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# **MSSL Presentation**

**January 2017**

***MSE***  
Motherson Sumi  
Systems Limited



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# Transaction highlights



At a meeting of its Board of Directors held on 19 January, 2017, Motherson Sumi Systems Limited (MSSL) has approved a proposal to launch a voluntary, recommended public tender offer for the acquisition of the outstanding share capital and voting rights of PKC Group Plc (PKC), Finland. The highlights of the proposed transaction are as appended:

- MSSL and PKC have on January 19, 2017 entered into a combination agreement for the proposed transaction
- MSSL will make a voluntary, recommended public tender offer to acquire all the issued and outstanding shares and option rights in PKC. The shares of PKC are currently listed on the Nasdaq Helsinki stock exchange
- Headquartered in Helsinki, Finland, PKC is a global tier 1 supplier of wiring harness and associated components to Original Equipment Manufacturers (OEMs) in the Heavy & Medium Duty Commercial Vehicles and Locomotive segments across North America, Europe, Brazil and China
- PKC shareholders are being offered a cash consideration of EUR 23.55 for each share/options in PKC representing an aggregate equity purchase price of approximately EUR 571 million in an open tender offer
- The transaction is subject to the completion of closing conditions and receipt of necessary regulatory approvals
- The transaction is expected to be completed by end of March 2017
- The acquisition will be made through a 100% subsidiary\* of MSSL, to be setup for the purpose



# Introduction to Motherson Sumi Systems Limited



- Established in 1986 as a wiring harness manufacturing & assembling company
- MSSL has grown to become the largest automotive wiring harness maker in India and an established player in the global market.
- MSSL is a specialized automotive component solutions provider for a diverse global customer base comprising of almost all leading automobile manufacturers.
- Strong relationships with OEMs globally
- Flagship Company of USD 7.2 billion Samvardhana Motherson Group (ranked 31<sup>st</sup> among the global automotive suppliers\*)
- Listed on stock exchanges in India since 1993 having a market cap of USD 6.7 billion<sup>#</sup>
- Growing with a CAGR of over 40% in last 10 years, MSSL has a consolidated turnover of USD 5.7 billion (2015-16)



# MSSL – Core Business



Wiring Harnesses



## Wiring Harness Business

- Market leader in wire harnesses for automotive applications in India
- Full System Solutions Provider to all automotive segments
- High degree of vertical integration for products and processes
- Strong Design and IT base with global knowledge sharing platforms

Modules and Polymer Products

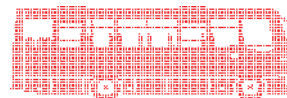


Rear View Mirrors



## Wiring Harness Global Operations

- Operations in 13 Countries
- Strong Presence in Asia Pacific Region
- Over 46 Manufacturing Facilities Globally
- Global network of Design Centers, Marketing and Logistics Hubs



# Vision and Philosophy



## Vision.

To be a globally preferred solutions provider

## Motherson Value Creation Philosophy.

### Vision 2020 (Our 5th five-year plan)

01



18 billion  
FY19-20.  
(in Revenues)

02

40% ROCE  
(consolidated).

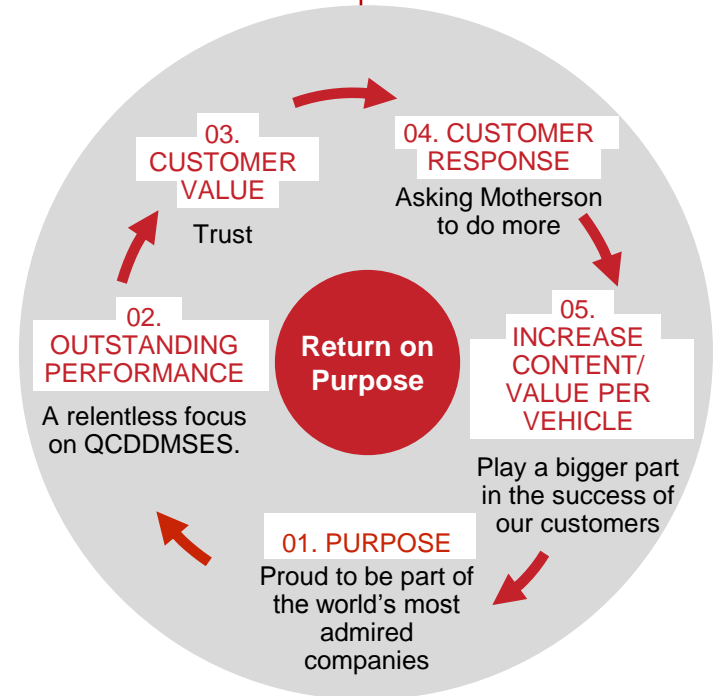
03

3C X 15

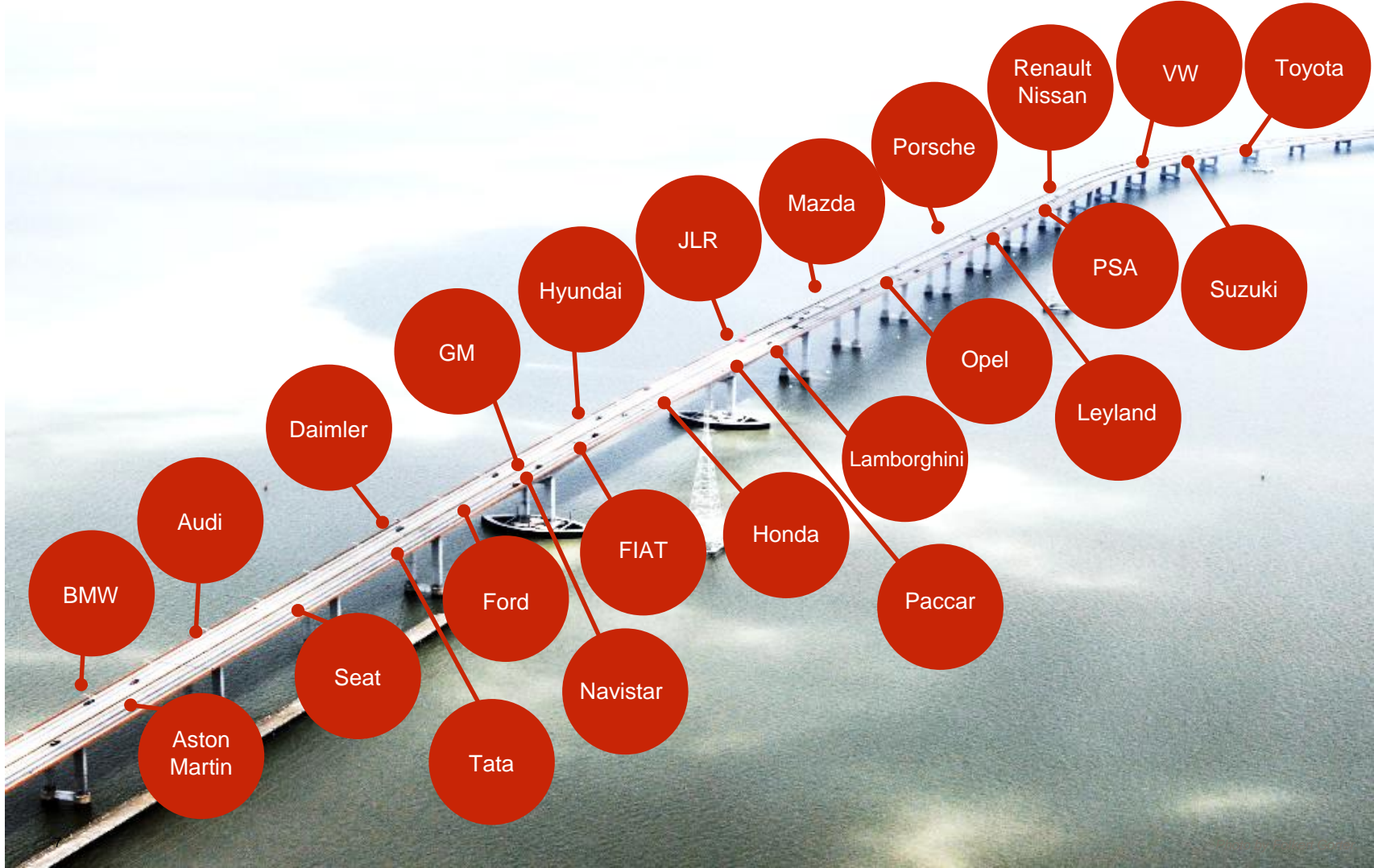
(No country, customer or component should be more than 15% of our total turnover)

04

40% of  
consol. profit  
as dividend.



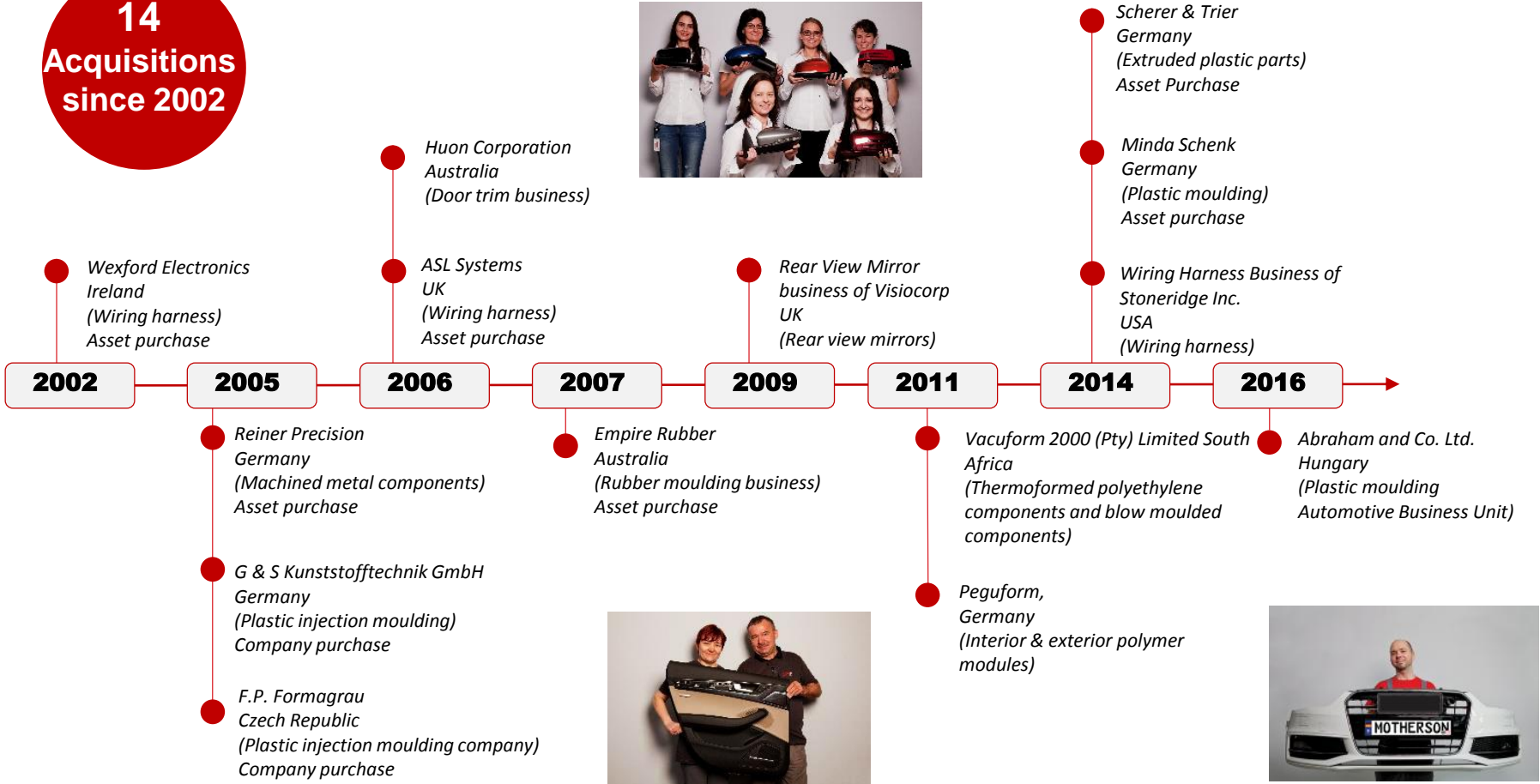
# Proud to be part of World's leading automotive brands



# MSSL Acquisition Experience



**14**  
Acquisitions  
since 2002

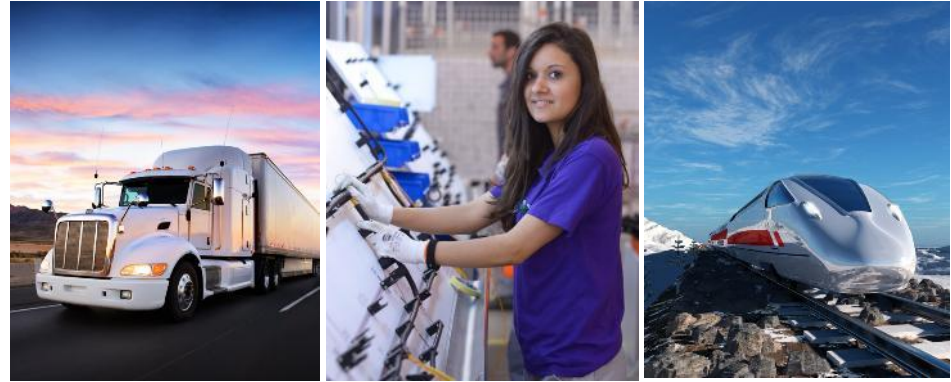




# PKC Group plc – Brief overview



- PKC is a global partner in commercial vehicle industry, rolling stock and other selected segments within the transportation industry
- The group has unique expertise in managing the complexity
- Headquartered in Helsinki, Finland and listed on Nasdaq Helsinki
- The Group's has reported total revenue of approximately EUR 631.5 million\*
- Production facilities in 4 continents (Brazil, China, Estonia, Finland, Germany, Lithuania, Mexico, Poland, Russia, Serbia and USA) with over 22,000 employees\*



## Product Portfolio

**ELECTRICAL DISTRIBUTION SYSTEMS**



**VEHICLE ELECTRONICS**



**COMPONENTS**



**ELECTRICAL CABINETS & POWER PACKS**



**WIRE & CABLE**



## Current Customer Segments

Trucks & Buses (HCV & MVC)



Light Commercial Vehicles (LCV)



Construction Equipment



Rolling Stock



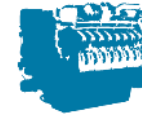
Recreational Vehicles



Agriculture and Forestry Equipment



Engines



Energy / Material Handling



# Combination rationale



- The combination is expected to be highly value accretive as there is minimal overlap between existing operations in terms of geographical presence and great synergies in product segments which will unlock the true potential of the combined entity
- PKC has a strong presence in American & European wiring harness market for commercial vehicle segment which will provide new opportunities for MSSL to grow in these geographies
- MSSL believes it can help PKC in achieving its expansion opportunities given MSSL's strong market position in the Asia Pacific region. Based on the analysis of MSSL, all the leading global commercial vehicle manufacturers and component suppliers are increasingly focused on establishing a presence and gaining market share in the Asian transportation market. MSSL had stated direction to grow more in the commercial vehicle segment and this step is in the right direction

# Combination rationale



- The combination would create a strong player within the worldwide transportation component solutions market
- The combination will offer a larger product portfolio as well as enhanced capabilities and scale and will add more value to its customers and suppliers.
- It would leverage knowhow of both companies' management teams to enhance and grow businesses with customers globally
- MSSL's success in managing wiring harness business with focus on training its' people, managing multiple plants with high degree of vertical integration from design to modules will help unlock the potential of PKC
- The combined entity will further invest in new technologies which would be required to maintain market leadership and in achieving its goal as the preferred solutions provider for the global automotive industry





# Thank you.

#### Safe harbor

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