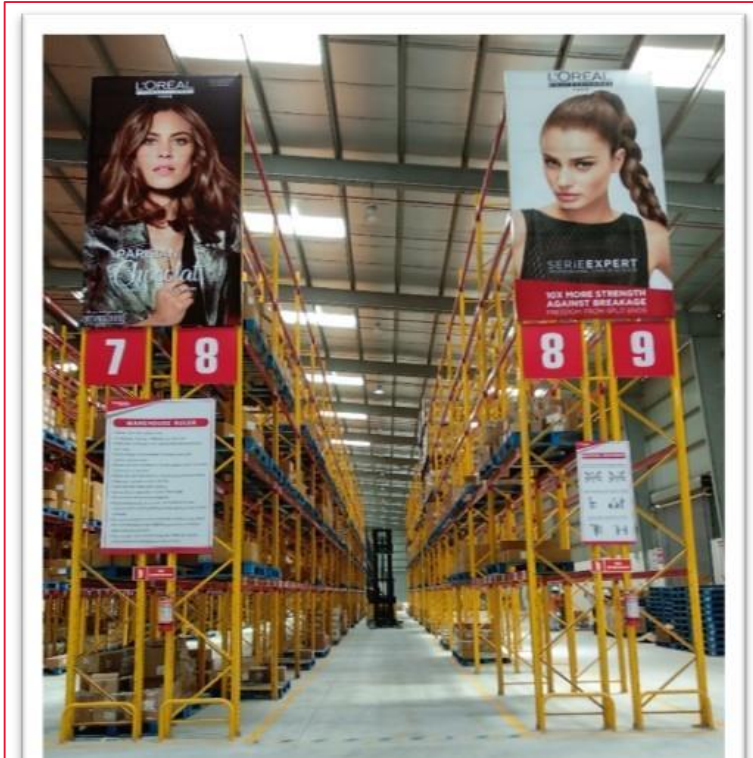
Infrastructure and
Equipment

Labour and Skill

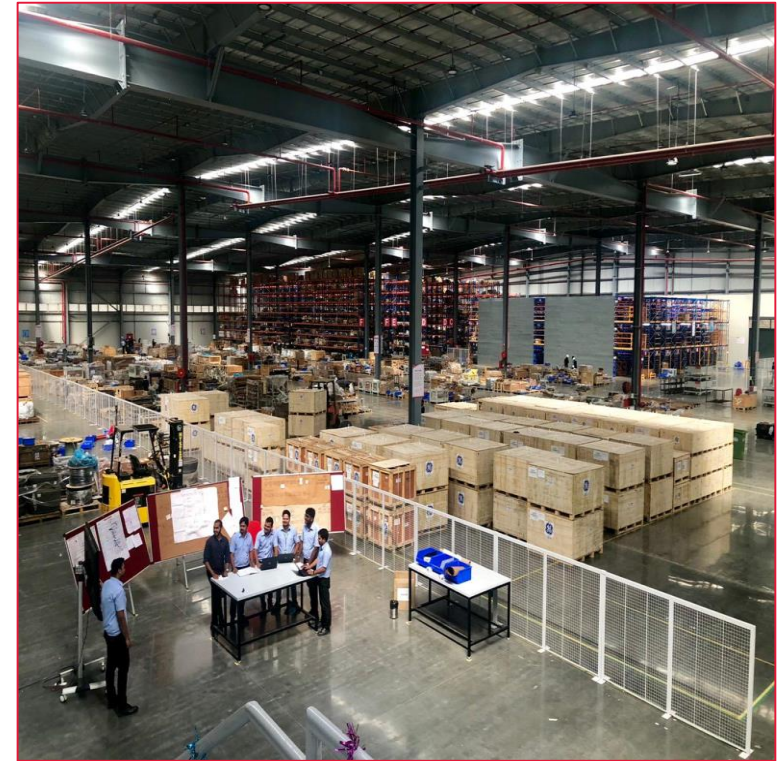
Documentation

- Subgroups comprise of different stakeholders
- 2 meetings have been held with Jt Secretary logistics
- Action plan is being developed for implementation

Multiproduct, Multiuser warehouses



**Tauru Road,
National Capital Region**



**MIDC Chakan,
Pune Region**

Investments made for future growth – ShipX and Lords

Transtech Logistics for Transport Management Solution - ShipX



MLL has made an acquisition of a strategic stake in Transtech Logistics, also known as ShipX.

ShipX has been working with MLL for over 3 years and has been enabling transportation solutions.

This acquisition will help MLL to increase end-to-end digitization and bring in operational efficiencies

Lords Freight - building international freight forwarding



Approval for increasing the stake to 83.87%.

Work in progress for completing the acquisition of shares.

A plan is being developed to accelerate the growth in freight forwarding business.

Logiquest - white paper contest, got good response from campuses



Season 3 of Logiquest includes 4 cities and 7 campuses : NMIMS, TISS, SIBM Pune, NITIE, JBIMS, IIM – Raipur and Udaipur.

170 white papers submitted by students. Evaluation process is underway, with a grand finale in November 2018.



MLL enhanced its presence in the media as a thought leader in the industry

Mahindra Logistics' Q1 net up 61%

PTI | Aug 02, 2018, 06:24 PM IST

Save

THE HINDU

Mahindra Introduces eVerito EV To Its Employee Fleet

The transition to EVs will be led by the fleet segment, and this announcement marks an important milestone in that.

By CarAndBike Team | Published: Sep 20, 2018 10:47 AM

NDTV

Mahindra Logistics partners with Ace Turtle to enable omni-channel fulfillment solution

According to the company, the partnership between two of the leading companies in their respective domains, will build an unmatched omni-channel fulfillment solution, that is scalable across geographies and for brands that partners with Ace Turtle as well as with Mahindra Logistics.

Mahindra Logistics to invest up to Rs 7 crore in ShipX

PTI | Aug 30, 2018, 01:52 PM IST

Save

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Comments



NEW DELHI: Mahindra Logistics (MLL), a third-party logistics solution provider, today said it will invest up to Rs 7 crore in Transtech Logistics (TLPL), which provides transport management solutions under the brand name 'ShipX'.

ECONOMIC TIMES

ECONOMIC TIMES

Mahindra Logistics to expand in south

SPECIAL CORRESPONDENT

CHENNAI, SEPTEMBER 19, 2018 22:17 IST
UPDATED: SEPTEMBER 19, 2018 22:17 IST

Firm plans to set up two warehouses

Mahindra Logistics appoints Yogesh Patel as the new CFO

Posted On: 2018-09-03 15:08:56

EQUITY BULLS

INTERVIEW:

Mehernosh Mehta,
Vice President – HR, Mahindra Logistics Limited

Technical, analytical and cognitive - all three types of skills are in demand today

TIMES JOBS

THE HINDU

Home (/) > Industry (/Category/Industry) > Pirojshaw Sarkari: 'Today Industry Is Confident Th...

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

AUTOCAR PROFESSIONAL

THE CSR JOURNAL

Mahindra Logistics inaugurates water project at Tembha village near Shahapur

By The CSR Journal - August 27, 2018

Driver welfare and trainings being conducted at various locations



Driver Training under the Pradhan Mantri Kaushal Vikas Yojana (3200+ till Sept 30th)



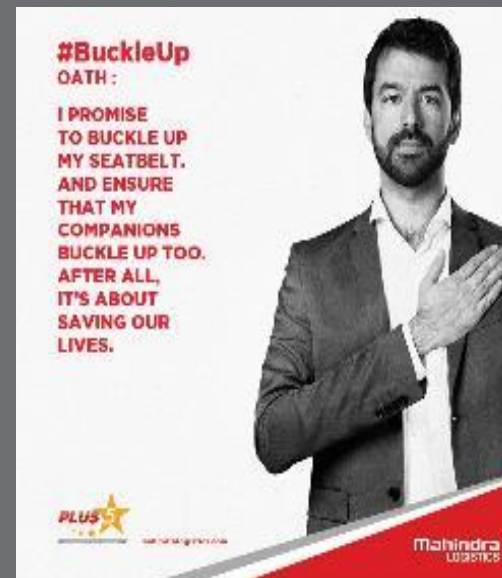
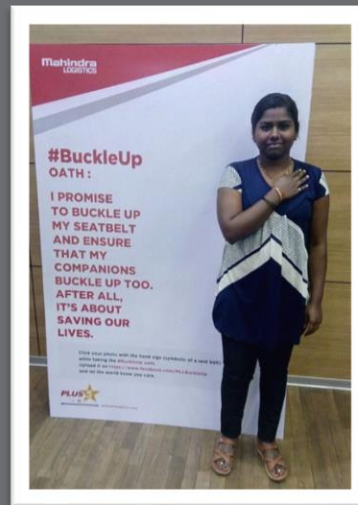
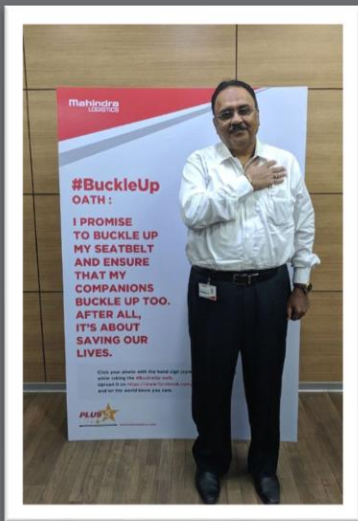
Other Driver Welfare activities

Driver's Day celebration with scholarship distribution to drivers children



Drivers' Day celebrations

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



MLL living out its purpose through village adoption and community development



- Inauguration of Safe Drinking Water supply project, benefiting around 200 villages residents
- Tree plantations & Seed distribution
- Bhoomi Poojan
- Independence Day celebrations



MLL received appreciation by customers



Our customer JSW has felicitated MLL for long association of valued partnership

Awards received by Nagpur team for prioritizing safety and quality



Nagpur team won the Gold award for 'Best Safety Practices' at the Glow Care Awards, New Delhi



Nagpur team also won a Gold medal at the Chapter Convention on Quality Concepts - Bhailai Chapter

MLL received the ESOPs award for village adoption and welfare programs



MLL won two awards for Village Adoption & Driver Welfare at the Mahindra ESOPs Awards 2018



Company Overview



Mahindra LOGISTICS

One of India's largest 3PLs

INR 34+ Bn revenue⁽¹⁾

15,800+ work force across India⁽²⁾

475+ client and operating locations

Divisions:

Supply Chain Management

People Transport Solutions

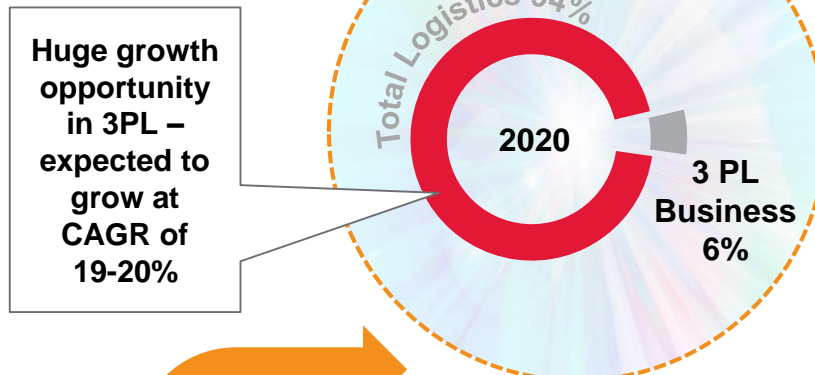
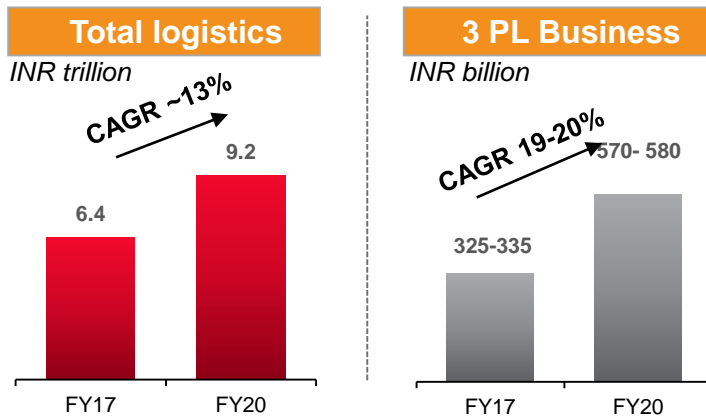
Subsidiaries:

Lords Freight (India) Pvt. Ltd.

2x2 Logistics Pvt. Ltd.

3PL (Third party logistics): strong growth outlook

Growth Trajectory

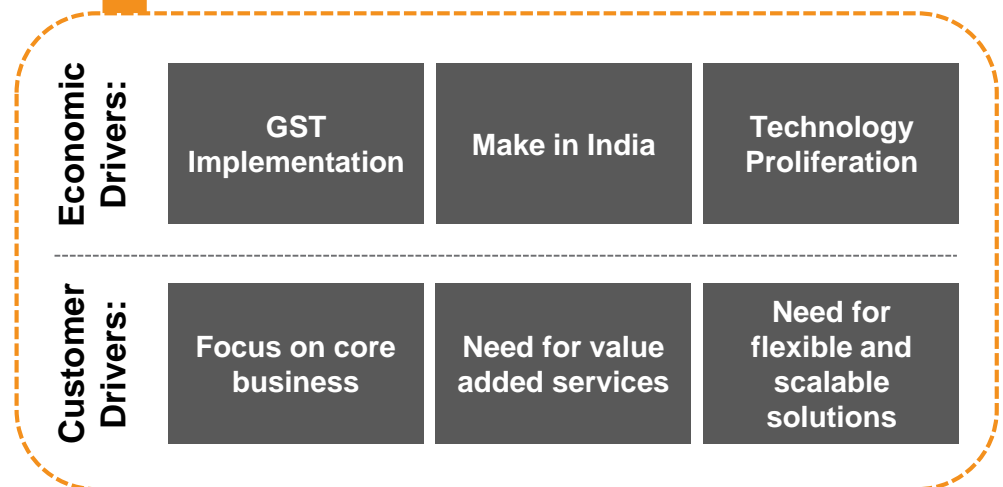


Major Trends

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

End-to-End logistics

Provides value added services

Offers scalable, flexible & customized solutions

Vast resource network

High return ratios

Operates with latest IT software's and Apps

Asset-heavy / Capital intensive

Limited transportation and warehousing services

No value added services

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

Restricted resource network




Relatively low return ratios

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

-  **14 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



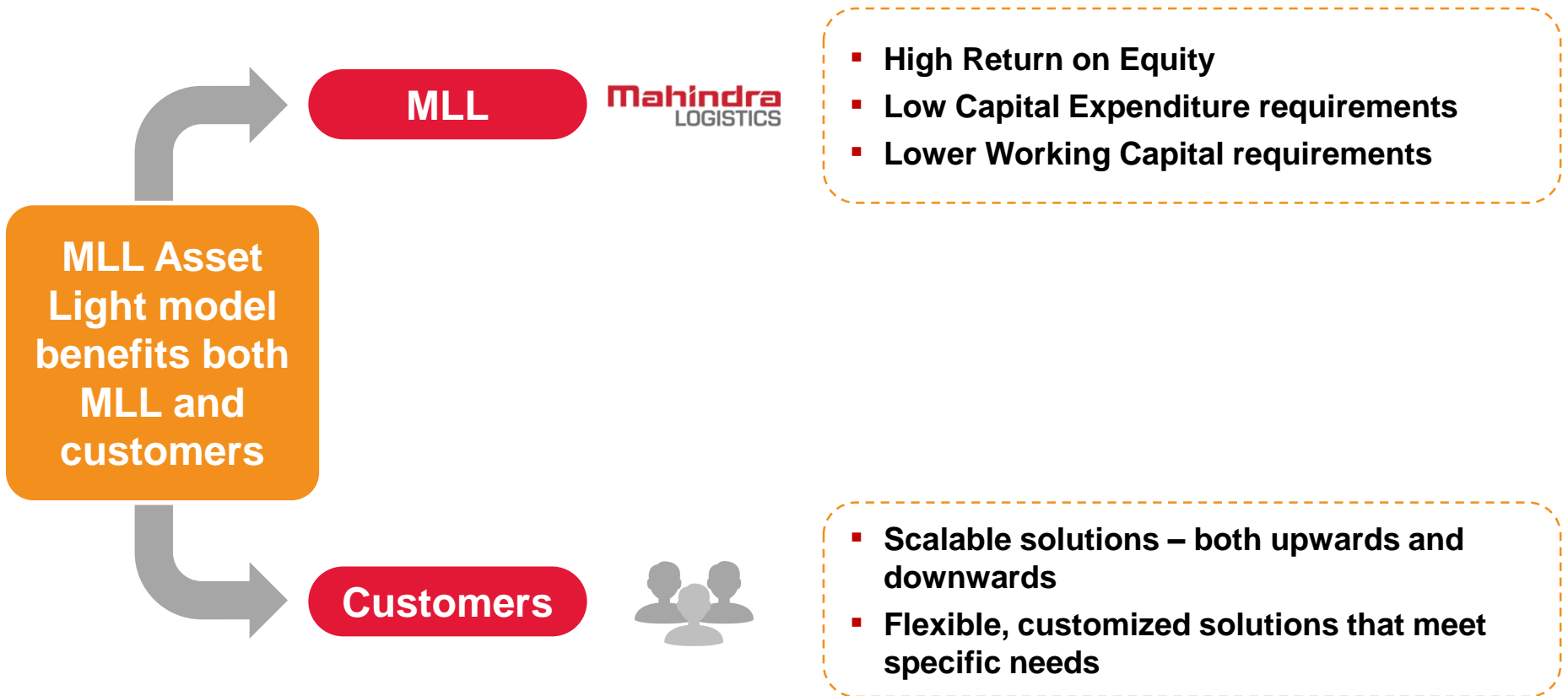
Warehouses

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



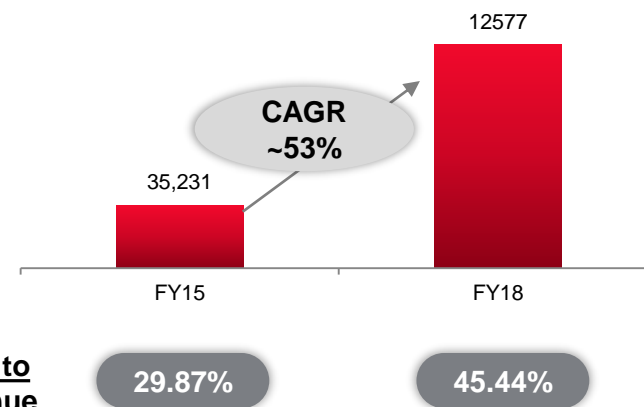
Diverse industries and clients

Diversified Logistics Company

- SCM business spans Automotive, Engineering, Consumer, Bulk, E-commerce, and Pharma sectors
- **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)



Non M&M
Revenue % to
Total Revenue

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

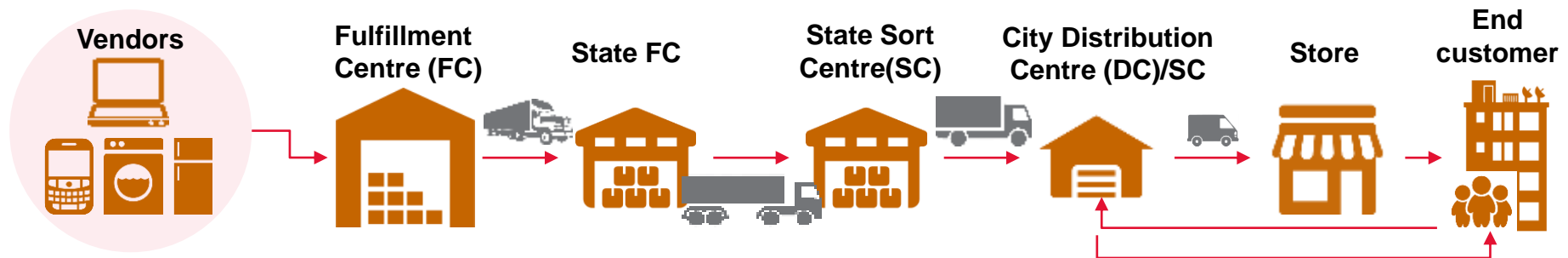
Strong focus to equally diversify across industry verticals

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



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

For further information please contact:

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Email: anoop@cdr-india.com
devrishi@cdr-india.com



Mahindra LOGISTICS

— THE CORE OF YOUR BUSINESS —

