



Investor Presentation

June 2016

 Samvardhana Motherson
Automotive Systems
Group BV



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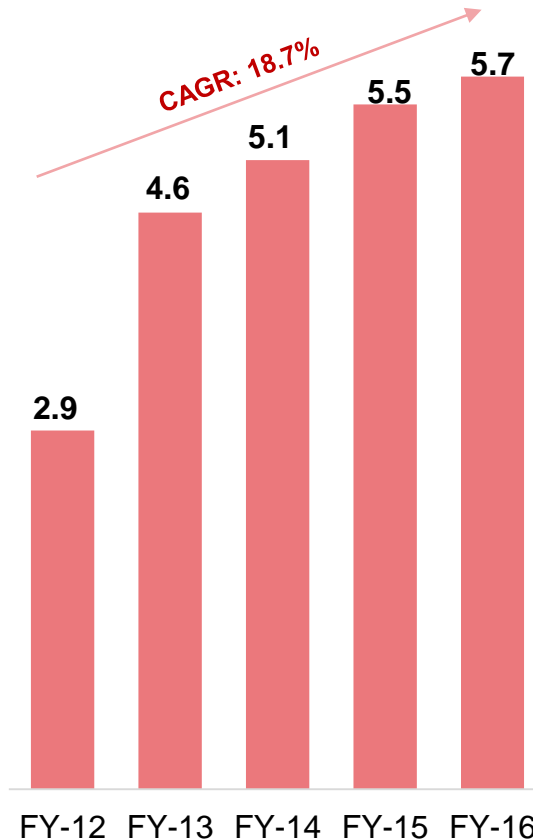
SMG overview

Largest Indian tier-1 automotive supplier

Background

- Leading Tier 1 global supplier of automotive components
- 25 countries with >75,000 staff and 180 manufacturing plants
- Trusted partner to Original Equipment Manufacturers (“OEMs”) providing full system solutions globally
- Strong in-house R&D capabilities and innovation track record
- Leading global market positions in each of our main product segments, across several regions in which we operate
- MSSL is the flagship company of the Group

MSSL⁽¹⁾ revenue (USDbn)



Overview of business portfolio

SMRP B.V.

Rearview mirrors



Interior and exterior modules and parts



Other main businesses

Wiring harness



- Market leader in India
- Strong presence in Europe and America in selected key non-LV end-markets (e.g. off-highway)

Polymer processing and tooling



- One of the largest moulded parts, assemblies and modules supplier to the Indian automotive industry
- Production sites in India, UAE, Germany, Czech Rep. and S. Africa

Selected customers



Note: March fiscal year end

1) MSSL is the flagship company of SMG. Based on MSSL audited financials prepared under Indian GAAP and converted into US\$ at FX rate INR:US\$ as of fiscal year-end date for each respective period

FY12: 50.88, FY13:54.28, FY14:59.89, FY15:62.50, FY16:66.25

Source: Company data

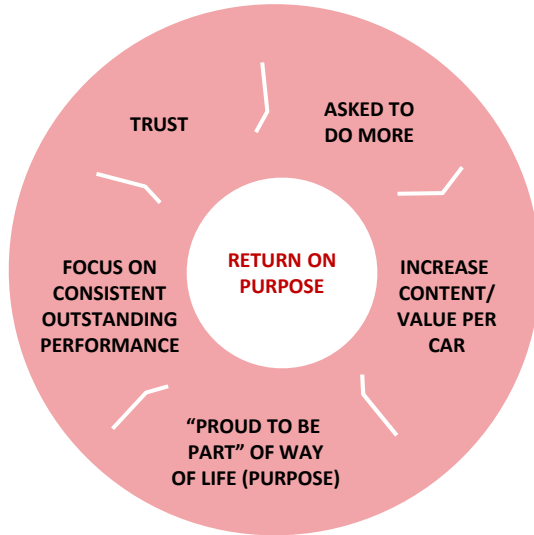
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Our philosophy

Vision: To be a globally preferred solution provider

Key elements of SMG philosophy

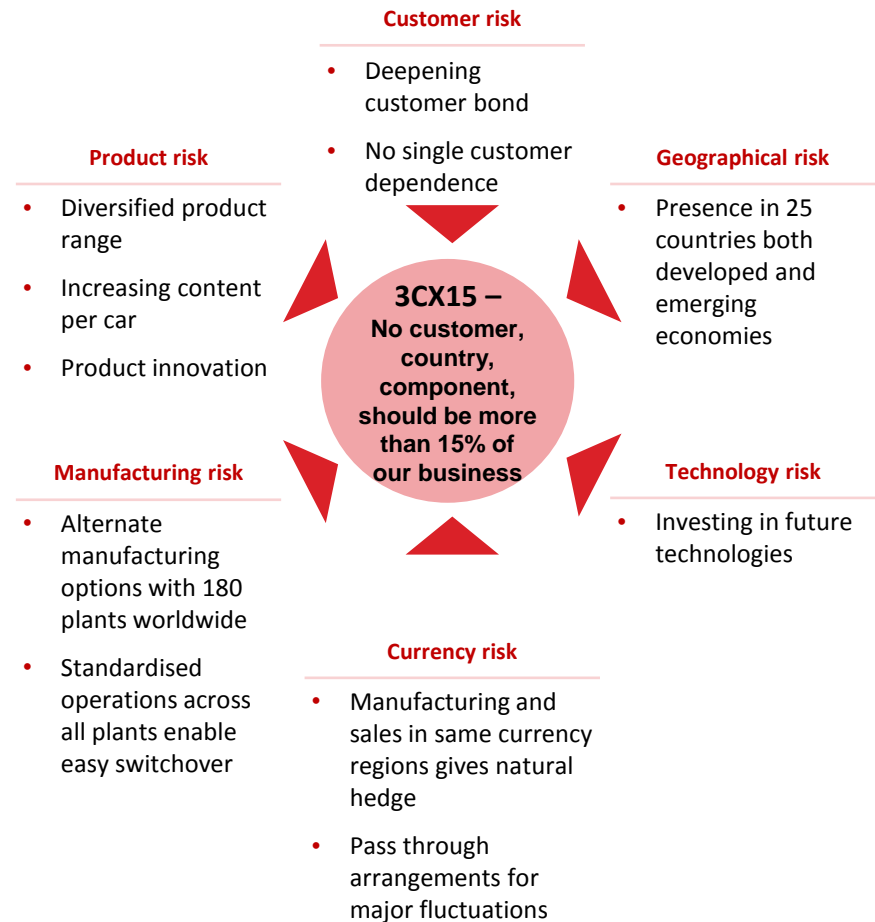


- **Focus on consistent outstanding performance**
 - Never compromise on product quality
 - Relentless focus on cost and capital efficiency (QCDDMSES)^(a)
- **Trust:** Superior performance nurtures client relationships
- **Asked to do more:**
 - Leverage trust to enable greater client engagement
 - Sole 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 less risky business



SMR division

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



Comprehensive product portfolio



Select customers



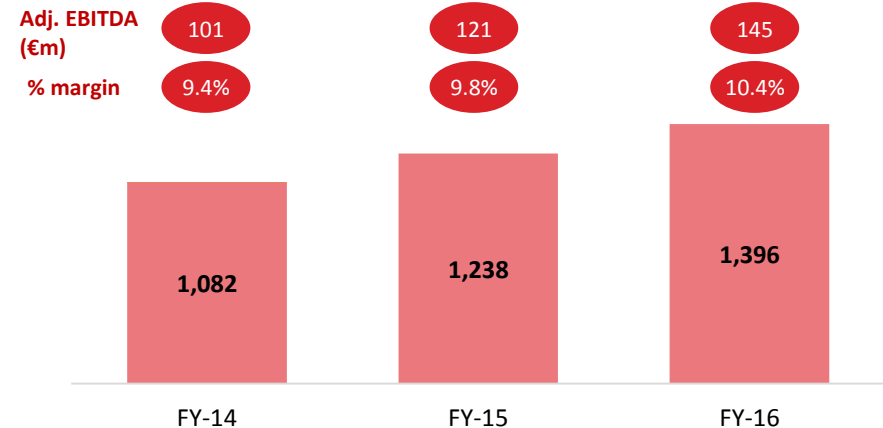
24% global market share for exterior mirrors

Manufacturing footprint

- ✓ 14 countries
- ✓ 20 manufacturing plants¹ and 2 just-in-sequence logistic centers
- ✓ Engineering and project management centres, R&D centres, Module centre ("just-in-sequence" logistics)
- ✓ 9,300+ motivated workforce
- Manufacturing plants



Revenue and Adjusted EBITDA (€m)



¹ Inclusive of 2 plants that are currently owned through joint ventures

Note: March fiscal year-end

Source: LMC Automotive, Company data



SMP division

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

Comprehensive product portfolio

Bumpers



18% premium market share

Instrument panels



10% premium market share

Door panels



27% premium market share

Select customers

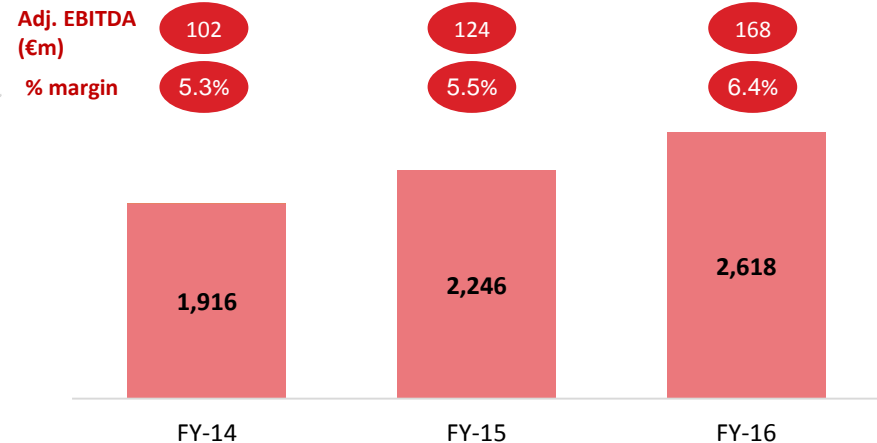


Manufacturing footprint

- ✓ 9 countries
- ✓ 27 manufacturing plants¹ and 9 "just-in-sequence" logistic centres
- ✓ Engineering and project management centres, R&D centres, Module centre ("just-in-sequence" logistics)
- ✓ ~13,000+ motivated workforce
- Manufacturing plants



Revenue and Adjusted EBITDA (€m)



¹ Inclusive of 4 plants that are currently under construction and 3 plants that are currently owned through joint ventures

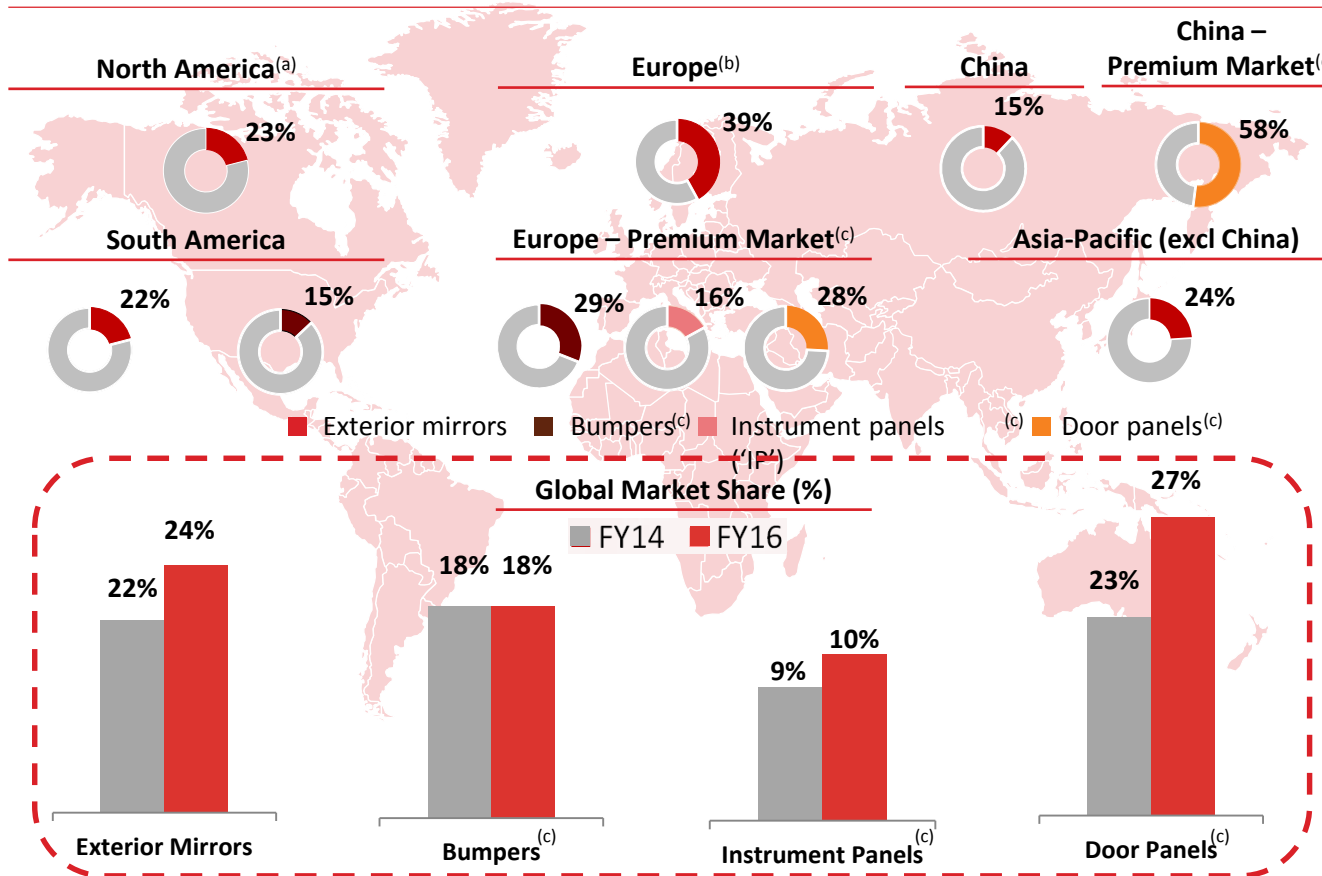
Note: March fiscal year-end

Source: LMC Automotive, Company data



Market Share overview

SMRP B.V. market share (%) and ranking in exterior mirrors, bumpers, instrument panels and door panels – FY16



- **Global leadership:** One in every four passenger cars has SMRP B.V.'s products
- **Market leadership supported by:**
 - Leading technologies with strong design, development and engineering expertise
 - Global footprint
 - Proven operating track record with leading global OEMs
 - R&D giving opportunities for greater content per vehicle
- **Focus on premium segment**
 - High customer switching cost (complex products, logistics, module assembly expertise)
 - Leveraging technological know-how to low/medium segments

Leading global position in main product segments, underpinned by ability to provide innovative, highly engineered solutions to customers locally on a global basis with resources to invest in R&D and growth to meet evolving customer requirements

Note: Market share represent fiscal year figures. Market share based on total production by volume in the relevant region for both domestic and export markets

(a) Includes Mexico

(b) Excludes Russia

(c) Premium segment refers to passenger cars with premium brand image, including those produced under the Acura, Audi, BMW, Cadillac, Infinity, Jaguar, Land Rover, Lexus, Lincoln, Mercedes-Benz, Porsche and Tesla brands, as well as luxury cars, sports cars and selected high-priced vehicles of other brands (typically exceeding €20,000 base price)














Source: LMC Automotive and Company estimates

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Strategic long-standing customer relationships with leading global OEMs

Deep customer relationships

Customer		By product				By region		
		Mirrors	Bumpers	Instrument panels	Door panels	Europe	Americas	Asia
Audi		✓	✓	✓	✓	✓	✓	✓
BMW		✓	✓	✓		✓	✓	✓
Ford		✓				✓	✓	✓
GM		✓		✓	✓	✓	✓	✓
Hyundai / Kia	 	✓				✓	✓	✓
JLR	 	✓				✓	No vehicle production in Americas	✓
Mercedes	 Mercedes-Benz	✓	✓		✓	✓	✓	✓
Porsche		✓	✓	✓	✓	✓	No vehicle production	No vehicle production
Renault		✓	✓			✓	✓	✓
Seat			✓	✓	✓	✓	No vehicle production	No vehicle production
VW		✓	✓	✓	✓	✓	✓	✓

- Average relationship duration with top seven OEM customers of ~40 years
- Long term collaborative relationships with 14 of the top 15 global OEM groups
- Strong presence in premium segment

Growth in global footprints

Global footprint with local presence in all major vehicle production regions

Key figures:

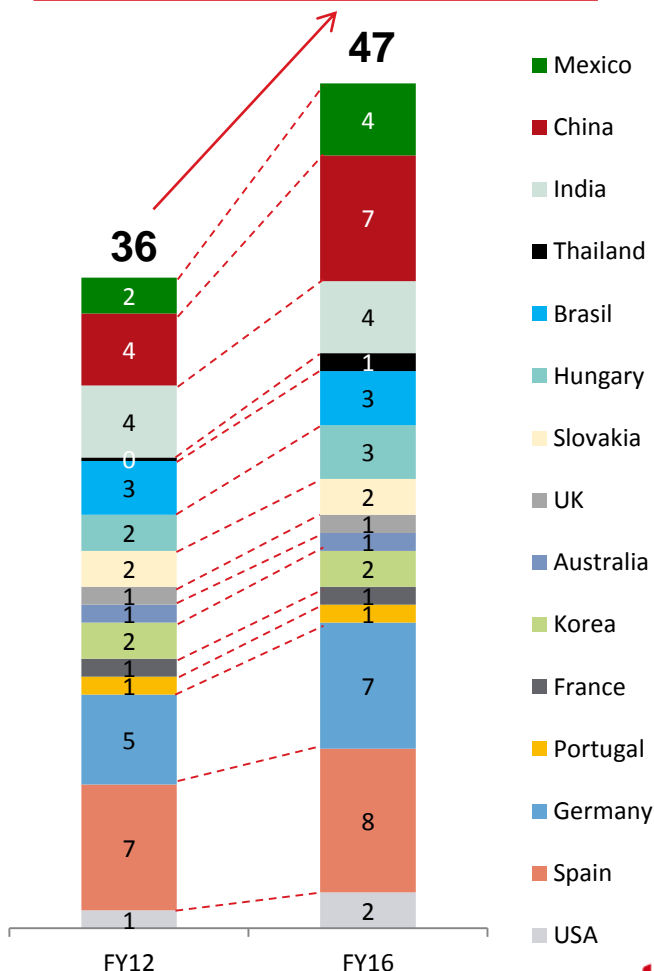
- 47 manufacturing facilities¹
- 16 countries
- 25 development, project management and sales centers
- 11 logistics centers
- Workforce of 22k+

Expansion Post Acquisition

- Since FY12, the SMG group has set up 8 manufacturing facilities (5 for SMR, and 3 for SMP), with 4 additional facilities currently under construction

¹ Inclusive of 4 plants that are currently under construction, and 5 plants that are currently owned through joint ventures

No. of plants per country
FY 16 vs FY 12



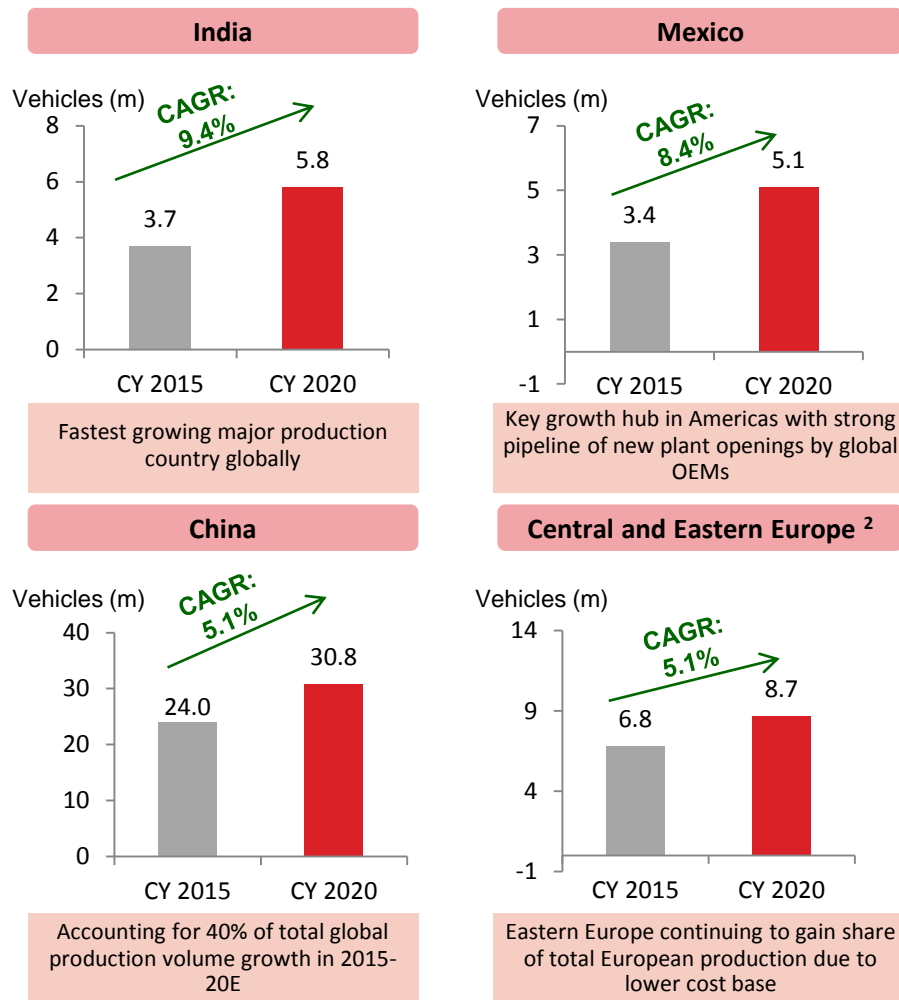
SMRP B.V. advantages

- Global footprint, aligned with that of customers
 - one of very few players in its segments with global capability
 - ability to supply to global platforms locally
- Customer proximity with production sites near OEM assembly plants
 - delivery on “Just-in-time” and Just-in-sequence” basis
 - efficient inventory management
 - high switching costs for customers
- Modern facilities with high level of automation
- Continued investment in the footprint
 - resources to fund new orders with significant up-front capex

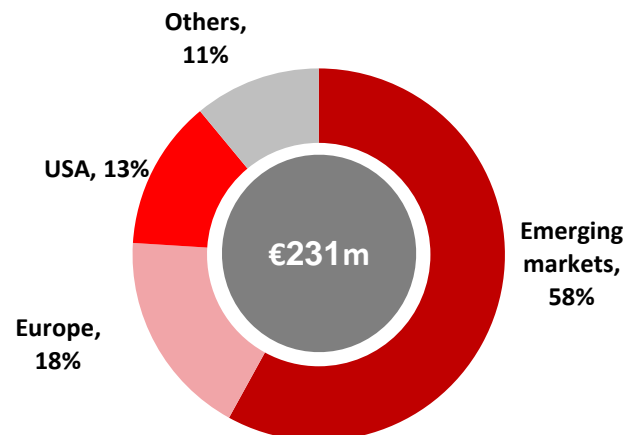


Focus on emerging markets

Light vehicle production outlook in selected key emerging markets¹



Breakdown of FY16 capital expenditure by region



Recent investments in expansion in key growth markets

- **Commenced production in following Greenfield / Brownfield plants:**
 - Foshan, China – SMP
 - Chongqing, China – SMR
- **Greenfield Plants nearing completion (SOP³ CY2016)**
 - Beijing, China – SMP
 - Zitlaltepec, Mexico – SMP
- **Greenfield Plants under construction (SOP³ CY2018)**
 - Kecskemet, Hungary – SMP
 - Tuscaloosa, Alabama – SMP

Growing presence in key markets for global light vehicle production growth

Notes:

1. Source: LMC data
2. Does not include Russia and Commonwealth of Independent States
3. SOP: Start of Production



Our R&D focus

Motherson Innovations

- Increasing R&D focus on likely disruptive trend towards autonomous driving
- Solutions for enhanced safety, ergonomics, performance, aesthetics
- New, proprietary digital image processing technology underpinning introduction of new high value solutions
 - Intelligent Electronic Mirrors (Currently being legalized in many countries)
 - New generation camera system
 - Advanced driver assistance features
- R&D focus of the group is driven by our shareholders with SMIL acting as an incubator of ideas with close to 1000 patents

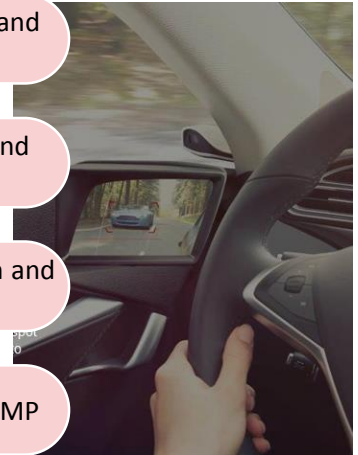
Intelligent Electronic Mirrors

Highest quality displays for best visibility and augmented information

Specialized high-performance cameras and expertise for package solutions

Integrated intelligence for object detection and lane recognition

Display integration by interior specialist SMP



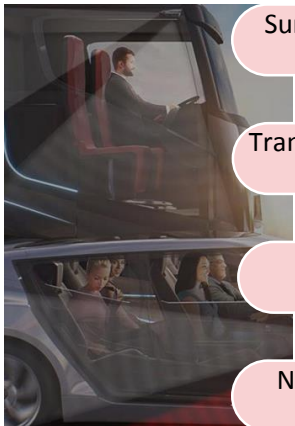
Automotive Innovation

Surround view monitors which combine enhanced visibility with intelligent assistance features

Translucent metal surfaces for integration of light for night branding

Digital cockpits with integrated vision system monitors and augmented information

Noise-less actuator solutions based on memory-shape alloy technology



Advanced Materials and Surfaces

Light transmissive metal coatings

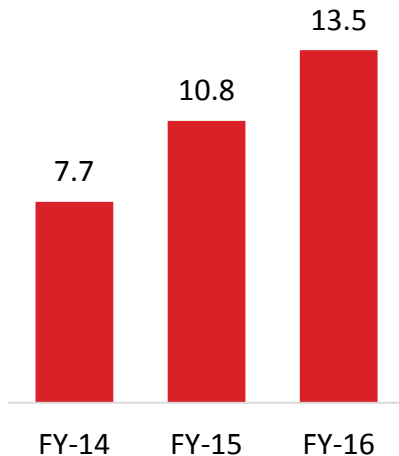
Environment-friendly and highly durable chrome

Suitable for multiple market segments



Customer portfolio & Order book overview

Growing order book¹ (€bn)

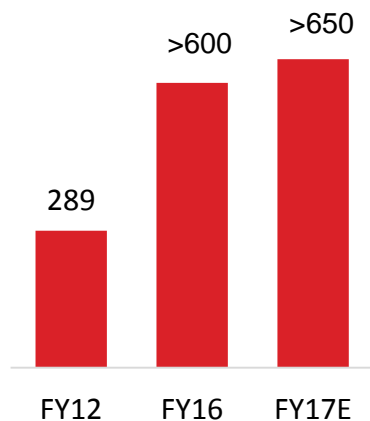


¹Orderbook: expected sales that are expected to be recorded for vehicle programs that we have been awarded by OEMs but which are not yet in production

- New Orders worth Euro 8.8 Billion during FY16 (including Daimler order)
- High revenue visibility via long-term agreements of at least 5 years
- High repeat business based on OEM relationship, collaborative R&D and footprint in customer proximity and prior operating track record

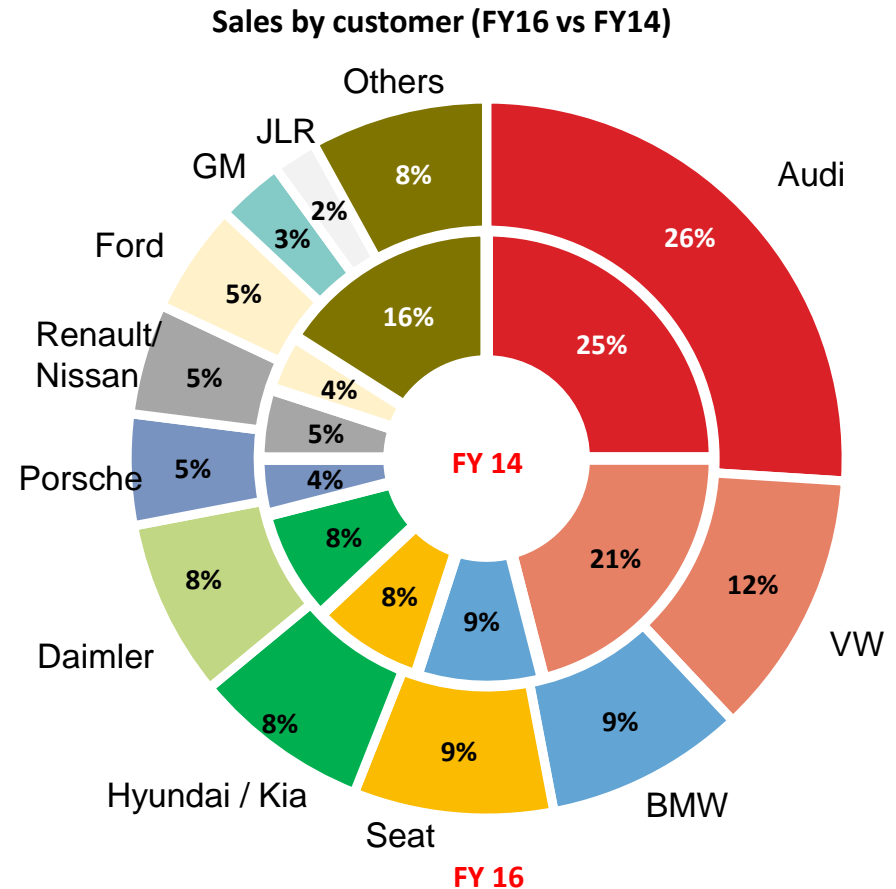
Improving diversification of revenue base

No. of vehicle model programs supplied



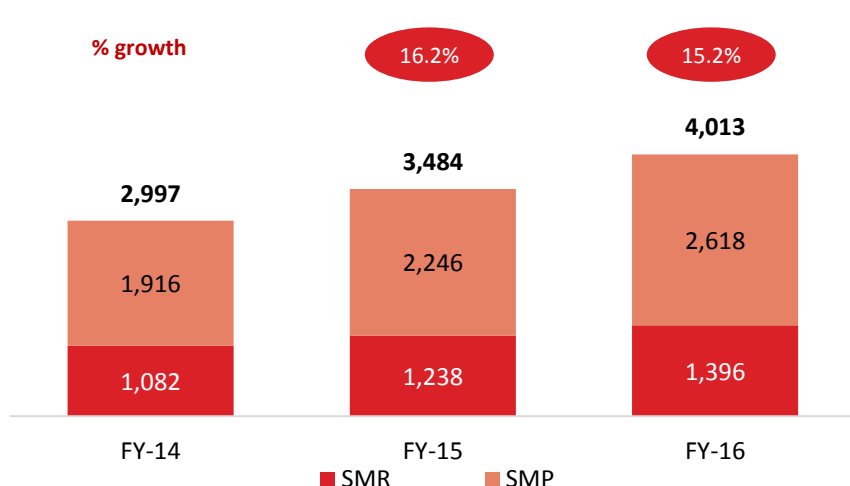
- >600 vehicle model programs with limited dependence on individual orders
- Order book well diversified across customers and geography with:
 - Increasing proportion of sales outside of Europe, supported by new plant openings in Americas and Asia through 2016
 - Continue to improve customer diversification

Customer diversification



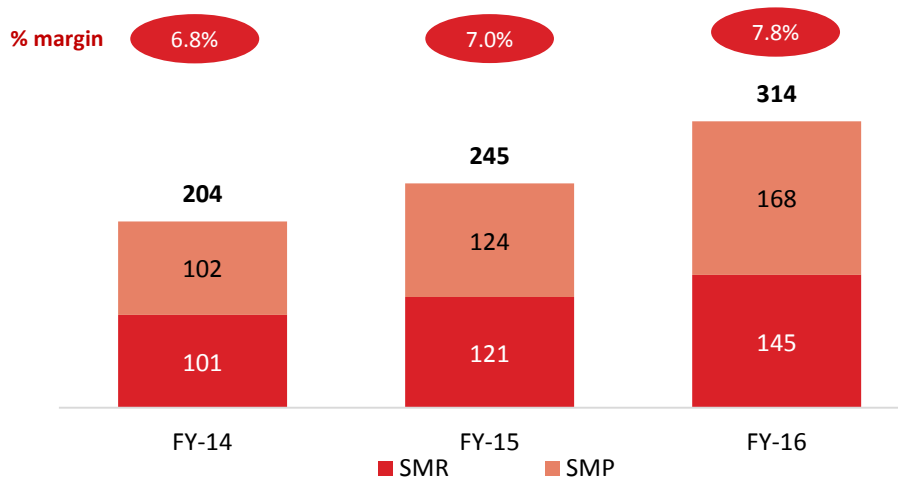
Track record of profitable growth

Revenue (€m)



- Revenue growth mainly driven by:
 - New orders won
 - Ramp-up of new plants in Germany and full year contribution from SMIA acquisition post consolidation
 - Strong market demand in USA, Mexico, Germany & Spain
- Strong order book of €13.5bn provides high top-line visibility. Healthy mix of repeat business and penetration into new geographies enhances resilience of the underlying business

Adjusted EBITDA (€m)

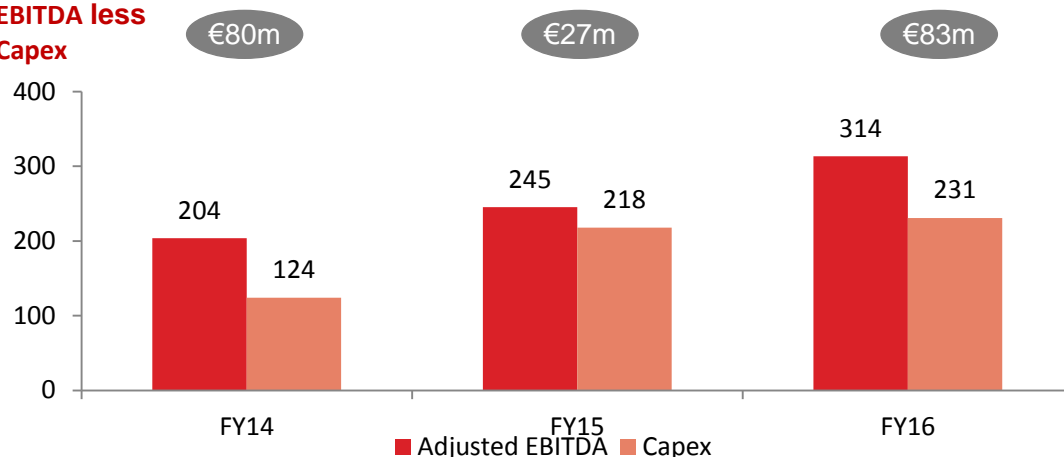


- EBITDA and margin growth mainly driven by:
 - Revenue increase
 - Improved manufacturing efficiencies
 - Improved product mix

EBITDA less Capex and working capital

Adjusted EBITDA and Capex (€m)

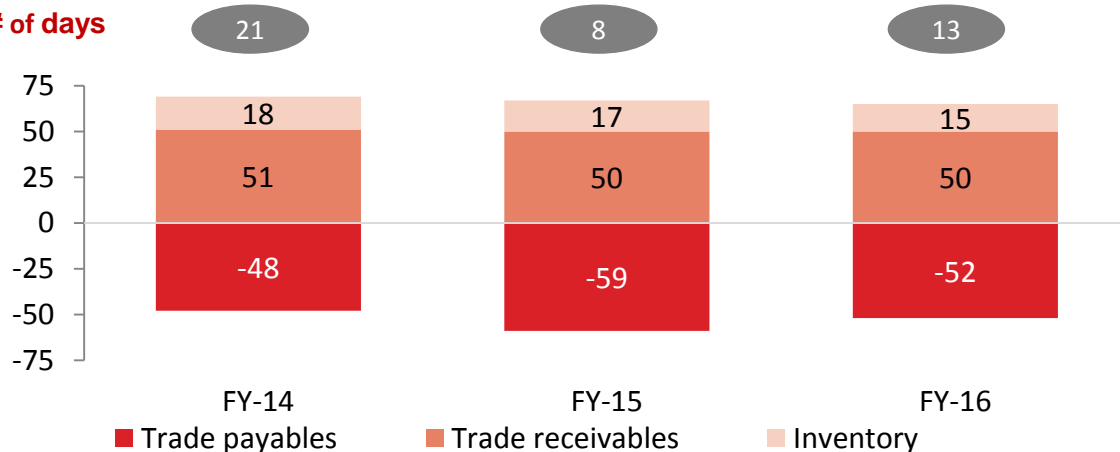
EBITDA less Capex



- EBITDA exceeding Capex despite significant capacity expansion
- Majority of recent capex spend expansionary in nature to service the growing order book
- New Production sites coming on-stream expected to drive profitable growth
- Significantly well defined and predictable capex profile linked to order book

Working Capital

of days

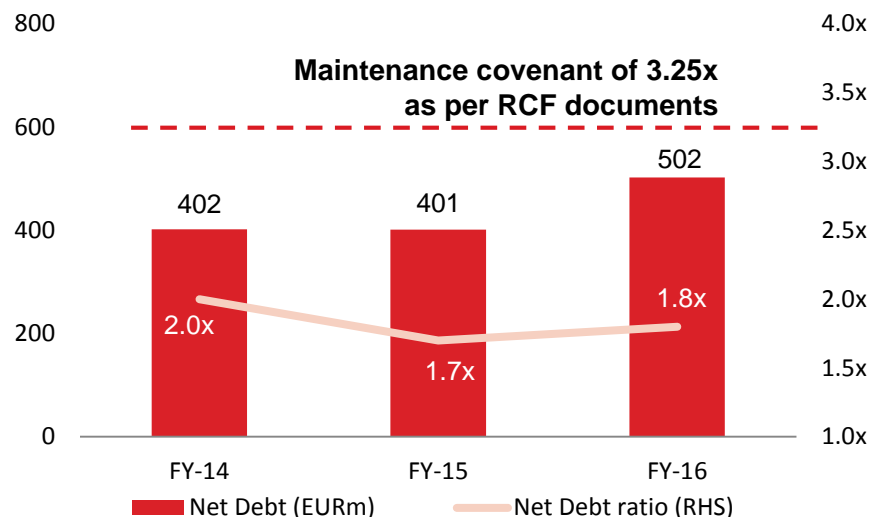


- Continued to run highly efficient working capital profile
- Low working capital requirement due to “just-in-time” and “just-in-sequence delivery”
- Significantly stable trends in various categories of working capital days for trade receivables and inventories

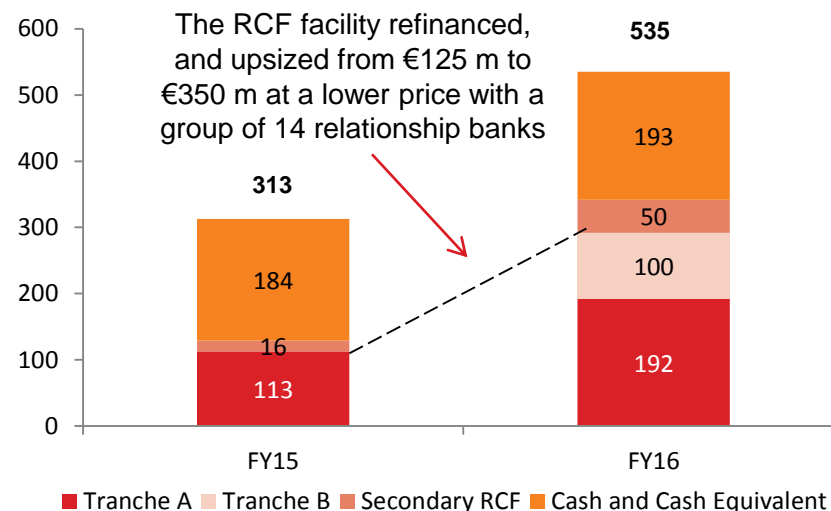


Net leverage development and liquidity

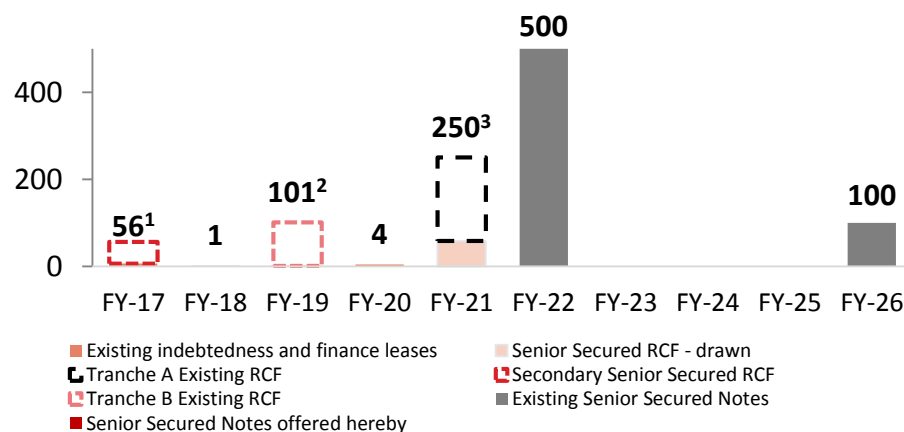
Net leverage



Total liquidity (€m)



Debt maturity profile (€m) as of March 2016



- Net leverage ratio <2x despite significant recent expansionary capex programme
- Bond proceeds will be used to partly refinance existing ancillary facilities under the RCF and vacate RCF lines, boosting liquidity position further
- Long term debt maturity profile with no significant maturities over the next 5 years

¹Out of €56m, €50m represents unutilized secondary senior secured RCF

²Out of €101m, €100m represents unutilized existing tranche B senior secured RCF

³Out of €250m, €192m represents unutilized existing tranche A senior secured RCF



SMRP B.V. - Strategy

1

- Retain and strengthen our technological leadership through continued focus on research and development and innovation

2

- Continue our disciplined global expansion and diversification through selective investments backed by new orders

3

- Increase customer penetration and diversification

4

- Drive further efficiency and continue to improve our cost base and capex efficiency

5

- Focus on profitable growth and pursue strategic acquisitions while maintaining our conservative financial policy

Successful execution of strategic plan outlined in 2014

	As of Mar-14	As of Mar-16		
Revenue (€m)	2,997	4,013	↑ +34%	<i>Revenue driven by market share gains</i>
Adj EBITDA (€m)	204	314	↑ +54%	<i>Strong growth in EBITDA</i>
% margin	6.8%	7.8%	↑ Δ+1%	<i>Improved operating efficiency</i>
Net Leverage	2.0x	1.8x		<i>Low leverage despite capex</i>
Order book (€bn)	7.7	13.5	↑ +75%	<i>Growing diversified order book</i>
No. of manufacturing plants	37	47 ¹	↑ +10	<i>Expanded global footprint</i>
Liquidity (€m)	351	535	↑ +52%	<i>Strong liquidity</i>

Notes:

1. Inclusive of 4 plants currently under construction, and 5 plants that are currently owned through joint ventures



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automotive brands

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INVESTORS



... The ever growing wealth
of our investors



... The lives of our employees

EMPLOYEES

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we work in

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