



SMRP BV Presentation

November 2015
London, U.K.

 Samvardhana Motherison
Automotive Systems
Group BV

- SMG Overview
- SMRP BV Overview
- SMRP BV Strategy

Start small. ■

Sometimes
great opportunities
come in forms that
we never expect.





In 1983, we were asked to demonstrate our capabilities by making a “t-coupler”. It was the start of a journey to what today is a \$ 7 billion Group.



Proud to be part of Motherson.

Today, Samvardhana
Motherson
is one of the world's
fastest-growing
specialised automotive
component solutions
providers, for all the
world's major OEM's.

Key facts

- Established in 1975
- Over 170 plants and facilities in regions with key customer concentration
- Balanced spread in 25 countries across 5 continents
- Global manufacturing including strategic low cost manufacturing locations
- Covering both developed and emerging markets to cater to a global customer base

Growing with Customer Trust

The customers' trust has given us opportunities to grow and attain leading positions in our businesses

GLOBALLY



Exterior rearview mirrors



IN EUROPE



Exterior rearview mirrors



IP modules, door trims and bumpers



Wiring harnesses for two wheelers, earthmoving & material handling equipment



IN INDIA



Wiring harnesses for passenger cars



Rearview mirrors for passenger cars



Moulded components and modules



Plastic air intake manifolds



Cabins for large size dump trucks



Gear cutting tools



CBN & PCD cutting tools



Global Footprint

**Presence in
25 Countries**

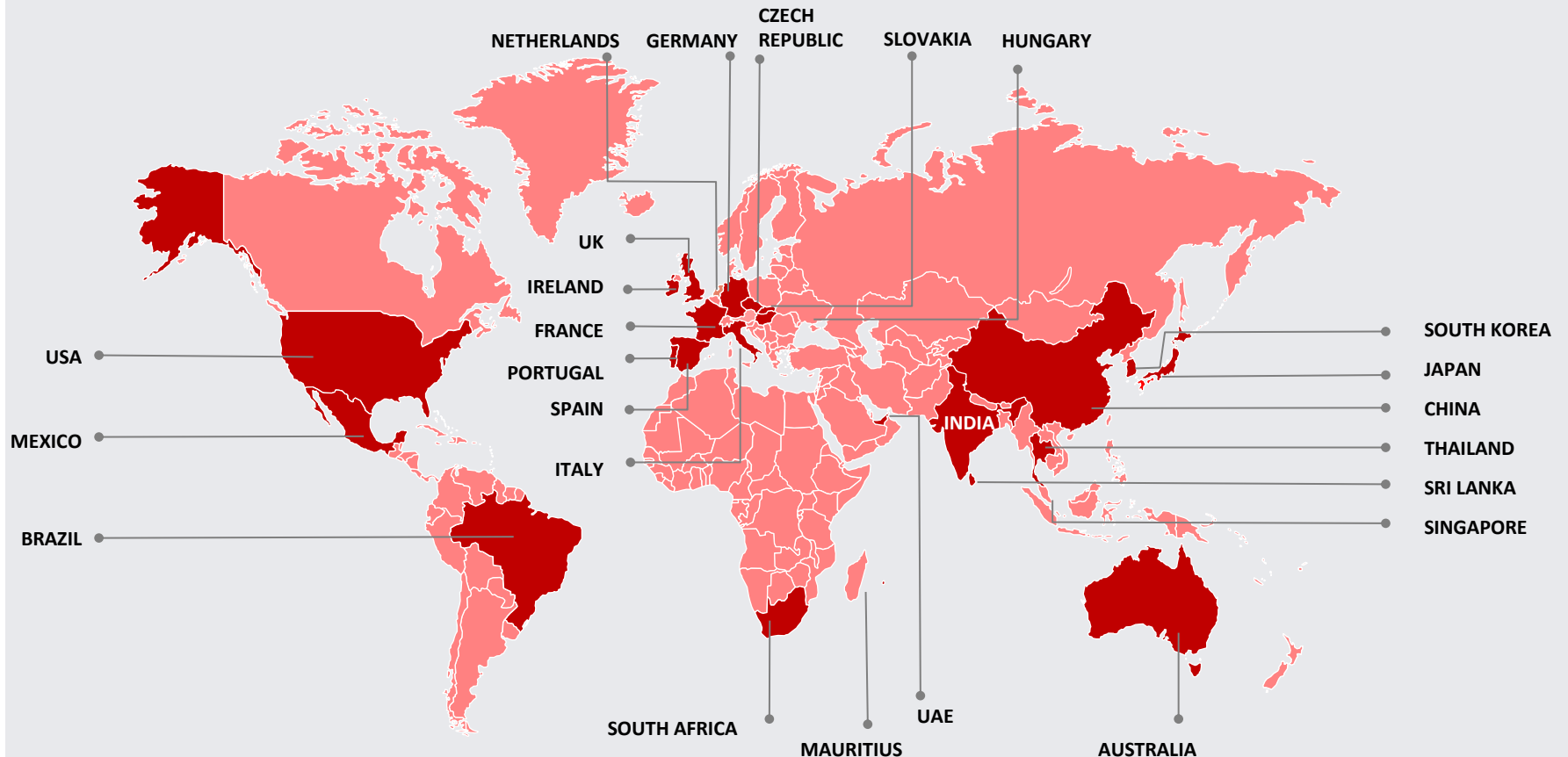
Global Support

Strong presence in regions with
key customer concentration

Global Manufacturing

Manufacturing locations in both
developed and emerging markets

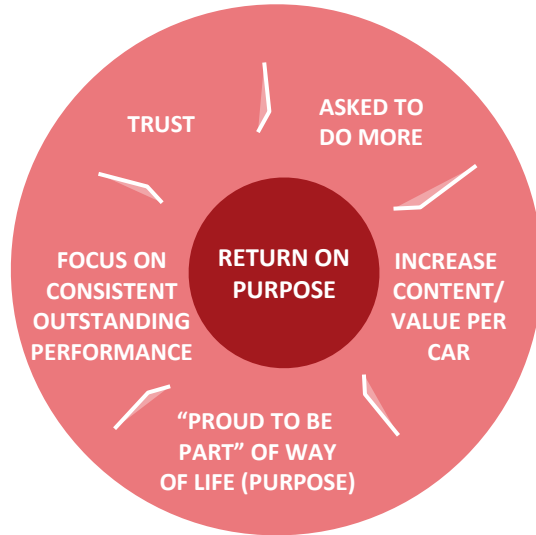
**Over 170
Manufacturing Facilities**



Our philosophy

Vision: To be a globally preferred solution provider

Key elements of SMG philosophy



- **Focus on consistent outstanding performance**
 - Never compromise on product quality
 - Relentless focus on cost and capital efficiency (QCDDMSES)^(a)
- **Trust:** Superior performance nurtures client relationships
- **Asked to do more:**
 - Leverage trust to enable greater client engagement
 - Sole supplier status and R&D collaboration
- **Increase content/value per car:** Trust and increased engagement to drive cross-sell
- **Pride in purpose/way of life:** Sustainable value creation, fuelling top and bottom line as well as the de-risking

^(a) Quality, Cost, Delivery, Development, Management, Safety, Environment and Sustainability
Source: Company data

Growth creating a more diversified and de-risked business



Vision

The vision of the Group has been the same all along.

To be a globally preferred solutions provider.

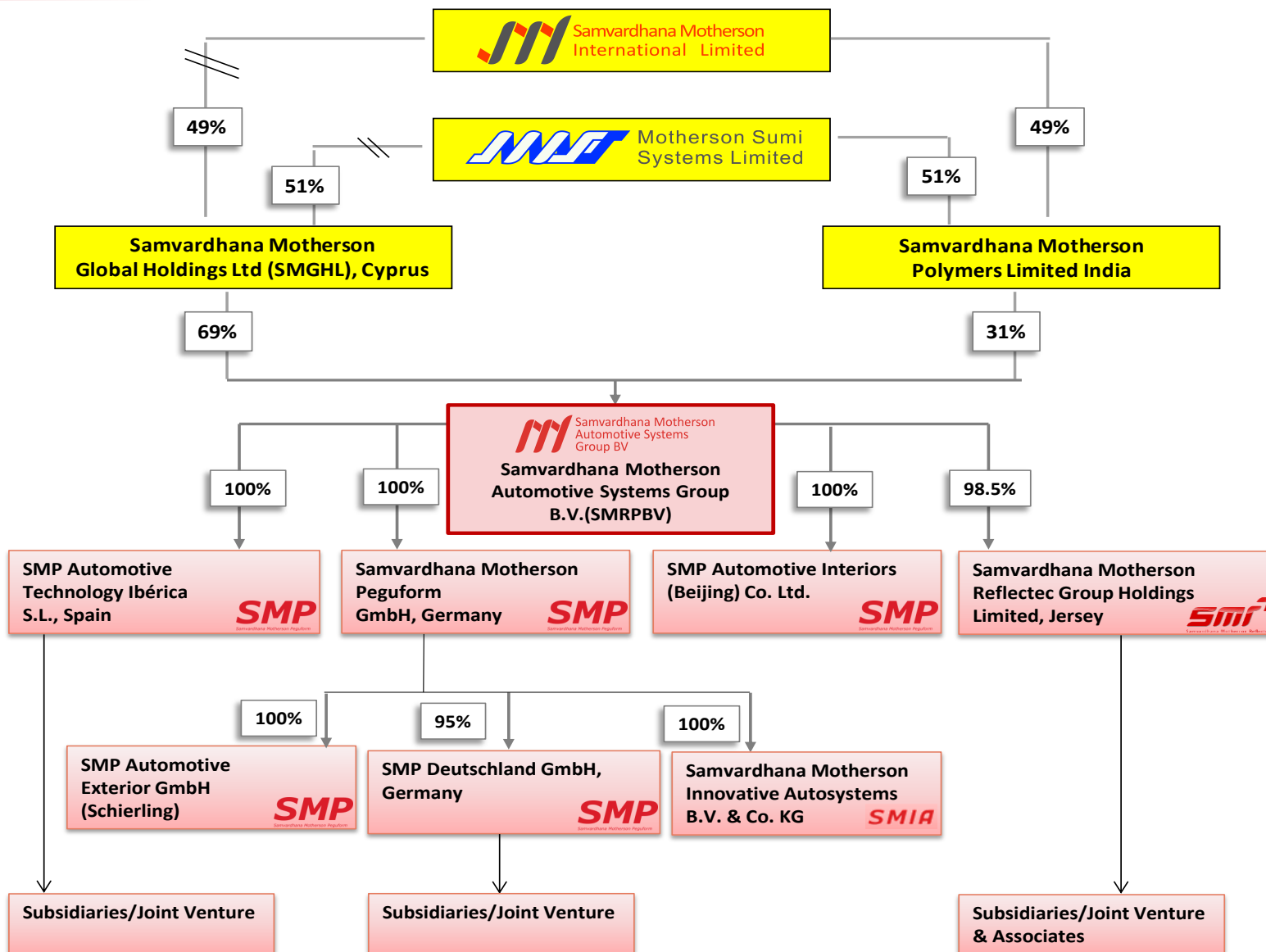
Mission

- Ensure Customer Delight
- Involve Employees as “Partners” in Progress
- Enhance Shareholder Value
- Set new standards in Good Corporate Citizenship

Content

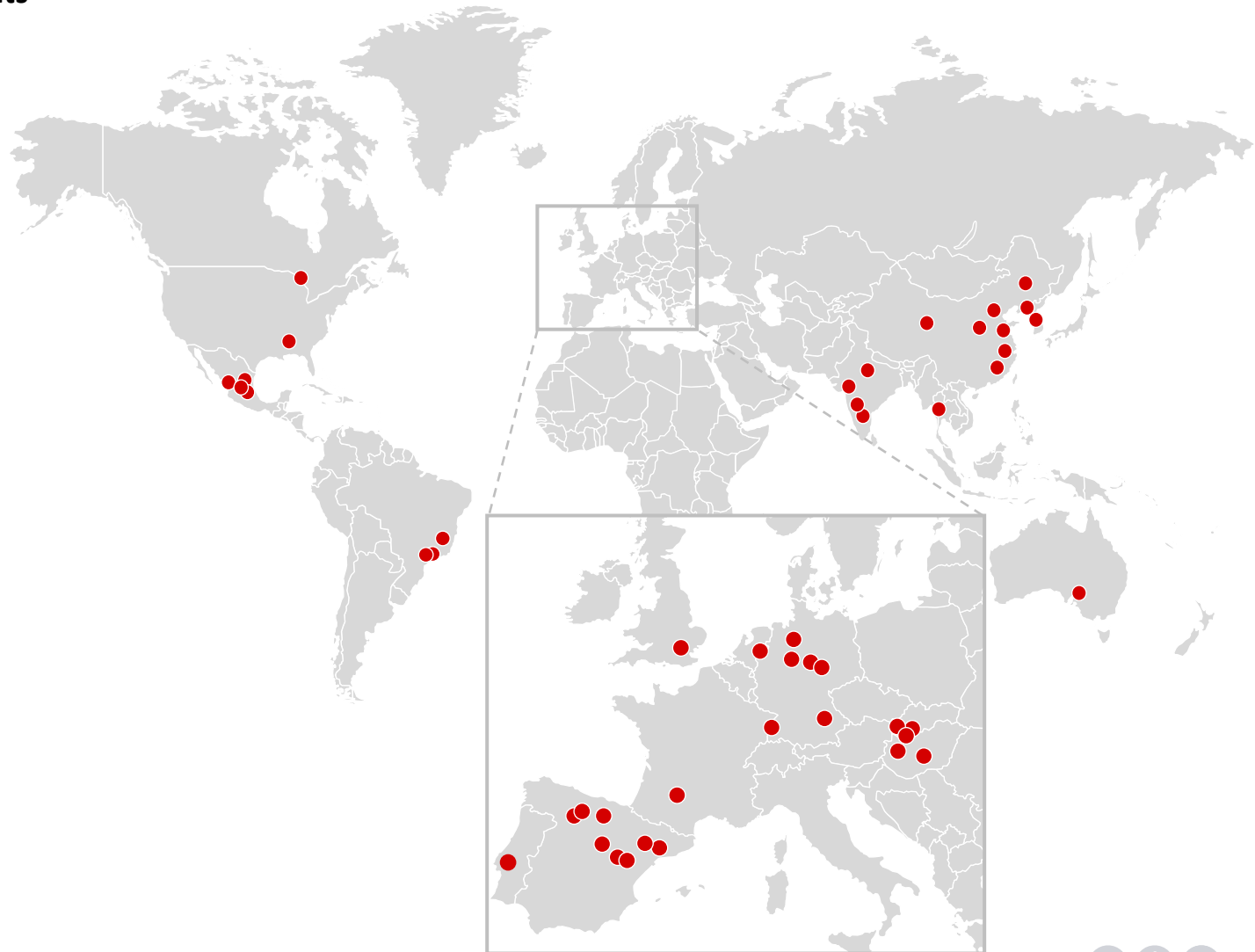
- SMG Overview
- **SMRP BV Overview**
- SMRP BV Strategy

SMRP BV Group Structure



SMRP BV Global Presence

- 47 manufacturing plants
- 16 countries
- 11 logistics centers
- Workforce of 21,500+



SMR division

One of the largest supplier of rear vision systems for the global OEMs

Samvardhana Motherson Automotive Systems Group BV

Exterior mirrors

Interior mirrors

Basic



- Full plastic design
- Grained housings
- Solid color molding
- Painted covers
- Bulb based turn signals
- Flat and convex glass
- Manual mirror fold
- Manual glass adjustment

Medium



- Painted housings and covers
- Convex and aspheric glass
- Electric glass adjustment
- Power fold mechanisms
- Glass heating
- LED based turn signals
- Temperature sensors

Premium



- Memory glass position adjustment
- Auto-dimming glass
- LED light guide turn signals
- Ground illumination
- Central electronic control unit
- Surround-view cameras
- Integrated blind spot detection systems
- Warning lights for driver assistance systems
- Logo-projection lamps

Commercial vehicle



- Grained and painted housings and covers
- Bulb and LED turn signals
- Glass heating
- Manual and electric glass adjustment
- Manual and power fold
- Manual and power telescope feature



- Auto dimming glass
- Microphones
- Radio controlled garage door openers
- Integrated displays & switches
- Rain sensors
- Interior air temperature and humidity sensors
- Telematics-interfaces
- ETCS



Select customers



SMP division

One of the largest suppliers of bumper, instrument panel and door panels to European automotive OEMs

Samvardhana Motherson
Automotive Systems
Group BV

Bumpers



- Market leader for bumper covers in Germany and Spain
 - Innovation leadership: introduced plastic bumper in Europe in 1977
- Integrated value-added features – fog lamps, air ducts, parking sensors, chrome trims, washer nozzels, grills and emblems
- Supply program includes completely pre-assembled complex front-end modules
- Integrated value-added features including crash beams, lighting systems, air coolers, air vents and washer nozzles

Door panels



- Fully completed systems with textile, leather and slush surfaces
 - Natural fibre solutions: Increasing number of structural carriers made by natural fibre reinforced polymers (NFPP)

Instrument panels



- Diverse Product range: from simple instrument panels to highly complex cockpits with integrated air vents, decorative trim, switch boards, glove boxes etc
- Strong competence and innovation record
 - Cost-friendly production of high quality surfaces (ie soft-touch, moulded textures)
 - Integration of airbags

Exterior and Interior Parts



- Extruded and injection-moulded exterior and interior components.

SMP

Samvardhana Motherson Peguform

Select customers



Content

- SMG Overview
- SMRP BV Overview
- SMRP BV Strategy

SMRP BV strategy

1

- Retain and strengthen technological leadership through continued focus on R&D and innovation

2

- Continue disciplined global expansion through selected investments backed by new orders

3

- Increase customer penetration and diversification

4

- Drive further efficiency and continue to improve our cost base and cash generation

5

- Focus on profitable growth while maintaining our conservative financial policy

6

- Robust Capital Structure backed by Strong Parent

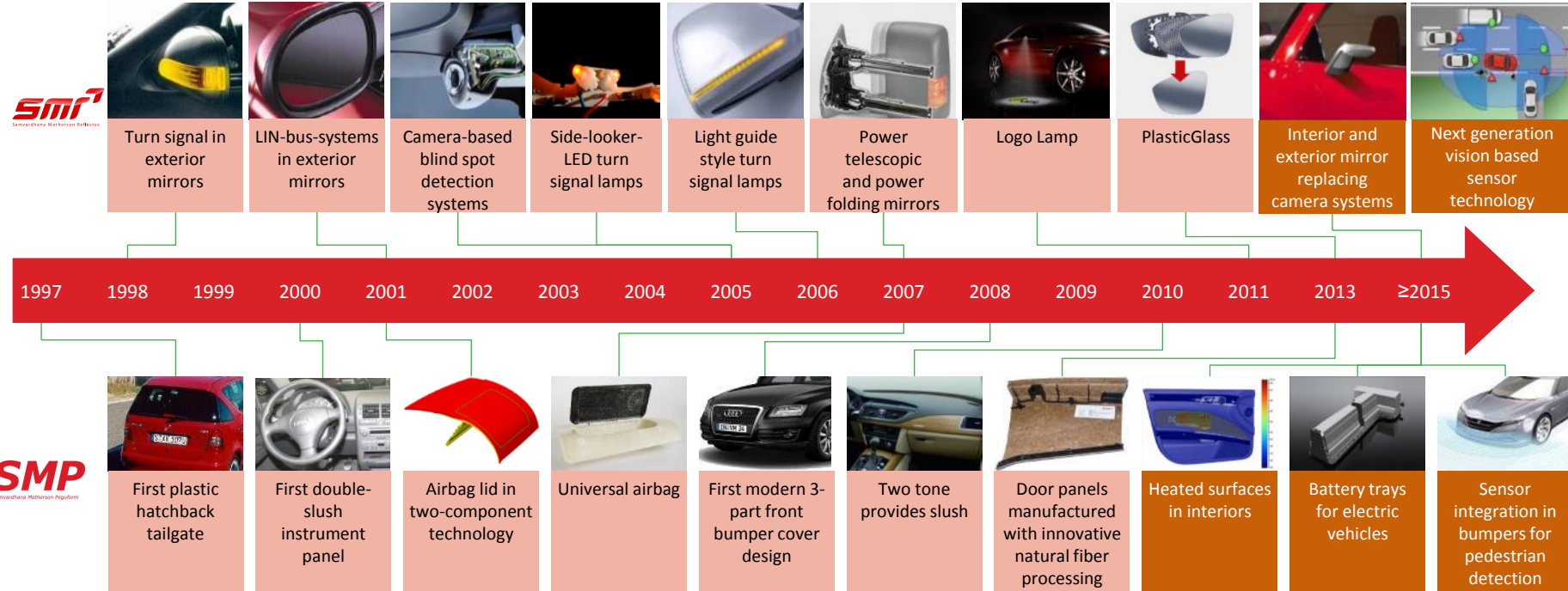
Proven track record and reputation for innovation in leading technologies

History of 'First to Markets' backed by proprietary patent portfolio

- Established R&D infrastructure position SMRP BV as "technology and innovation leader"
 - Long track-record of market-first products
 - 800+ R&D engineering staff with 920+ patent portfolio
 - 22 centres of excellence for project management and advanced engineering
 - No dependence on single critical patent/trademark

Focus areas

- Safety**
- Environment**
- Efficiency**
- Aesthetics**



Superior innovation an outcome of sustained focus and investment in R&D at times even 2 – 3 years before product launch

Retain and strengthen technological leadership through continued focus on R&D and innovation

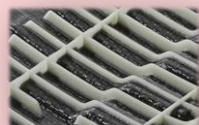
Steps	Execution Strategy	Outcome
Innovation, technology and value add focus	<ul style="list-style-type: none"> Maintain technological leadership via <ul style="list-style-type: none"> Strong in-house R&D infrastructure Drive increased content per car via “digital” generation solutions with integrated functionalities (e.g. lighting and displays) Develop solutions to capitalise on industry trends of safety, performance, aesthetics and environment Collaborative R&D with OEMs 	<ul style="list-style-type: none"> Tangible outcomes – Logo Lamp and power telescopic folding towing mirror
	<ul style="list-style-type: none"> Optimise product properties for innovative features and technology additions e.g. new innovative processing of natural fibers reduces weight of door panels by 20% while maintaining requisite safety specifications 	<ul style="list-style-type: none"> Leadership in premium segment



Advanced lighting



Improved electronic mirror control units



High performance thermoplastic composite parts

Performance / Efficiency



Sensor based pedestrian protection



360° monitoring system with integrated lane and object detection



Full plastic and fibre-reinforced airbag boxes

Safety



High gloss panels with integrated HMI and light integration



‘Hidden-till-lit’ exterior solutions (dark chrome finish)



Next generation LogoLamp with improved properties

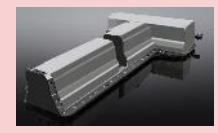
Aesthetics / Emotion



Light weight and fibre composite Class A surface panels



Innovative natural fiber processing for door panels



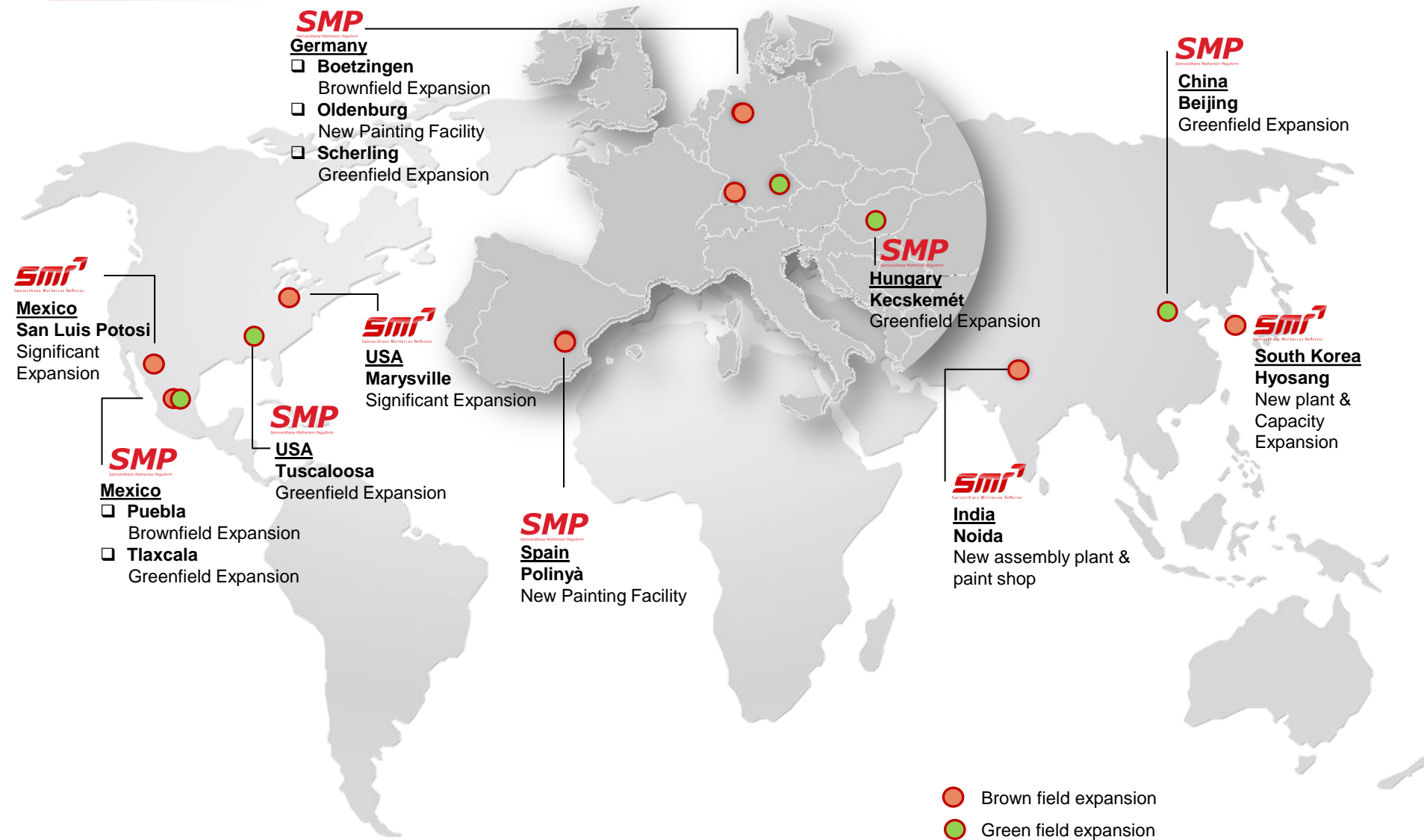
Full plastic battery tray for electric vehicles

Environment

Solutions for future market needs

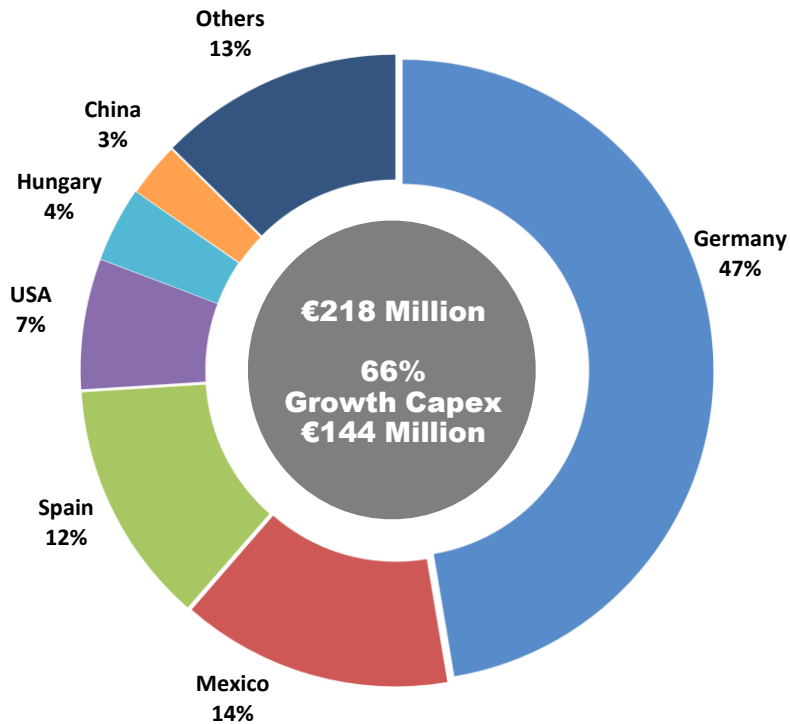


Continued Global Expansion

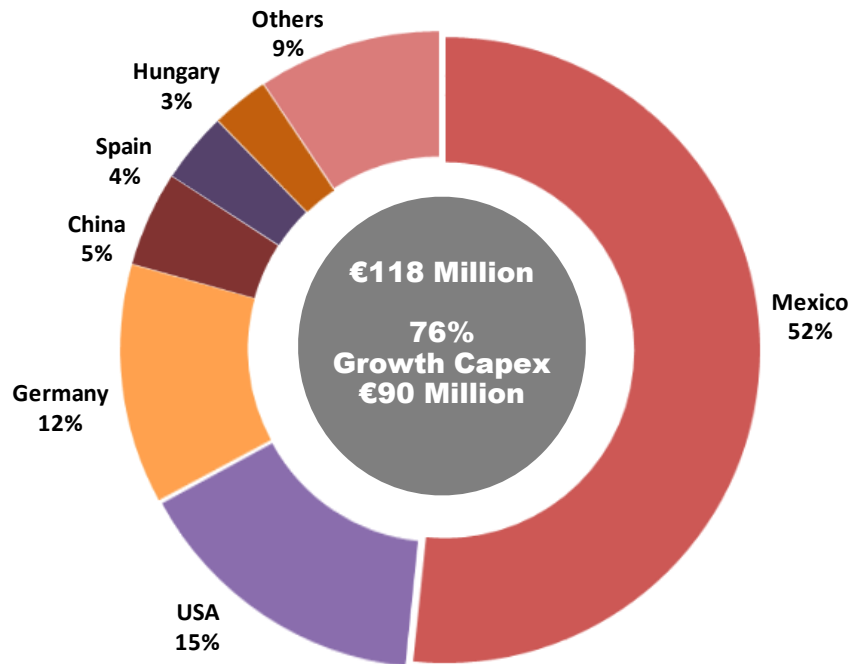


Capital Expenditure

For Fiscal year ended March 31, 2015



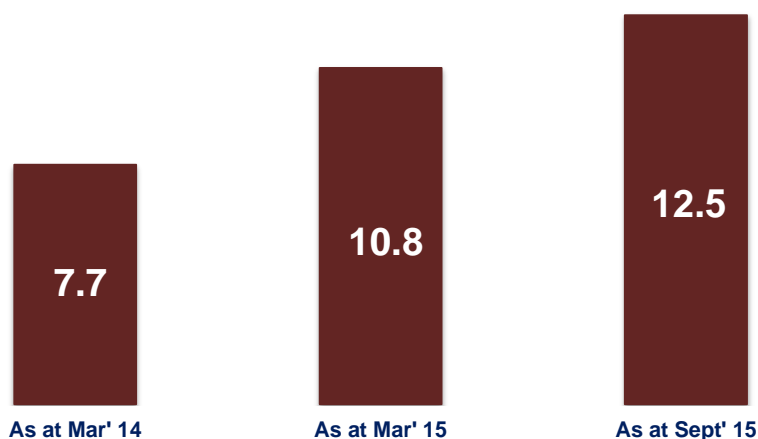
For six months ended Sept 30, 2015



Customer penetration and diversification

Steps	Execution Strategy	Outcome
Increase in market share	<ul style="list-style-type: none"> Leverage OEM trust and relationship for greater wallet share Industrial investment committed backed by strong order book Use global footprint to facilitate OEM production migration into low-cost and high-growth regions Increase engagement with Chinese and Japanese OEMs 	<ul style="list-style-type: none"> €12.5+ Billion cumulative order book Includes € 3.9 Billion of new order won during H1 2015-16
Customer diversification	<ul style="list-style-type: none"> Leverage leading supplier status with Audi as testament to quality and finish of our product portfolio Apply premium technological know-how to basic/medium segment 	<ul style="list-style-type: none"> Potential Volume Increase Increased content per car

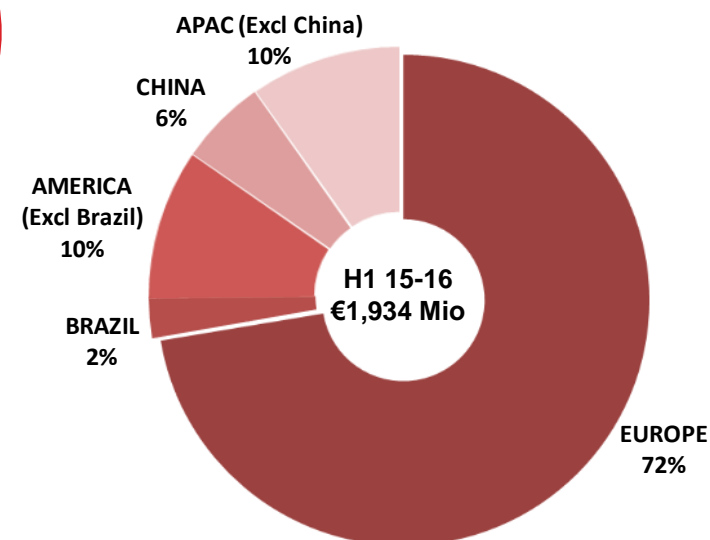
Growing Order Book - € Billion



Lifetime Value Business Won H1 2015-16

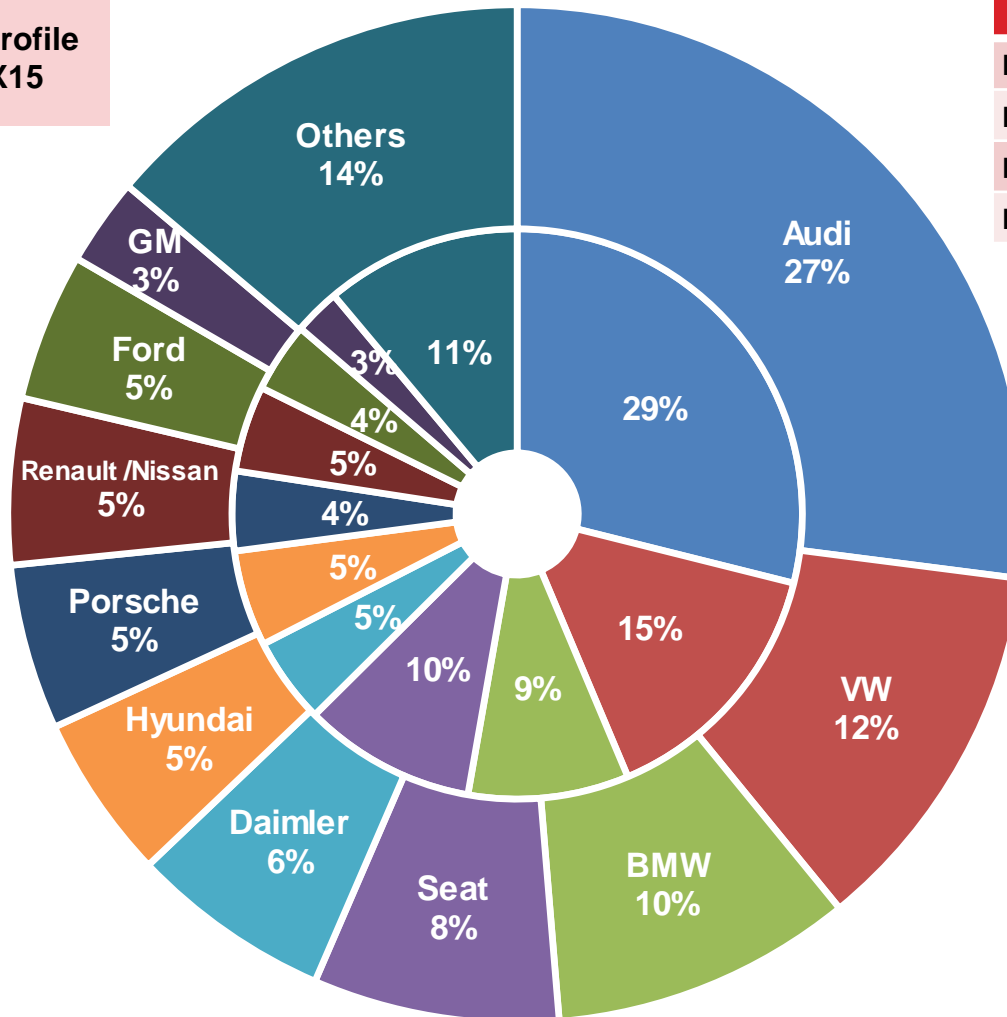
€3.9 Billion

Geographical Spread

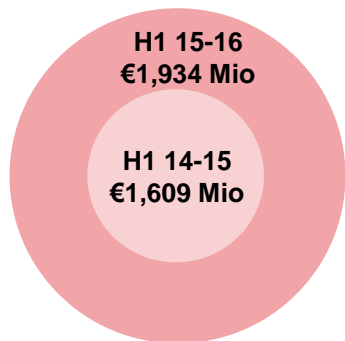


Customer penetration and diversification

**Diversified Customer Profile
Moving towards 3CX15**



Change wrt H1 14-15	Growth	Share
Daimler	60%	+1%
Ford	45%	+1%
BMW	29%	+1%
Porsche	43%	+1%



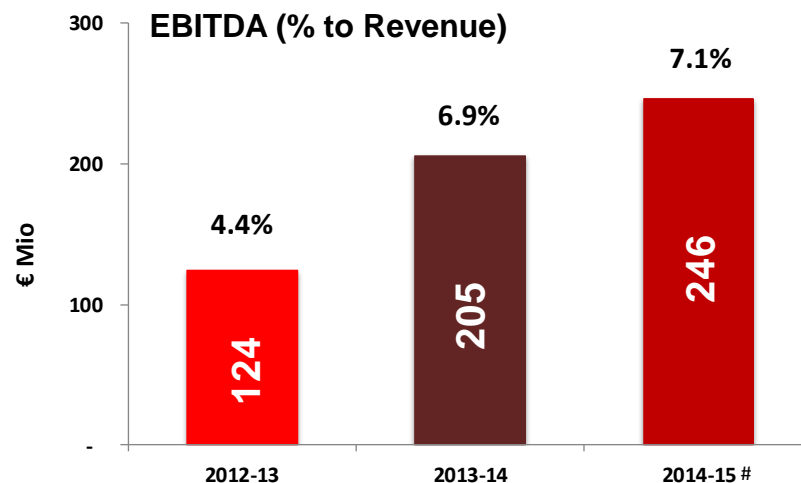
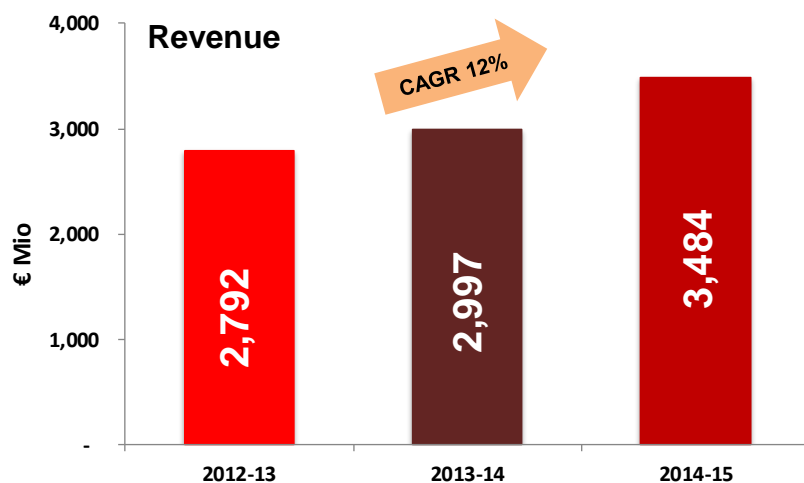
Drive further efficiency and continue to improve our cost base and cash generation

Steps	Execution Strategy	Outcome
Higher degree of vertical integration	<ul style="list-style-type: none"> • Source greater degree of components and raw materials in-house at arm's length basis • Enhance supply security, competitive advantage and reduce development lead time • Continuous development of internal competency and knowledge • Decision making based on strategy and internal financial ratios 	<ul style="list-style-type: none"> • Margin uplift and risk avoidance • Competitive advantage • Improved value generation
Continuous Operational improvement	<ul style="list-style-type: none"> • Continuous focus on cost control & discipline and capital efficiency (QCDDMSES)^(a) • Operational enhancement (workfloor improvement, scrap reduction) • Improvement capex eg paint shops for fuel efficiency and productivity • Increase throughout on back of new orders to drive profitability • Seamless execution of new launches & setup of new plants 	<ul style="list-style-type: none"> • EBITDA margin uplift
Cost control	<ul style="list-style-type: none"> • Cost control via efficient supply sourcing (diversification, economics, reliability, quality) and increased vertical integration 	<ul style="list-style-type: none"> • Consistent EBITDA Improvement
Synergies with group	<ul style="list-style-type: none"> • Leverage group synergies via: <ul style="list-style-type: none"> • Global OEM relationship • Sharing best practices • Collaboration on R&D, engineering, purchasing and marketing activity where appropriate • Sourcing of key components & services from group companies 	<ul style="list-style-type: none"> • De-risked business model

(a) Quality, Cost, Delivery, Development, Management, Safety, Environment and Sustainability

Focus on profitable growth

Steps	Execution Strategy	Outcome
Increasing content per car	<ul style="list-style-type: none"> Trend for increasing feature content and value addition eg cameras and lighting Market segmentation cascade of feature content and driver assistance R&D strategy to maintain trend of innovation to market, and customer collaboration Collaboration with group sister divisions for diversification and new offerings to the market 	<ul style="list-style-type: none"> Top and bottom line growth Customer strategic alignment Group level synergies and leverage
Globalisation increasing barriers to entry	<ul style="list-style-type: none"> Customer global footprint matching and supply chain development Solutions provider with full product development capability, and high experience level Customer relationship development and strategy alignment, with long history of support Investment committed to achieve global customer support 	<ul style="list-style-type: none"> Multi location platform customer contracts Customer collaborative product definition
Increasing consolidation	<ul style="list-style-type: none"> Well-positioned to leverage trend towards OEMs' platform globalisation Full product range and market segmentation offering Potential for increasing market segmentation offering and supplier partner collaboration 	<ul style="list-style-type: none"> Increasing market share Top line revenue growth Customer strategic alignment



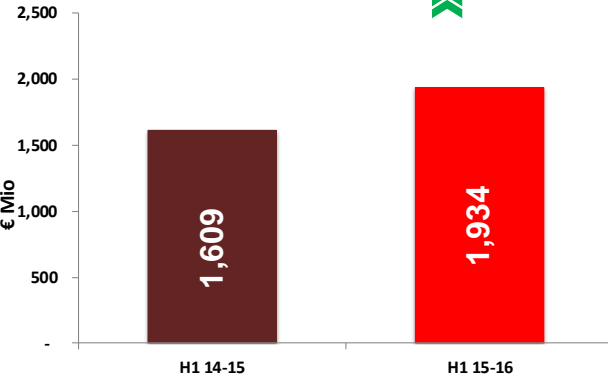
Revenue & EBITDA

For the six months ended Sept' 30, 2015

SMRP BV

Revenue

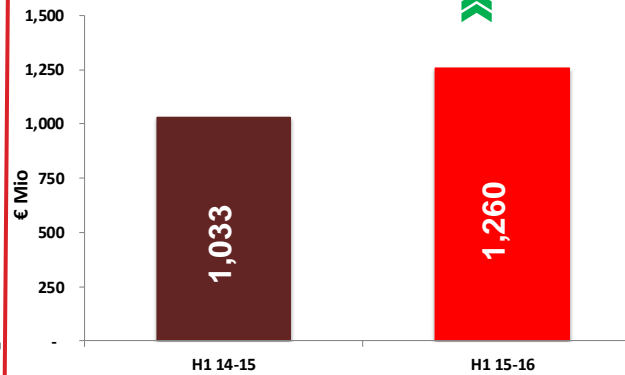
+ 20%



SMP

Revenue

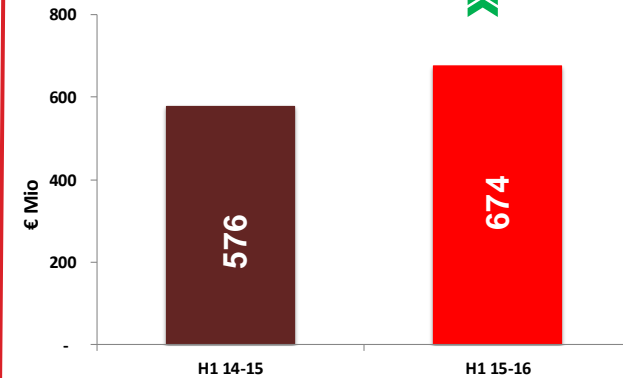
+ 22%



SMR

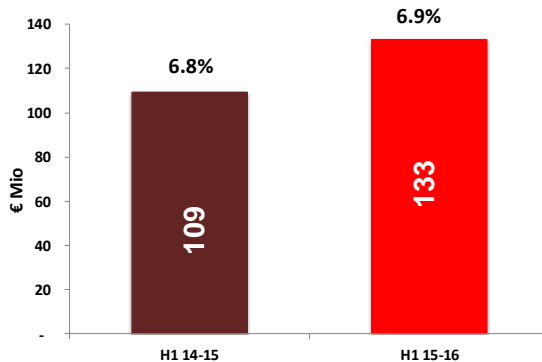
Revenue

+ 17%



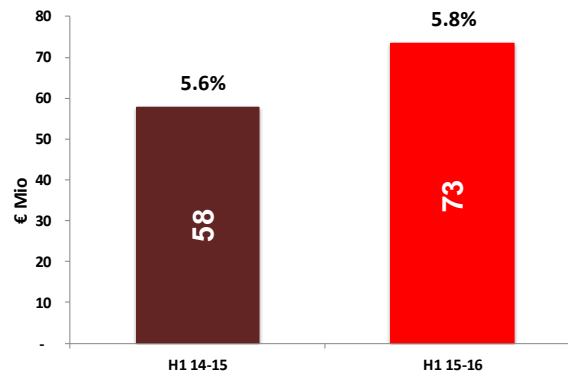
EBITDA (% to Revenue)

+ 22%



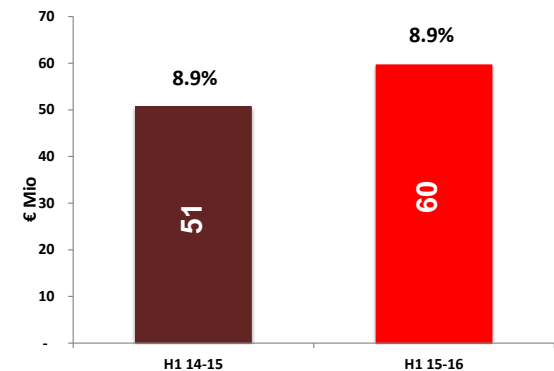
EBITDA (% to Revenue)

+ 26%



EBITDA (% to Revenue)

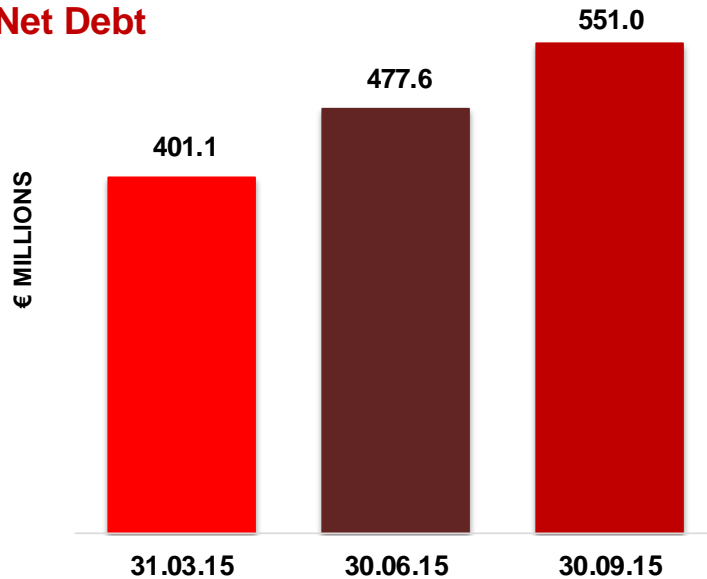
+ 18%



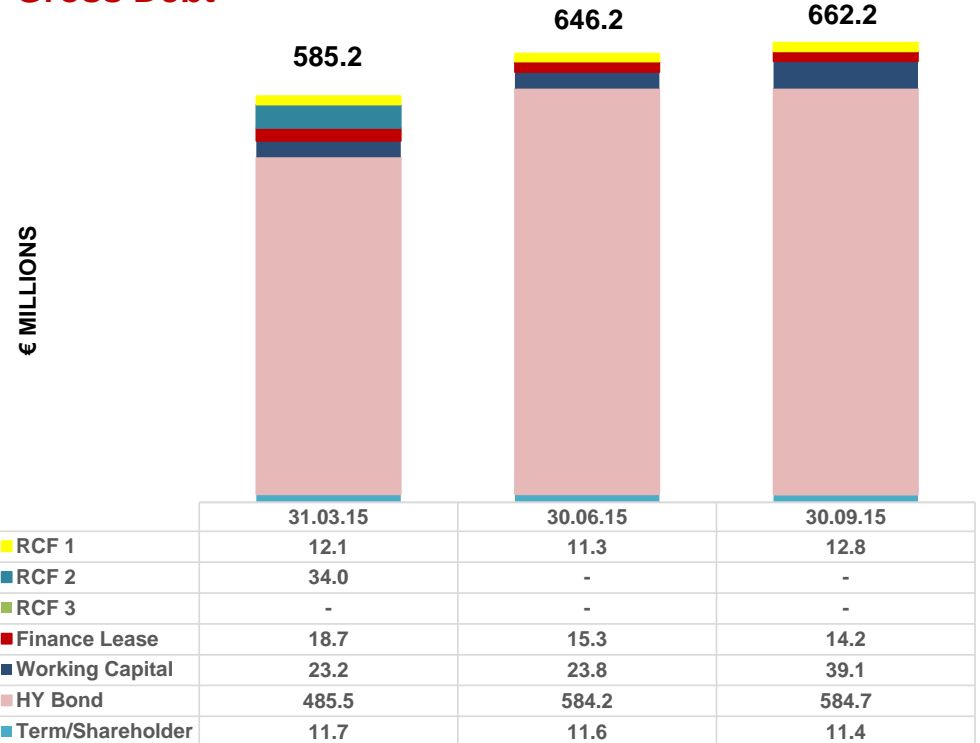
Robust Capital Structure

Cash & Debt Status *as at September 30, 2015*

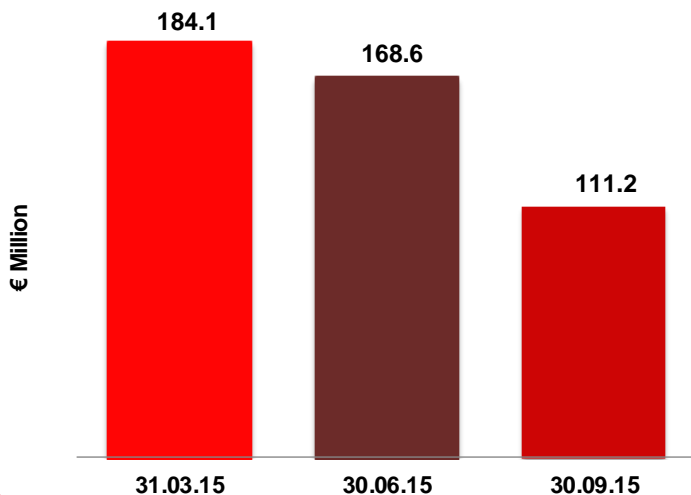
Net Debt



Gross Debt



Cash



Key Highlights H1 2015-16 :

- Issued € 100 Mio 3.7% Senior Secured Notes (due 2025)
- Terminated Existing Revolver Credit Facility for € 125 Mio
- Entered into New Revolving Credit Facility for € 250 Mio (RCF 1) for five years
- Entered into New Revolving Credit Facility for € 100 Mio (RCF 3) for three years

Robust Capital Structure

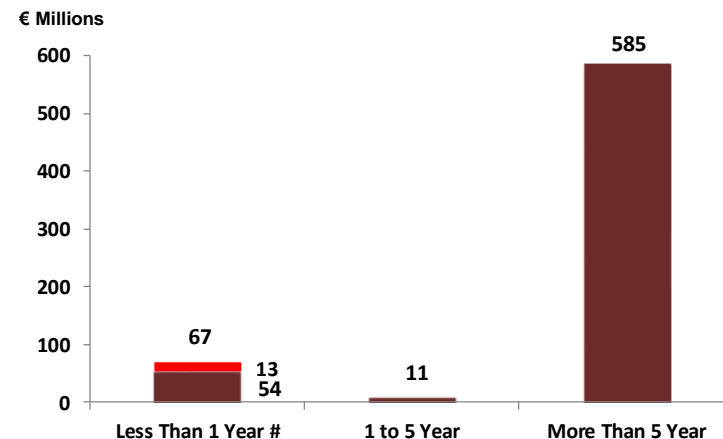
Liquidity Status *as at September 30, 2015*

Liquidity Status

€ in Millions	Sanctioned Limit	Utilised as at Sept' 30, 2015	Liquidity Available
RCF 1 (including Ancillary facility)	250.0	12.8	237.2
RCF 3	100.0		100.0
RCF 2	50.0	-	50.0
Cash and Cash Equivalent			111.2
Total Liquidity Available			498.4

Significant liquidity available for Growth

Maturity Analysis As at Sept' 30, 2015



€13Mio towards committed RCF facility and € 54 Mio includes €39 Mio towards working capital loans which are generally renewed after one year

Status Leverage Ratio

Key Ratios [#]	Allowed	Status As at March 31, 2015	Status As at Sept 30, 2015
Gross Leverage Ratio: Indenture	3.50x	2.43x	2.59x
Net Leverage Ratio : RCF	3.25x	1.67x	2.16x

Computed as per definitions given in Indenture & RCF agreements



Parent with proven track record

MSSL cash flow capacity (FY 15 and Sep 15)

(€ m)	31 st March 2015		30th Sep 2015*	
	Standalone	Consolidated	Standalone	Consolidated
Revenue	734	5,143	351	2,495
EBITDA	139	482	133	484
Net Debt	58	483	41	623
xEBITDA	0.4x	1.0x	0.3x	1.3x

MSSL liquidity capacity

- Listed on Indian stock exchanges with € 4.96 bn market capitalisation^(a)
- Access to international and domestic capital markets
 - Convertible bonds
 - INR bonds/INR loans/INR commercial paper
 - Syndicated foreign currency loans
- Strong long-standing relationships with international and Indian banking consortium

*Under Indian GAAP

(a) Market capitalisation as of 06-Nov-15
Source: Company data



Proud to be part of...



CUSTOMERS

... The world's leading automotive brands



INVESTORS

... The ever growing wealth of our investors



EMPLOYEES

... The lives of our employees



SOCIETY

... The wellbeing of the communities we work in

**PROUD TO BE
PART OF**

- Financial information for six months ended September 30, 2015 are taken from unaudited interim condensed financial statements and for twelve months ended March 31, 2015 are taken from audited consolidated financial statements and financial information for the twelve month ended March 31, 2014 and 2013 are taken from the audited combined financial statements as presented in the offering memorandum dated June 12, 2015 published by the company while offering €100 Million Senior Secured Notes in June 2015.
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