



The Mother'son story.



April 2018

01 A brief introduction to Motherson.

Motherson. ■

**Samvardhana
Motherson Group
was started in 1975
as a partnership
between Late Mrs.
Swaran Lata Sehgal
and her son
Mr. Vivek Chaand
Sehgal.**

**The name signifies a
relationship of trust with
all stakeholders.**



samvardhana
motherson

**Samvardhana
Motherson Group
(SMG) is one of the
world's fastest
growing specialized
automotive
component
manufacturing
companies
for OEMs.**

**US\$ 9.1 Bn
approx.
in yearly
revenues.
(FY16-17)**

**Operating
over 230
facilities in
37 countries.**

**Over
120,000
people.**

**Working
with 25
joint
venture
partners.**

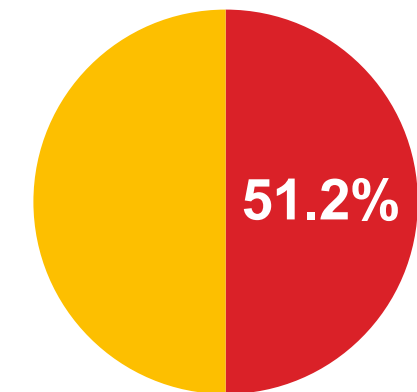
MSSL's core business units.

- One of the largest manufacturer of IP modules, door trims and bumpers for passenger cars in Europe & India
- One of the largest manufacturers of wiring harnesses for passenger cars in India and for commercial vehicles globally
- One of the largest manufacturer of rear-view mirrors globally,

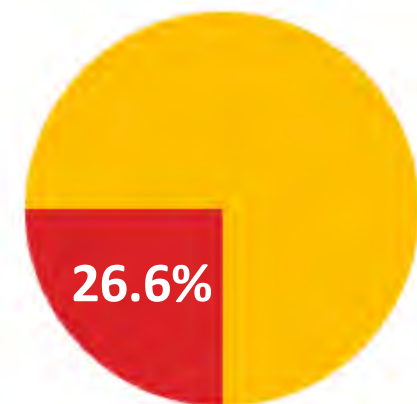
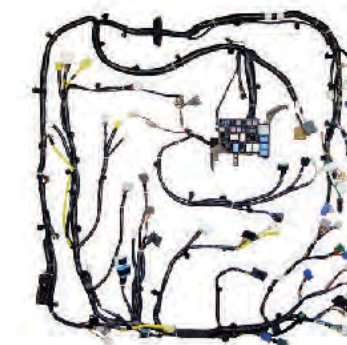
01 Modules, bumpers, door trims and plastic parts



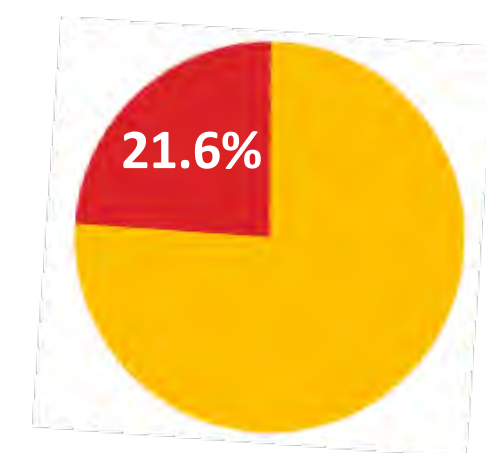
% of MSSL sales*



02 Wiring harnesses



03 Rear view mirrors



**Formulated
in 1997, the
vision of
the Group
has been the
same all along.**

**To be a
globally
preferred
solutions
provider.**

Since 1999-2000 we started to print our targets for the next 5 year plans in our Annual Report.

Today, Motherson only gives a 5-year guidance with a focus on long term growth

5 Year Plans

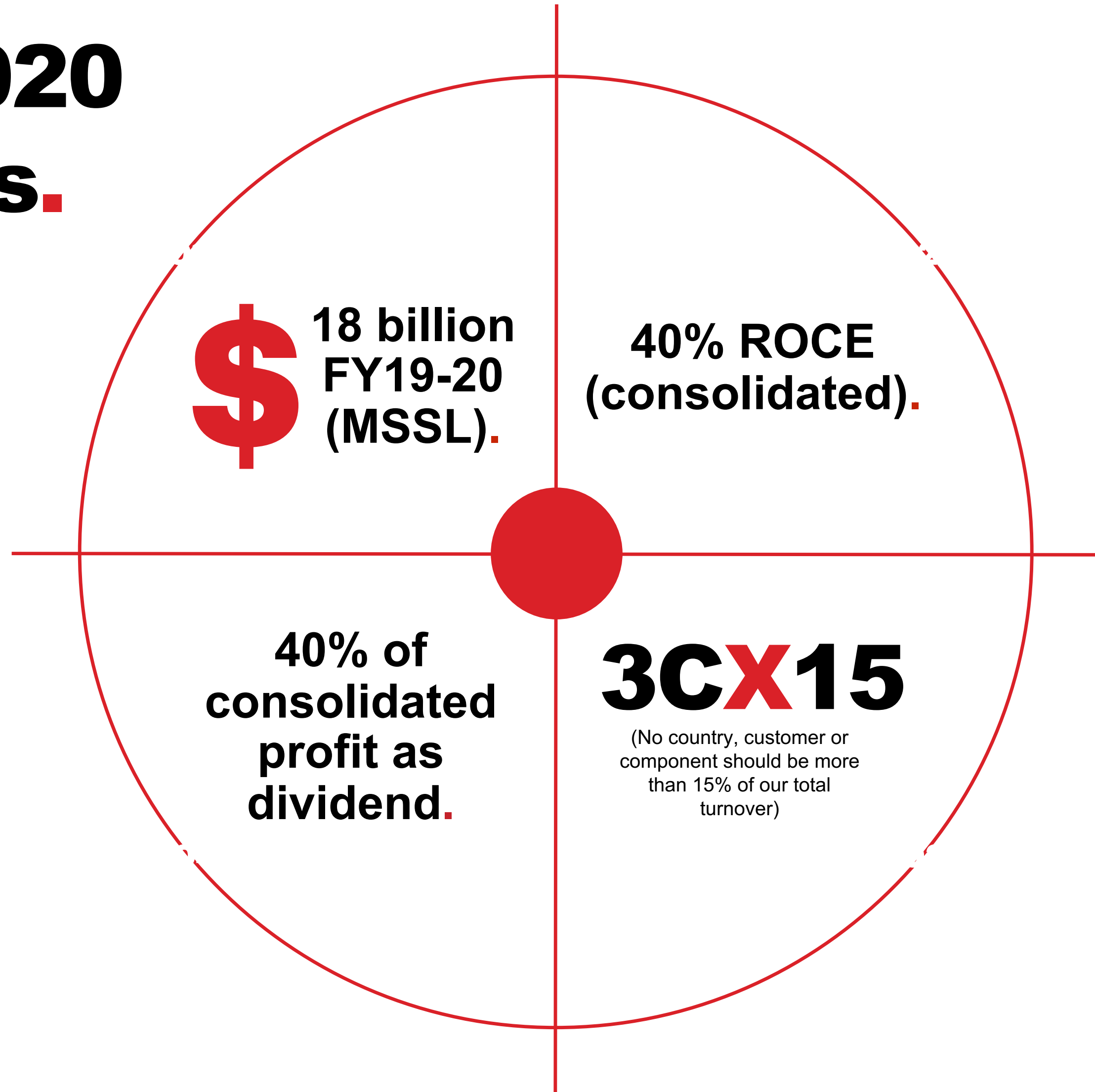
5 Year targets & our achievements.

Target (as set in 2000)	Achievement (2005)	Target (as set in 2005)	Achievement (2010)	Target (as set in 2010)	Achievement (2015)
To cross Rs. 1000 Crore (Consolidated) by the year 2005	Achieved Rs. 1029 Crores* <small>*taking full turnover of JVs</small>	Make MSSL a Billion Dollar Company	Achieved USD 1.5 Bn	Make MSSL a 5 Billion Dollar Company	Achieved USD 5.5 Bn
Achieve 30% of sales from global customers	Sales from customers outside India was 29%	60% of our consolidated turnover should cater to the requirements of our customers outside India	Sales from customers outside India was 70%	70% of our consolidated turnover should cater to the requirements of our customers outside India	Sales from customers outside India is 85%
Not to have dependence of over 25% on any one source	Largest customer contributed 27% of the total turnover	Contribution from any individual customer in our turnover shall not be more than 20% of the total turnover	Single largest customer contributed 15% of the total turnover	Global Presence in 26-27 countries	Presence in 25 countries
Attaining Return on Capital Employed of 40%	ROCE of 39% (on both Consolidated & Standalone Basis)	Strive to maintain business ROCE of 40%	ROCE of 37% (standalone basis) ROCE of 22% (consolidated basis)	Achieve ROCE of 40%	26%* (on consolidated basis) 36% (Excluding Acquisitions done post announcement of Vision 2015) 41% (on standalone basis)
Dividend Payout Ratio 40%	Dividend Payout Ratio was 43% for 2004-05	Shift our stated dividend policy of 40% payout of the company's profits to 40% payout of the consolidated Profits	Dividend Payout Ratio 44% (Standalone) 32% (Consolidated)	Dividend Payout Ratio of 40% of our consolidated net profit	Dividend Payout Ratio 37% (on consolidated basis) 62% (on standalone basis)

Consistent Growth with Focus on Target ROCE of 40%

Our 2020 targets.

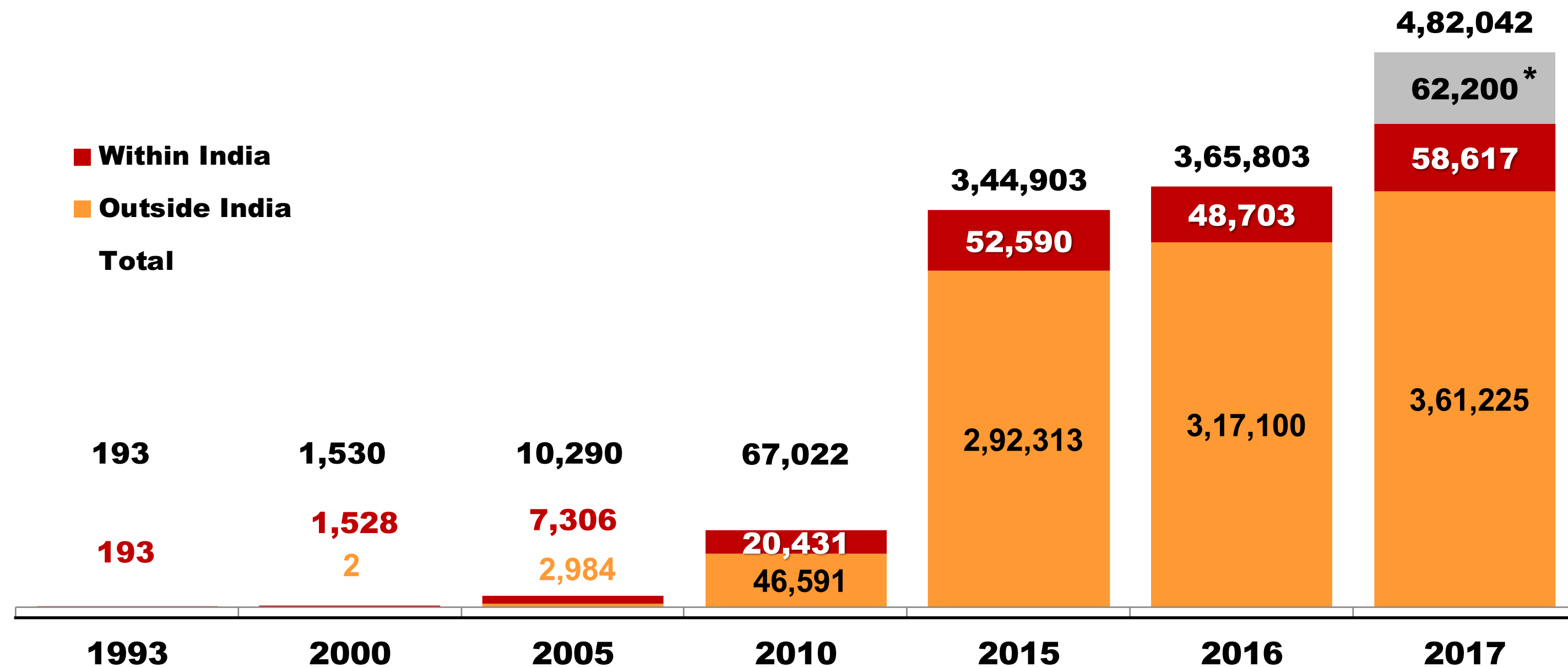
Our 5th five-year plan.



02 Our path of profitable growth.

Delivering growth while statying disciplined.

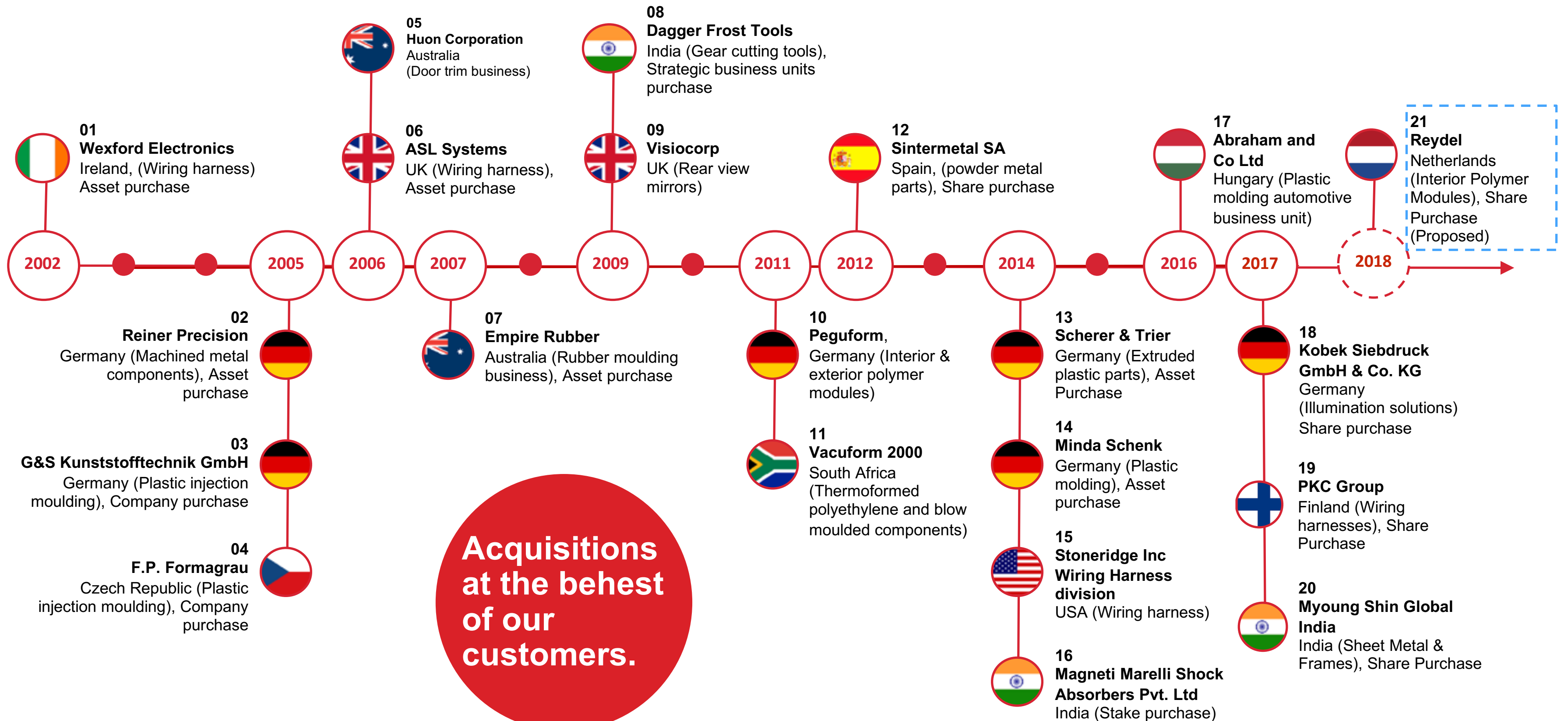
- MSSL consolidated revenues
(Rs. in millions)



* Revenues of PKC group (acquired at the end of March 2017) of Euro 845.67 million for 2016 on performa

Acquisitions.

The group has integrated 20 acquisitions since 2002, creating synergies while leaving companies to manage themselves as autonomously as possible.



Proposed acquisition of Reydel.

- MSSL's subsidiary SMRPBV, has executed the transaction documents for the proposed acquisition of Reydel Automotive Holdings B.V. and Reydel Automotive Management B.V on April 02, 2018
- Reydel Automotive is an established global supplier of Instrument Panels, Door Panels, Console Modules, Decorative Parts and Cockpit Modules,
- The company has strong customer relationships (25+ years average) with global OEMs and its top customers include PSA, Renault, RSM, SsangYong / Mahindra, VW and GM
- Transaction is structured under a Lockbox arrangement from 1 Jan 2017; all business cash flows from lockbox date to accrue to buyer
- The proposed transaction to be discussed with employee representatives and would be subject to customary closing conditions and receipt of required regulatory approvals. Indicatively, it is expected that the transaction will take 4-6 months to close.
- Consideration is expected to be financed using existing cash and banking limits at SMRPBV and estimated to be EPS accretive from Day 1

Reydel Financial Highlights

\$ million	CY17P ¹
Revenues	1,048
EBITDA	68
EBIT	48
Gross Debt	25
Cash	88

1. Unaudited US GAAP figures

Reydel Product Portfolio

Instrument Panels



Door Panels



Console Modules



Cockpit Modules



Decorative Parts



Aggregate equity purchase price of USD 201 million for 100% stake in the Target Entities

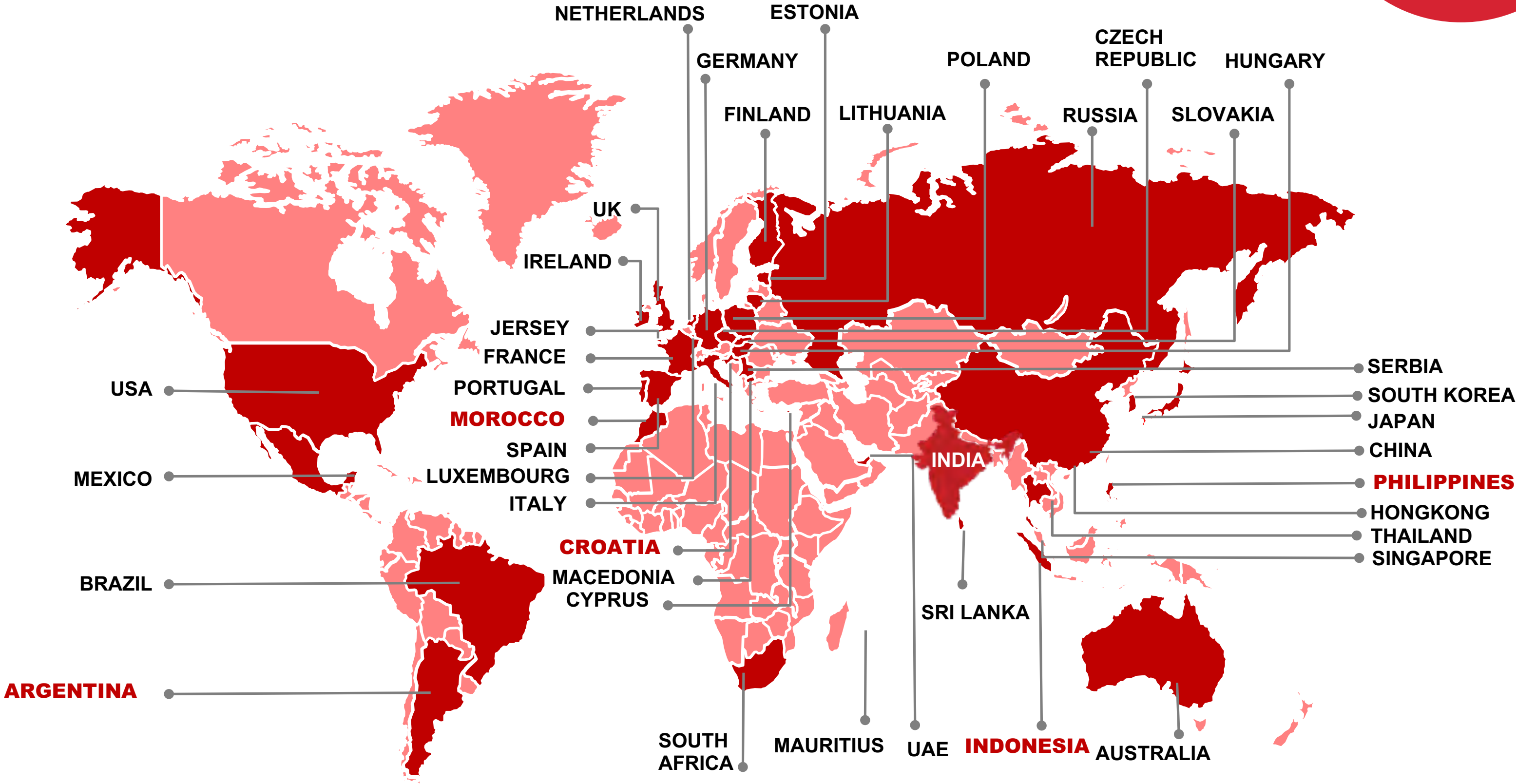
16 countries

20 facilities

5,650 employees

Motherson and Reydel – Combined Geographic Overview.

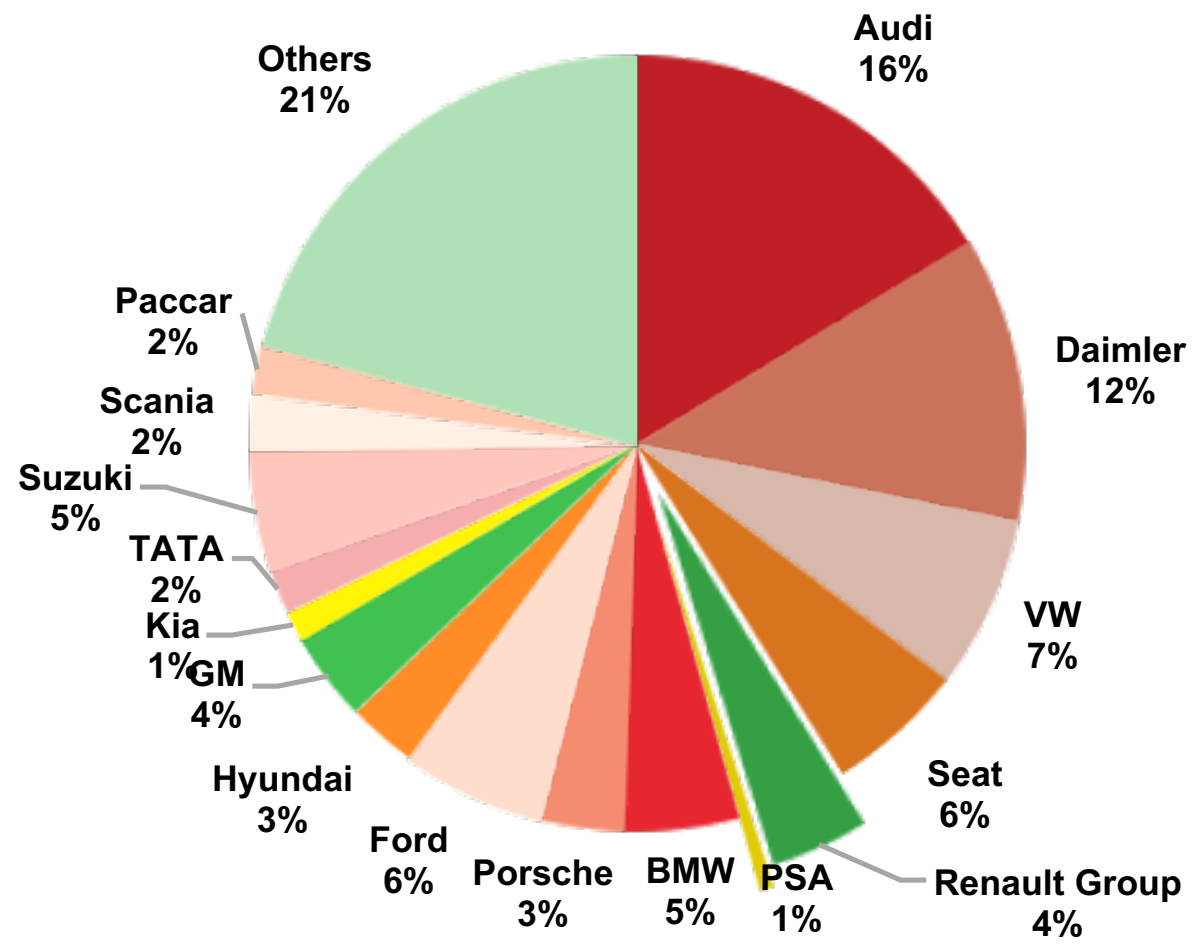
Over 250
facilities in
41 countries.



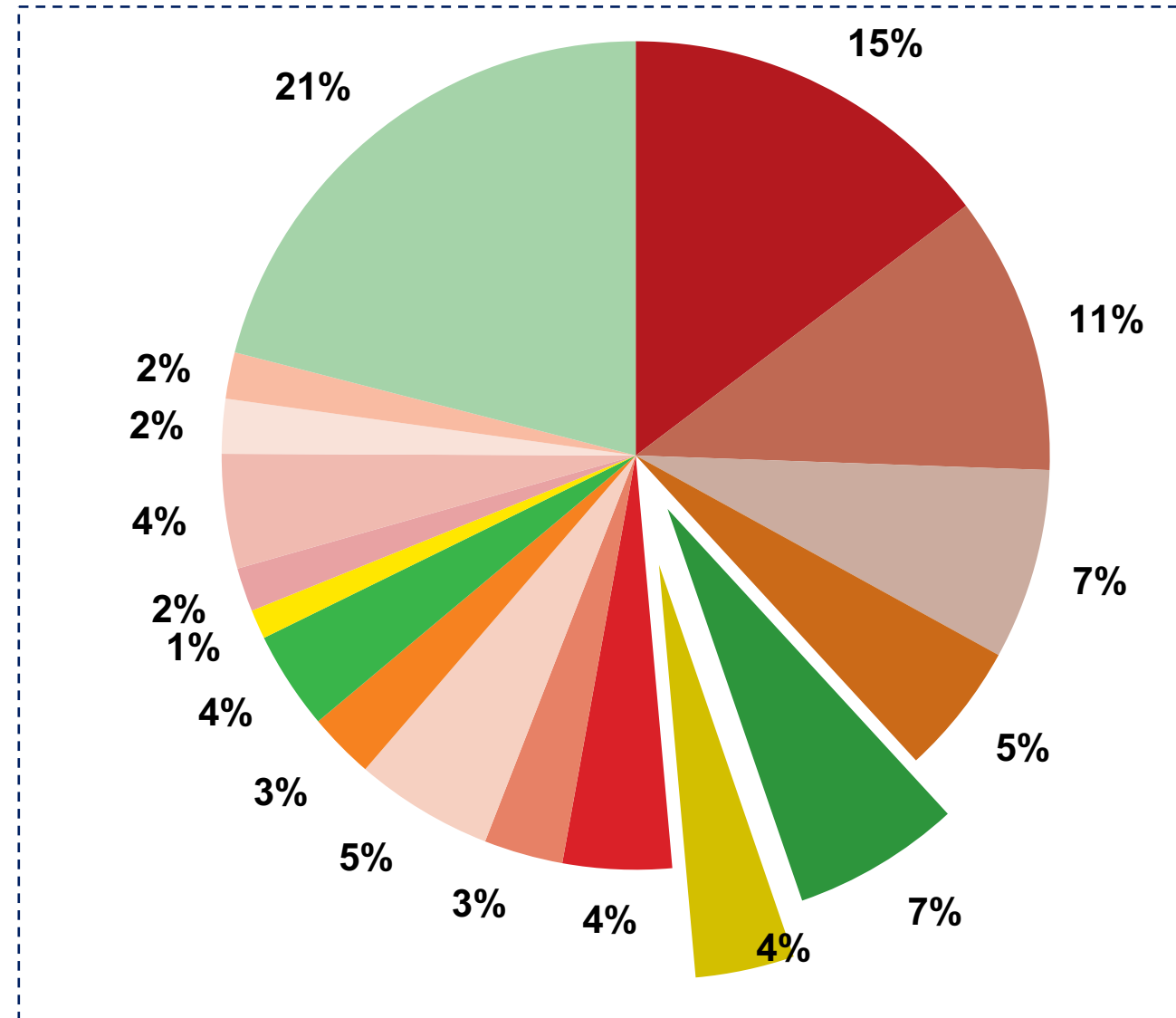
Customer-wise revenue breakup.

3CX15

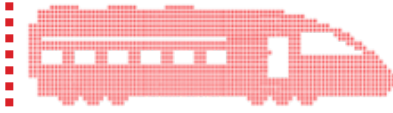
Existing



Pro-forma



CX15 achieved



ROLLING STOCK

ALSTOM

BOMBARDIER



AUTOMOTIVE

TESLA



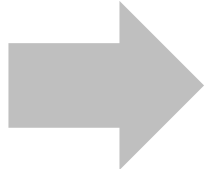
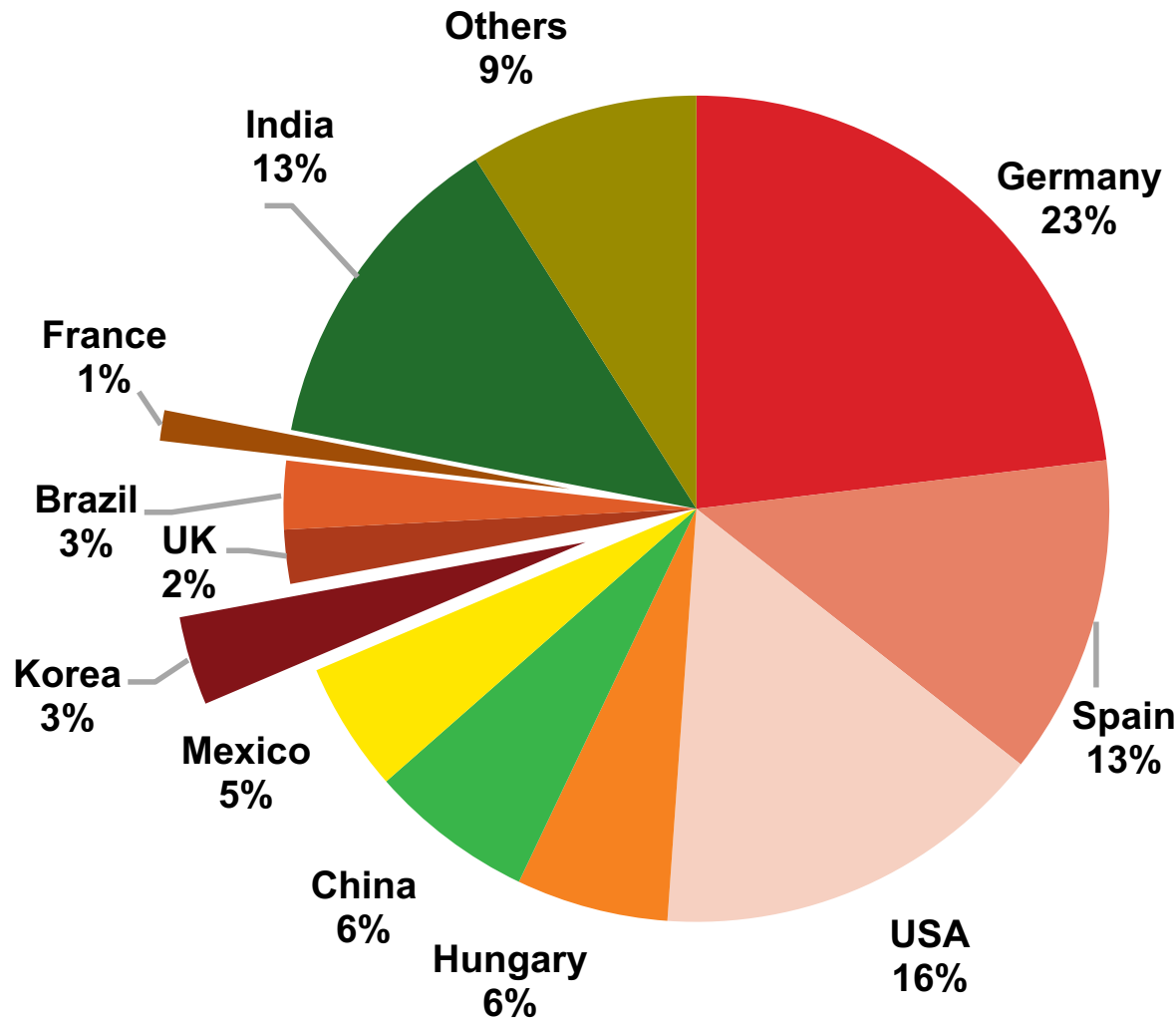
Please note that the split in the charts are based on Reydel's unaudited CY17 US GAAP figures

Existing represents sales mix of April – December 17, extrapolated to full year

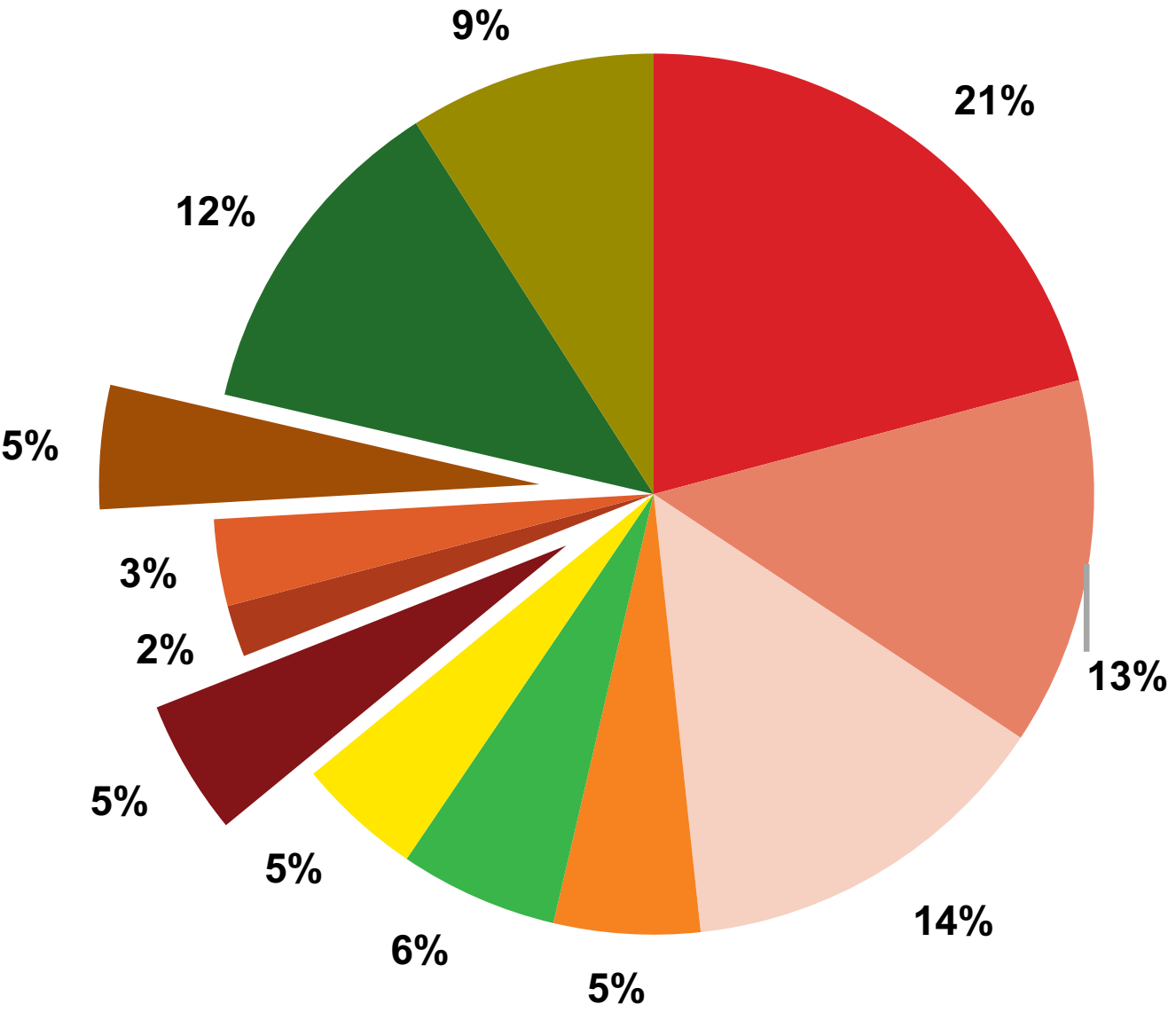
Geography-wise revenue breakup.

3CX15

Existing



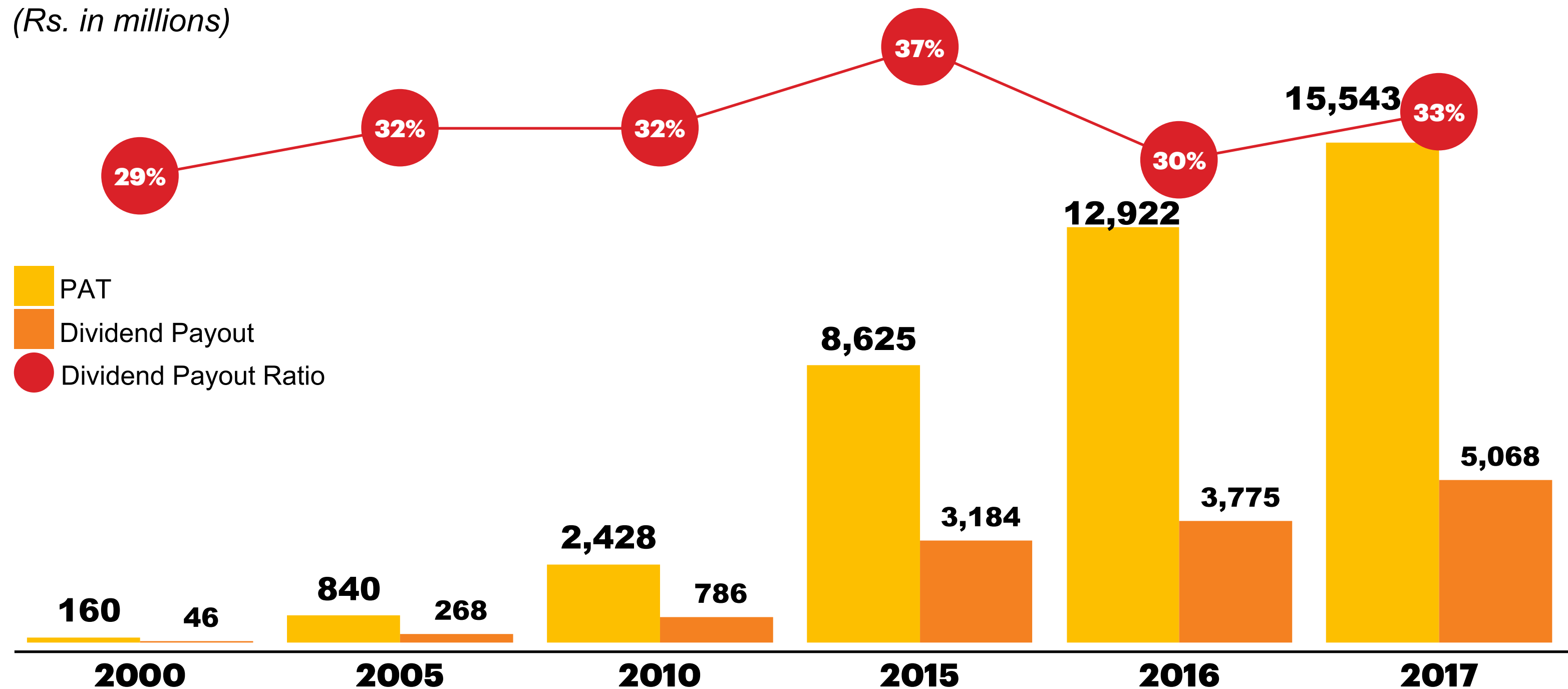
Pro-forma



Please note that the split in the charts are based on Reydel's unaudited CY17 US GAAP figures
 Existing represents sales mix of April – December 17, extrapolated to full year

40% Payout : Stated Dividend Policy.

(Rs. in millions)



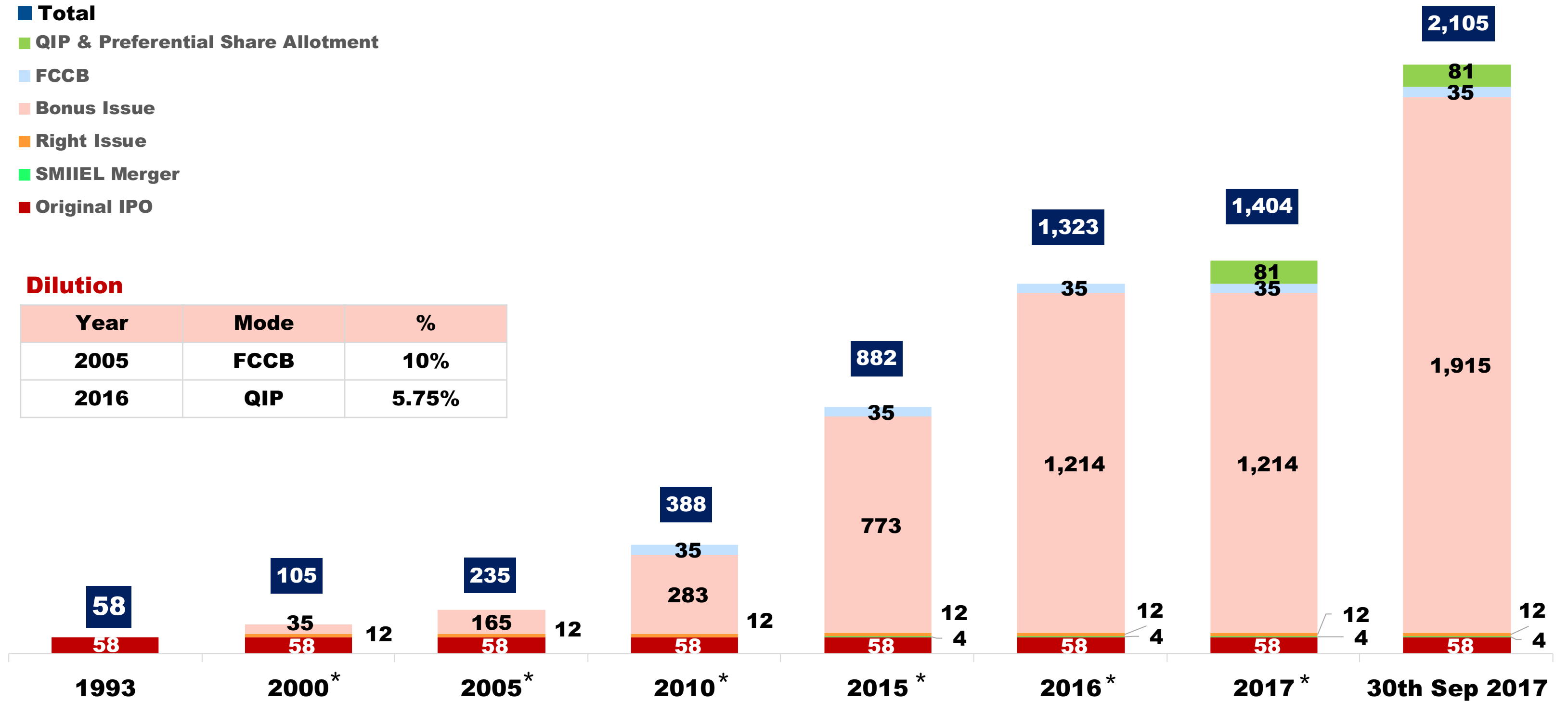
Current share capital.

(Rs. in millions)

- Total
- QIP & Preferential Share Allotment
- FCCB
- Bonus Issue
- Right Issue
- SMIIEL Merger
- Original IPO

Dilution

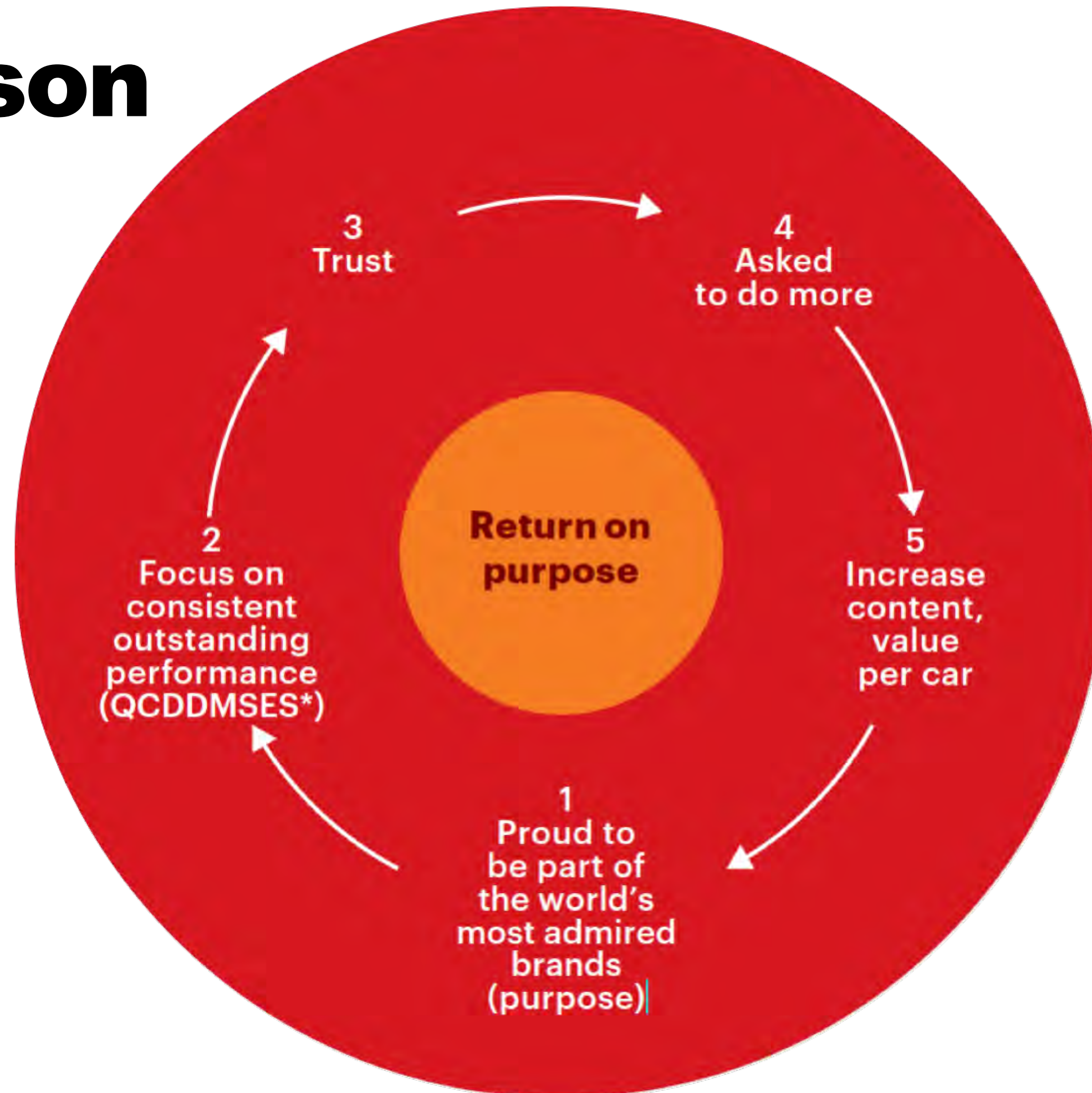
Year	Mode	%
2005	FCCB	10%
2016	QIP	5.75%



* As of 31st March of corresponding FY

03 Our "not so secret" recipe.

How Motherson creates value.



Strengthening customer trust via **QCDDMSES** performance.

1. Quality

Seamlessly fit global quality standards of the customer.

2. Cost

Work at leading cost levels.

3. Design

Provide design support for current products and new concepts.

8. Sustainability

Be committed to long-term greatness rather than transactional relationships.

4. Delivery

Deliver globally and be able follow the customer where they need us.

7. Environment

Meet the highest environmental standards.

6. Safety

Work to the highest standards of safety.

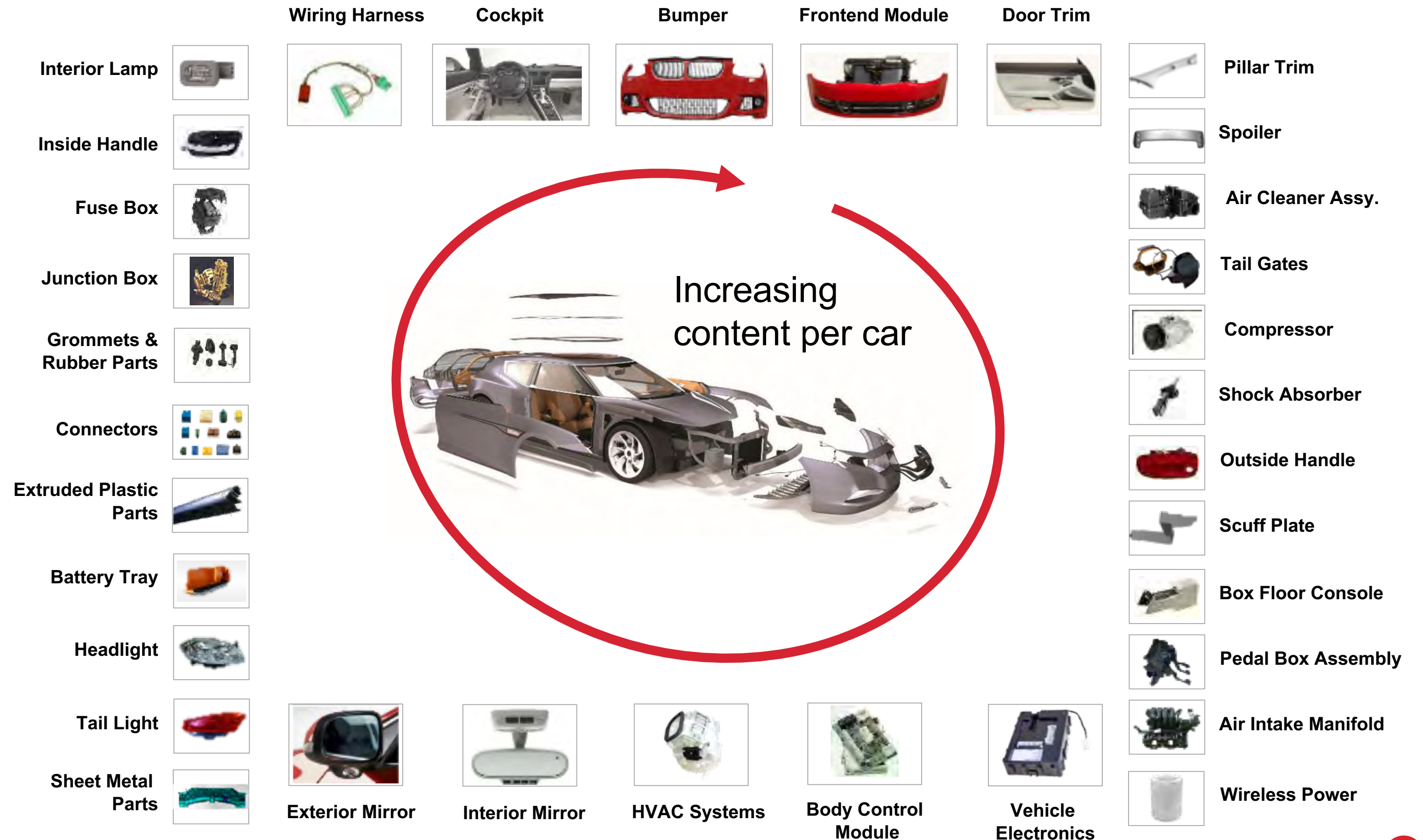
5. Management

Lead the organisation with the highest governance standards.



Increasing content per car : a “not yet” company.

Focus on giving the best suited solutions to customers, with an open mind. In the process, we increase content per vehicle, serve more geographies, get new technologies, make new acquisitions, etc.



A person in a white and black jumpsuit is skydiving over a vast mountain range. The sky is blue with scattered white clouds. The mountains are rugged and grey, with some green vegetation on the lower slopes. A river or lake is visible in the valley below.

Top line is vanity.

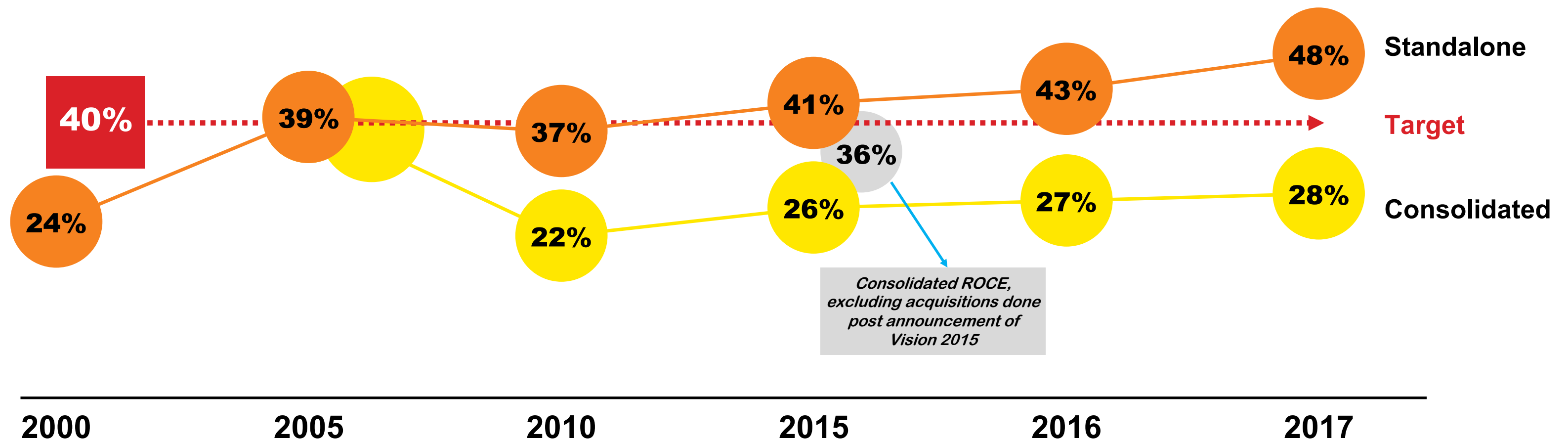
Bottom line is sanity.

**Cash in bank
is reality.**

Never pursue
top line for the
sake of topline
only.

A strong focus on ROCE.

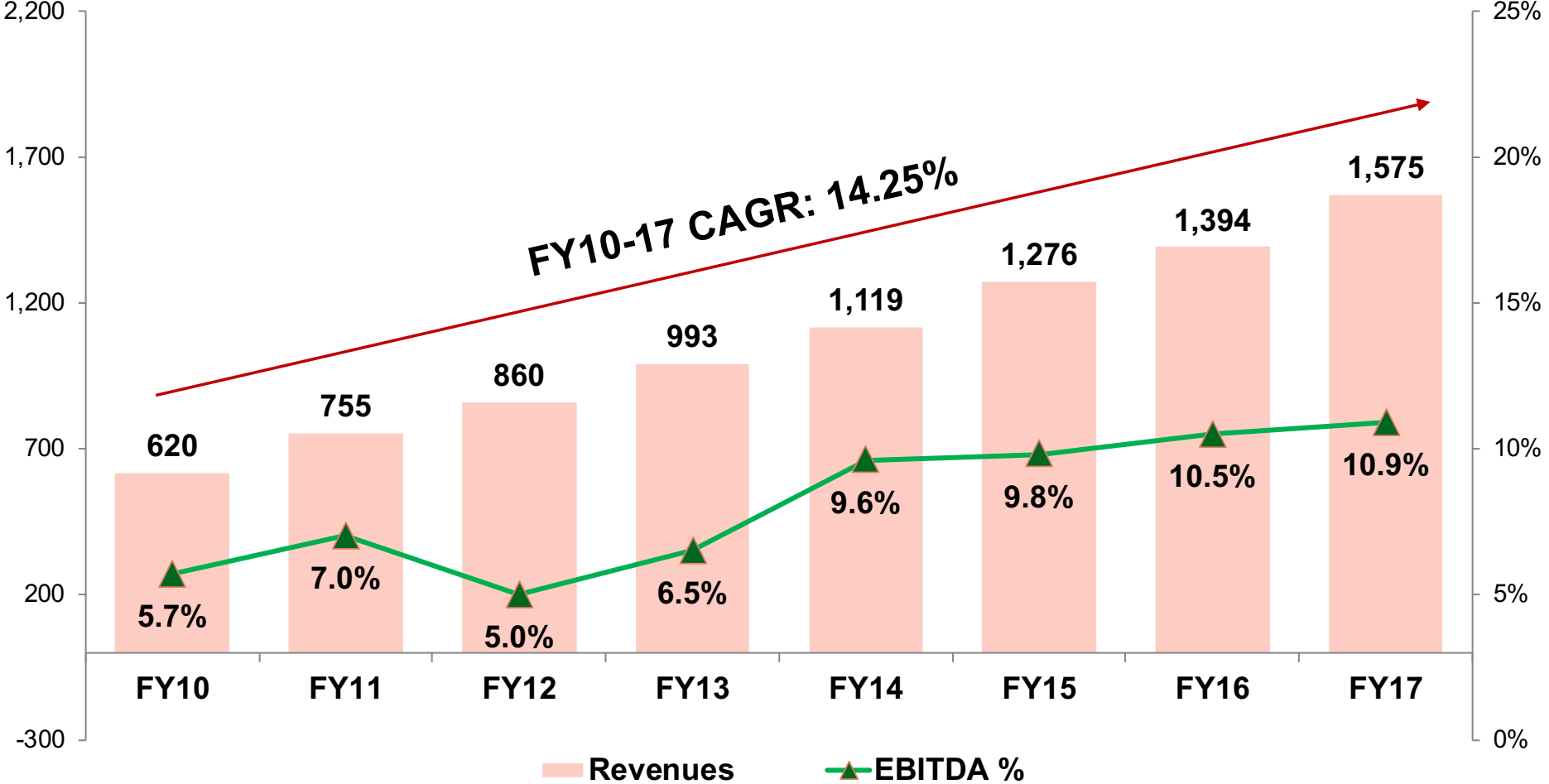
- Return on Average Capital Employed (ROACE) for MSSL in our 5-year plans.
- All time high ROCE for Standalone at 48%



Stable and improving operating margins and ROCE - Case Study (SMR).

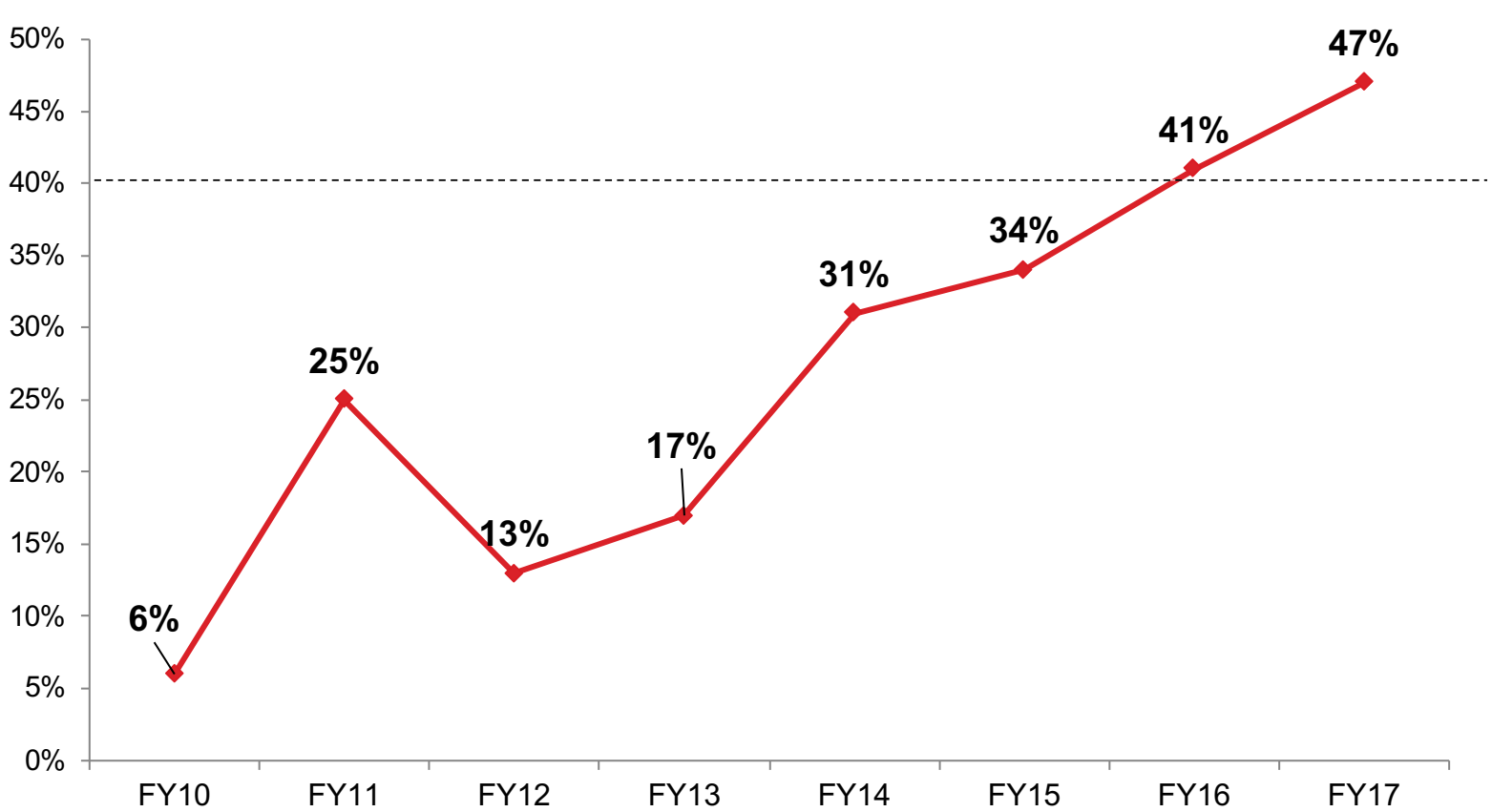
Revenue and EBITDA margins

(€m)



ROCE

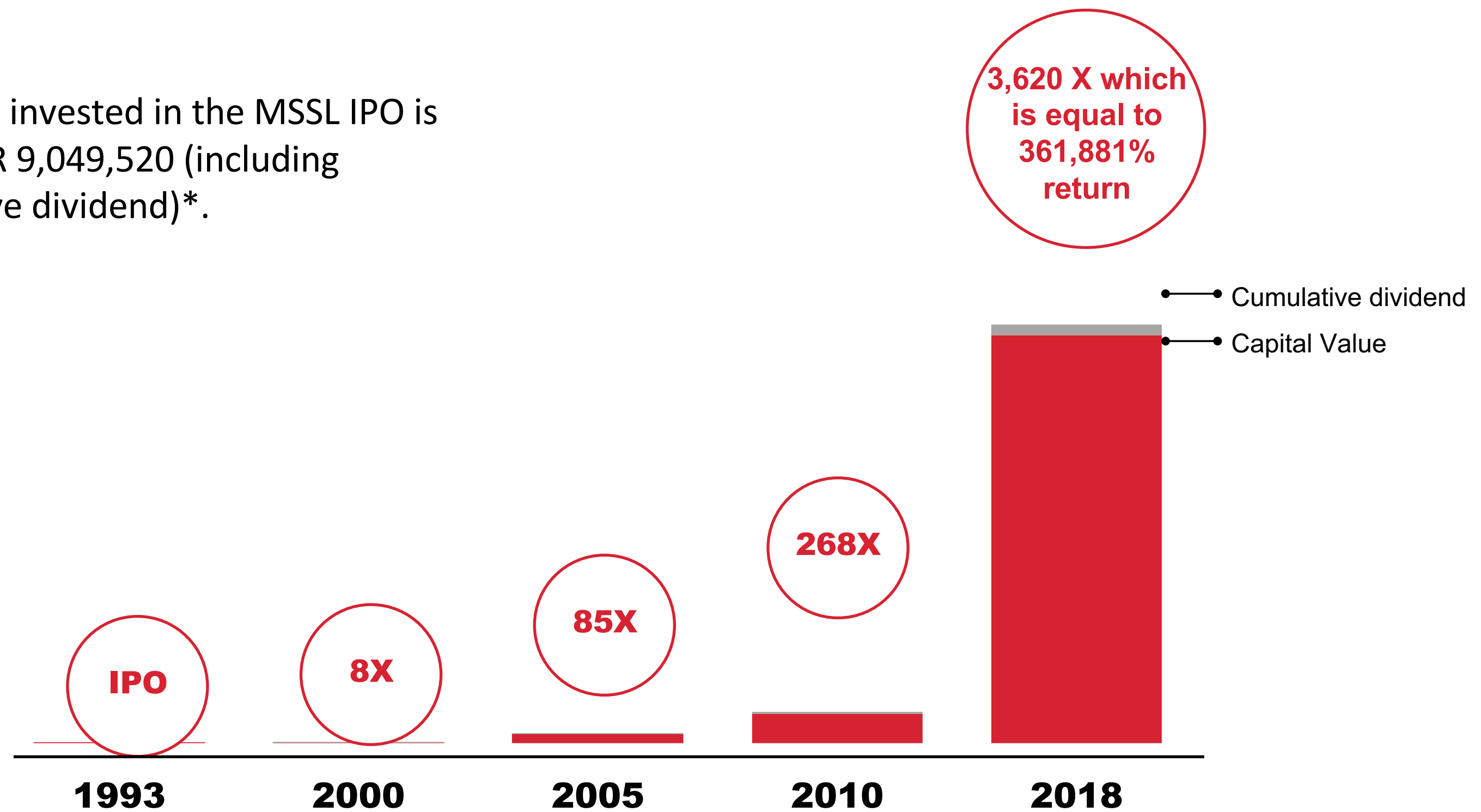
(%)



04 Implications.

Returns to shareholders.

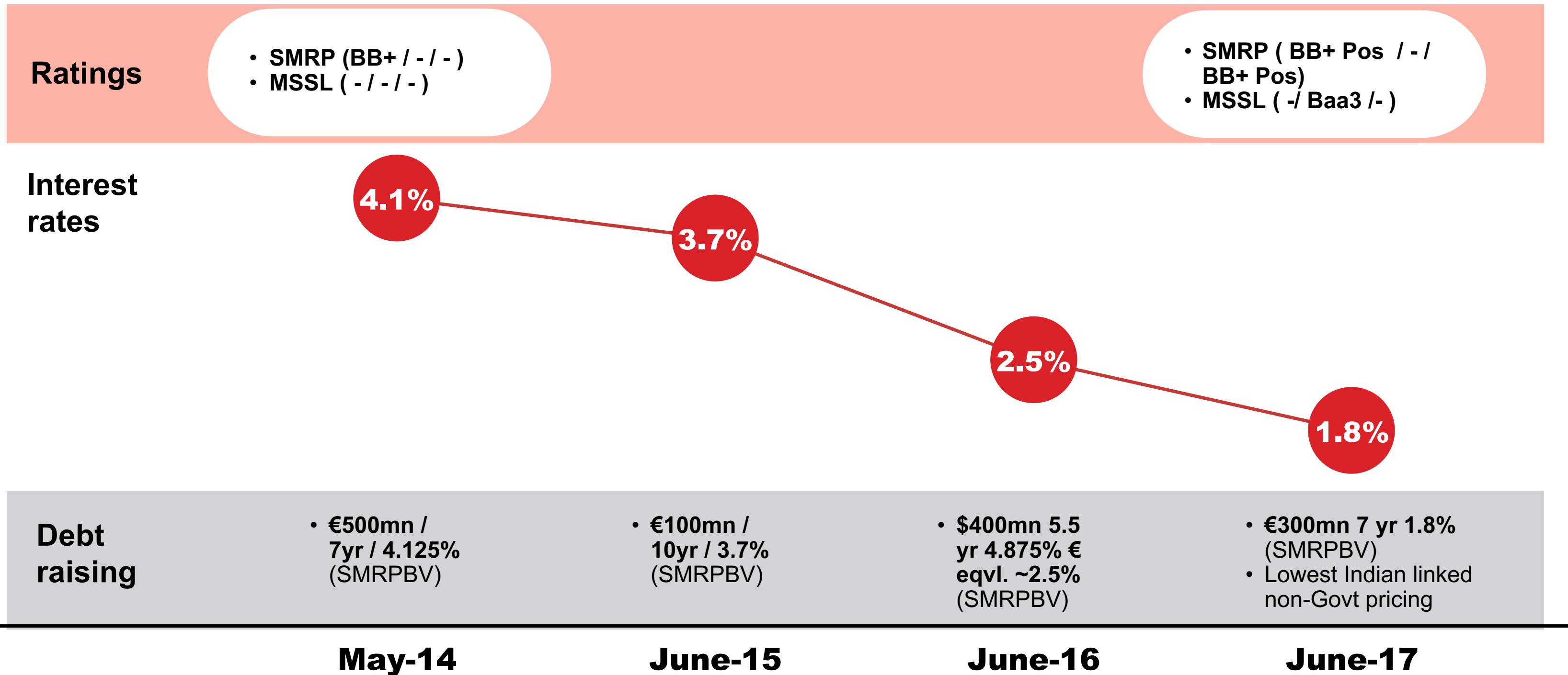
- INR 2,500 invested in the MSSL IPO is worth INR 9,049,520 (including cumulative dividend)*.



*As on 03rd April 2018

Finance Cost.

Raising funds, while reducing financing costs. Significant improvement in credit rating recognised and rewarded by investors.



Motherson is trusted by OEMs globally.



Motherson is trusted by OEMs globally.

Volkswagen



Innovation & Technology Award

Daimler



Supplier Award for Partnership (support in global growth)



Best Performance Award

Ford



South America Supplier of the year

Toyota



Regional Contribution Award



Supplier of the Year Silver award



Best Project Performance



ZERO PPM Award



Certificate for Quality



Certificate for Delivery

Maruti Suzuki



Overall Performance



Excellence in Comprehensive Assessment



Certificate for Safety



Tooling Localization

GM



Supplier of the Year Award

Renault Nissan



Overall Best QCDM Performance Awards

Motherson is trusted by OEMs globally.

Hyundai



Quality Excellence

Tata Motors



Best Supplier

Mahindra



Best SPD Performance

Volvo



Quality Excellence Award

Honda Cars



Paccar



Supplier Performance

Navistar



Diamond Supplier

Foton



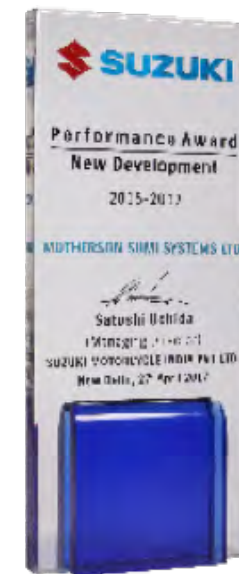
Excellent Supplier

Ashok Leyland



Zero Defect Business Partner

Suzuki Motorcycle



Performance Award -- New Development

Honda Motorcycles & Scooters



Strong CR Efforts in VA / VE- HSCS

Motherson is trusted by OEMs globally.

Caterpillar



Platinum Level in Supplier Quality Excellence Process

JCB



Strategic Partner in Progress Chairman's Award

John Deere



Commendable Performance for India Business



Partner-level Supplier In Achieving Excellence Program

Komatsu



Significant Contribution Award

Honda Power Products



Supplier Performance Award

Kobelco



Preferred Business Partner

Tata Hitachi



Significant Contribution on Quality

...the world's most admired brands.



Proud to be part of...



Rankings.

Top 100 global OEM parts suppliers - Ranked by sales of original equipment parts in 2016

2016 RANK	2015 RANK	COMPANY	REVENUE (\$ MIL)	REVENUE (€ MIL)	PERCENT CHG. REVENUE	PERCENT CHG. EMPLOY	PERCENT CHG. PROFIT	PERCENT CHG. ASSETS	PERCENT CHG. NET WORTH	DESCRIPTION	2016 RANK
27	27	SMG SMG Group (40) 5 087 20-030; smg.com	\$19,874	€1,170	34	-30	27	9	1	Airways, seat belts, safety electronics, steering wheels, brake control systems, radar, night vision & camera assist systems	25
28	40	Mitsubishi Motors (81) 100-667833; mitsubishi.com	\$1,875	€1,245	18	51	26	4	4	Brake hoses, brake master cylinders, disc discs & assemblies, motor & control rubber components, lighting systems, air intake manifolds, pedal assemblies, shock absorbers, HVAC systems & coil springs	37

SMG's ranking has gone up from **40th in 2014** to **26th in 2016** in global automotive suppliers by Automotive News

THE SECTORAL LIST

INDUSTRY RANK	FI 500 RANK 2016	REVENUE \$ crore	PROFIT \$ crore	ASSETS \$ crore	NET WORTH \$ crore
AUTO ANCILLARIES					
1	37	38962.30	1273.70	12446.60	4236.00
2	76	16792.21	-987.09	20758.75	5900.40
3	100	12597.10	243.50	3532.68	1331.98
4	120	10936.50	1248.10	8775.80	8288.80
5	155	8578.62	245.51	3490.76	1847.94
6	170	7927.46	649.99	6776.76	3575.76
7	231	5239.55	116.31	3343.31	2010.73
8	314	3312.36	122.98	1555.32	929.98
9	391	2564.15	111.13	1016.65	468.21
10	397	2512.07	205.72	1596.86	1569.39
11	398	2491.40	107.27	1198.47	547.59
12	401	2477.11	65.54	1382.08	590.76
13	428	2211.32	86.95	1875.22	354.05
14	462	2015.62	39.99	800.18	408.16
15	473	1894.24	204.62	1073.23	1053.95
16	486	1794.09	197.48	1312.77	1287.32

MSSL ranked **No. 1** auto ancillary in India for 7 consecutive years by Fortune India



MSSL is among the **Fab 50 companies of Asia** for 5 consecutive years by Forbes

Value creation for all Stakeholders.



... The world's leading automotive brands



... The ever growing wealth of our investors



... The lives of our employees



... The wellbeing of the communities we work in





Thank you.

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