

Mahindra CIE Automotive Ltd.
Recording of Investor Meetings

Date of meet	07-August-2015
Type of meeting	Meetings in Mumbai
Investor/ Fund / Firm	Birla Mutual Fund, ICICI PruLife, Reliance MF, MetLife, Ocean Dial, Principal Asset Management, Union KBC, Pramerica, L&T MF, SBI MF, BirlaSunLife, Ambit
Company Representatives	Sanjay Joglekar, Chief Financial Officer, Mahindra CIE Vikas Sinha, VP Strategy, Mahindra CIE
Did discussions involve UPSI	No
Gist of discussions	<p>The discussions revolved around the Industry, company information already in public domain. The main points of the discussion are as follows:</p> <ul style="list-style-type: none"> • MCIE strategy regionwise <ul style="list-style-type: none"> ➤ India – Market plus growth with operational improvements. Focus is to diversify product-customers with CIE support. ➤ MFE – Turnaround by focusing on internal efficiency improvements. ➤ Metalcastello – Turnaround by focusing on cost reduction & increasing revenues via new customers. ➤ CIE Forge – Maintain current performance • Europe Market Overview <ul style="list-style-type: none"> ➤ CIE Forge primarily supplies to passenger car market which has been growing steadily and grew by 8% in H1C15. ACEA forecasts a growth rate for 5% for the full calendar year 2015 ➤ MFE supplies mainly to trucks which too has grown at 8% in H1C15 but where the trends have been fluctuating ➤ MC supplies to off road market which has seen declining sales ➤ At MCIE Europe, capacity augmentation is not required for the above growth • Mahindra Forgings Europe turnaround plan <ul style="list-style-type: none"> ➤ Phase I : Short term focus on cost reduction – completed ➤ Phase II : Explore synergies with CIE Forgings; Profitability improvement via optimizing product- process-location combination. Jeco in process of being closed down. New products to be evaluated in the medium term • MCIE India Strategy <ul style="list-style-type: none"> ➤ Waiting for volumes to return at key customers primarily in the car & UV and tractor segments and benefit from existing operating leverage. MCIE India has limited exposure to the commercial vehicle segment. ➤ Focused on parts on new models introduced and to be introduced by our existing customers - ‘Indian OEMs’. Exploring participation on new models of new customers – ‘Western OEMs’. While MCIE diversifies customer base, M&M will continue to remain an important customer. ➤ To ensure integration, the different verticals of MCIE work closely with similar verticals of CIE under the guidance of the CIE global heads of each of these verticals. • Overall goals of MCIE: In the 1st phase, MCIE will focus on financial consolidation and meeting the five parameters that CIE uses to evaluate businesses viz. RONA%, EBIT%, Free Cash Flow/ EBITDA, Net Operating Assets/ EBITDA, Debt/ EBITDA. In the 2nd phase, MCIE will focus on growth including via acquisitions both in India & ASEAN. As per CIE strategy, MCIE is the growth engine for the group in Asia. Acquisitions will be subject to prudent financial norms listed above.
Any other comments	All the above points have been covered in detail in earnings updates released earlier and in earnings conference calls

