



**Proud  
to be  
part of.**

# **Presentation on Results**

## **Quarter ended 30th June 2018 (Q1 2018-19)**

9<sup>th</sup> August 2018

 **Samvardhana Motherson  
Automotive Systems  
Group BV**

- **Highlights**
- **Group Information**
- **Financial Performance**
- **Debt & Liquidity Status**
- **Status of facilities**

# Changes in Accounting Standard IFRS 15

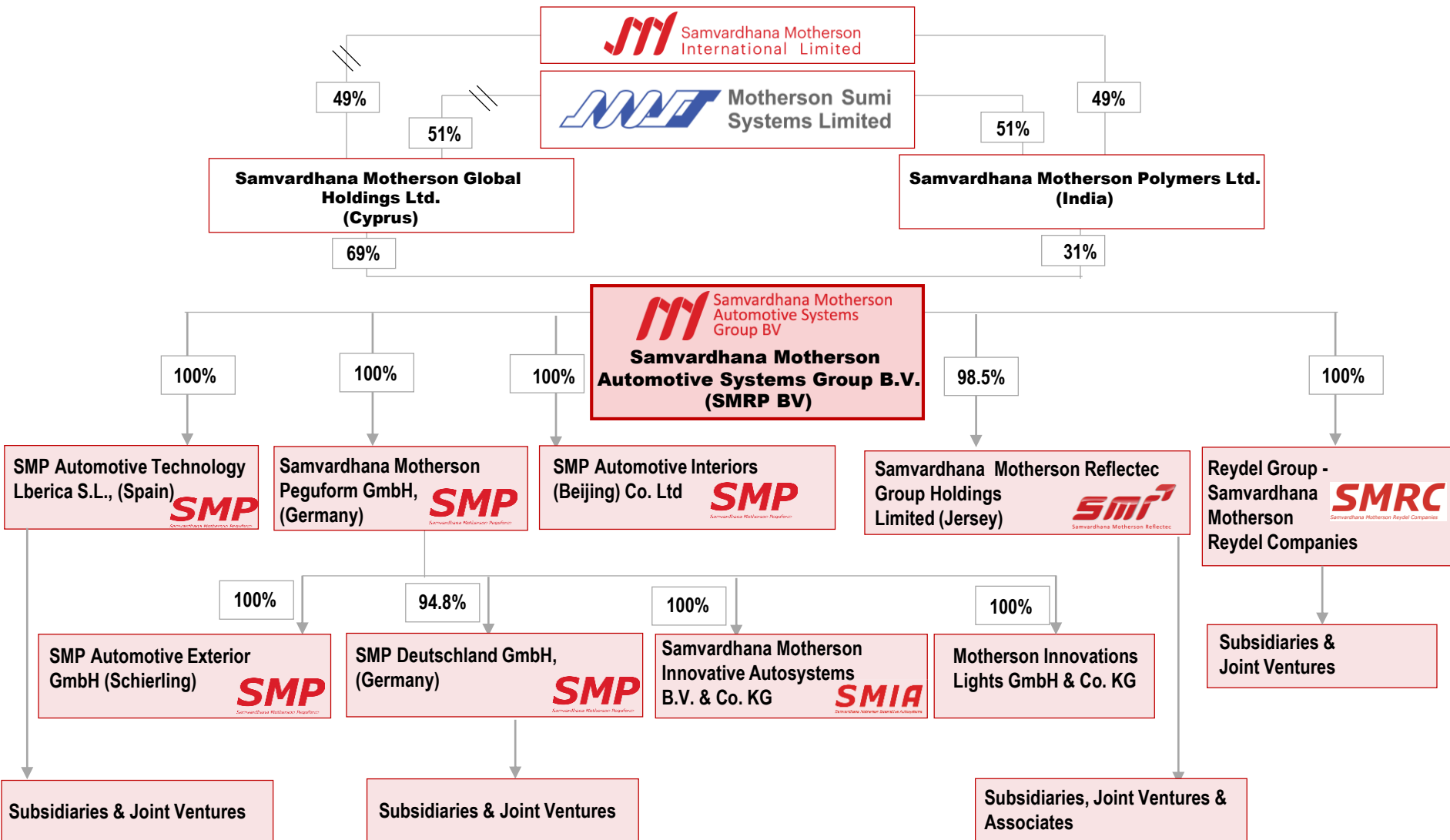
- During the quarter ended June 30, 2018, IFRS 15 – *Revenue from Contracts with Customers* became applicable on the Group.
- The management has conducted detailed analysis on the implications of implementation of new standard on the revenue. The Group builds all customized products for its customers. In certain contracts, the Group is undertaking higher level assemblies of modules such as Instrument Panels, Cockpits etc. wherein whole/ substantial components are procured from suppliers nominated by customer without taking over any risks on the Company itself. Such a situation has been defined in standard as the Group acting as an agent, and requires recognition of revenues excluding the value of such components.
- In view of implementation of new standard, only service fees involved in such contracts where the company has limited risks has been recognized as revenue by netting the cost of such components from raw material consumption as well as from sales as against earlier practice of full value to be included in Revenue.
- The new standard has been applied from April 01, 2018. The Group has adopted modified retrospective approach and hence comparative figures have not been reinstated. This change does not have impact on profits before and after tax.
- The Impact of IFRS 15 on the revenues is shown on slide no 9.

# Highlights : Q1 2018-19

- Revenue grew by 9% over corresponding quarter of previous year.
- To facilitate comparison, revenue growth has been considered after normalizing revenue for Q1 FY 2018-19 with netting-off impact (due to adoption of IFRS 15, refer details on slide 3 & 9)
- Adjusted EBITDA grew by 8% over corresponding quarter of previous year.
- Greenfield plants
  - Kecskemet, Hungary - Commenced commercial production during Q1 18-19.
  - Tuscaloosa, Alabama – Inaugurated on 27th April 2018, SOP Q3 18-19.
- Successfully completed acquisition of Reydel on 2nd August 2018. The purchase consideration paid was USD 200.4 million. For the year ended Dec 31, 2017 Reydel reported Revenue of USD 1,050 million with an EBITDA of USD 67 million as per USGAAP.

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# SMRP BV Group Structure



Corporate Structure as at date and is not a legal structure

# Global Presence

## SMRPBV

## Combined\*

**Plants.**

48

68

**Countries.**

18

23

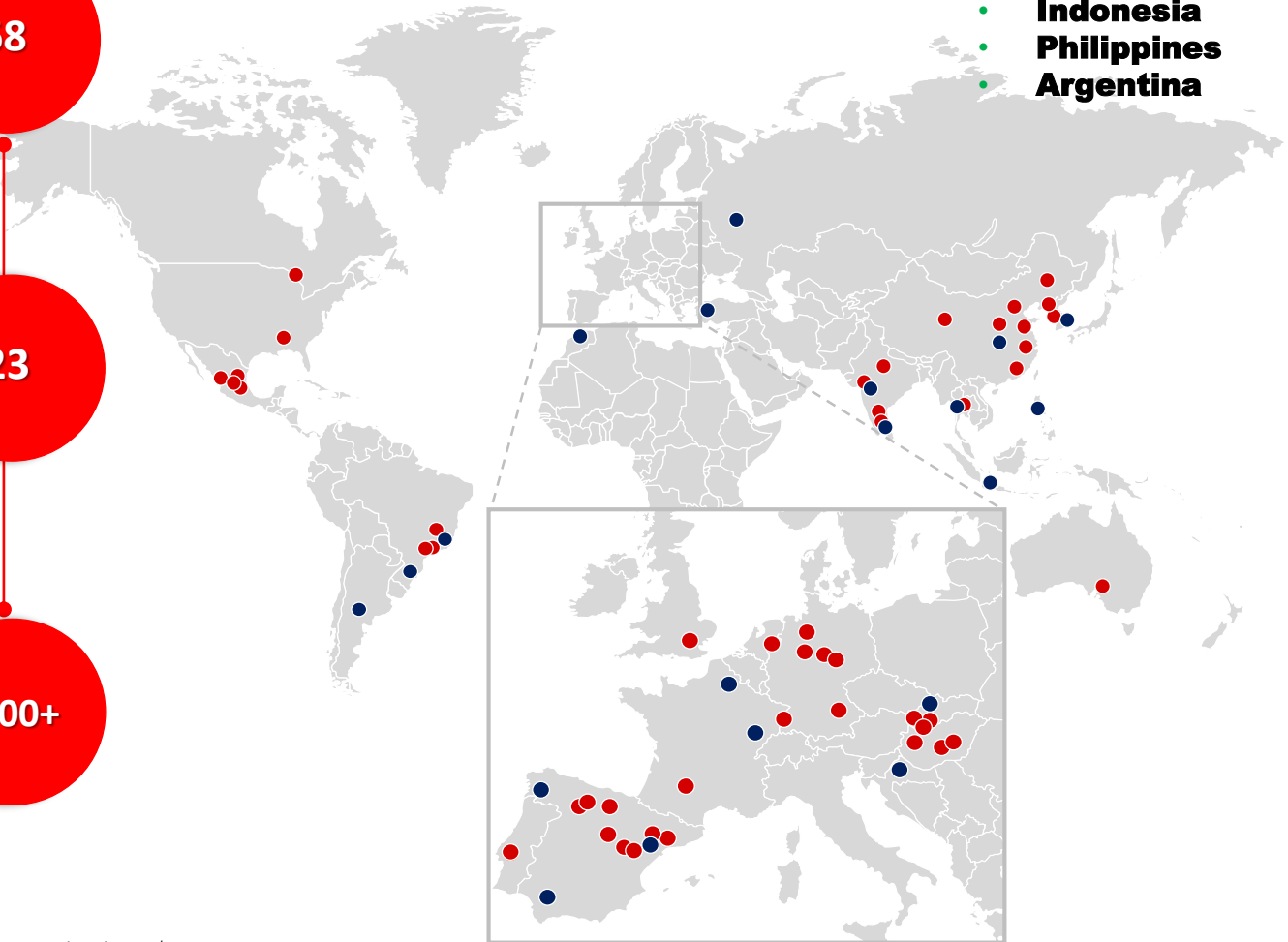
**Workforce\*\***

26,800+

32,300+

## New Geographies

- Croatia
- Morocco
- Indonesia
- Philippines
- Argentina



\* Combined status is including Reydel acquisition completed on 2<sup>nd</sup> August 18

\*\* Include full time, part time, temporary & contract employees

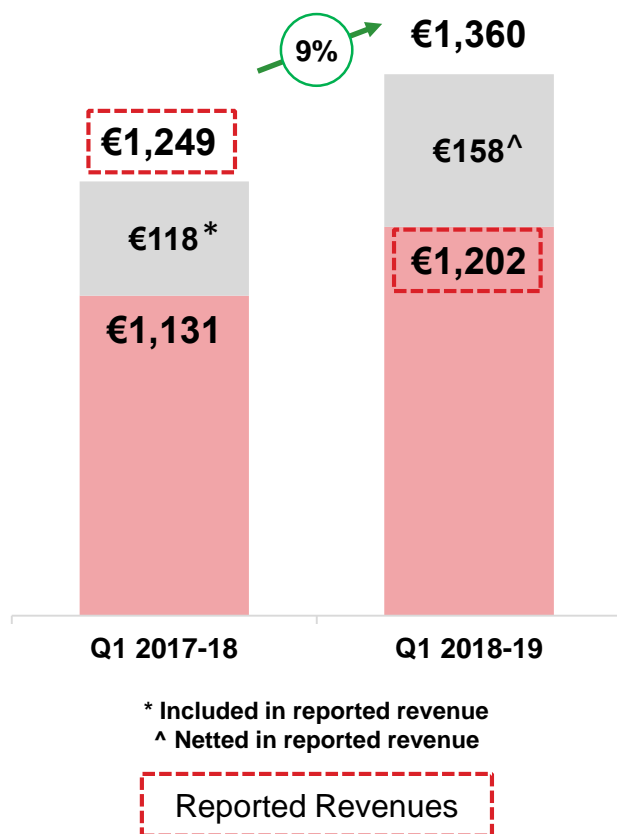
• SMRPBV Locations

• Reydel Locations

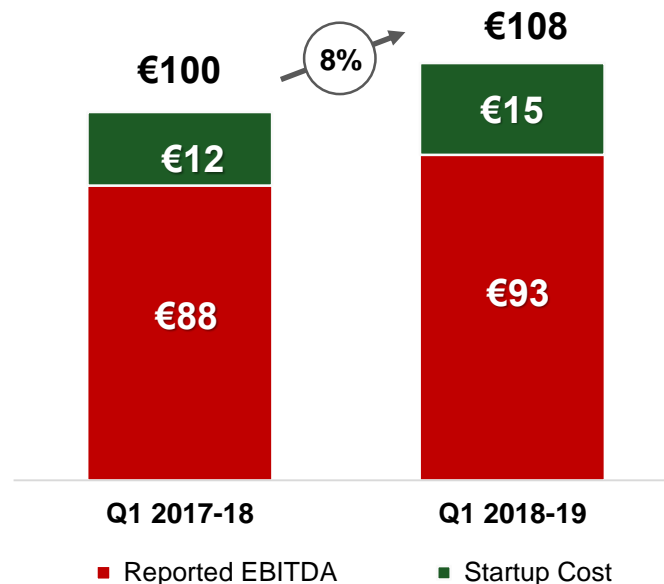
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# SMRP BV Consolidated : Q1 2018-19

## Revenues



## Adjusted EBITDA



Q1 2018-19 revenue has been impacted due to adoption of IFRS 15. The Group has adopted modified retrospective approach and hence comparative figures have not been reinstated

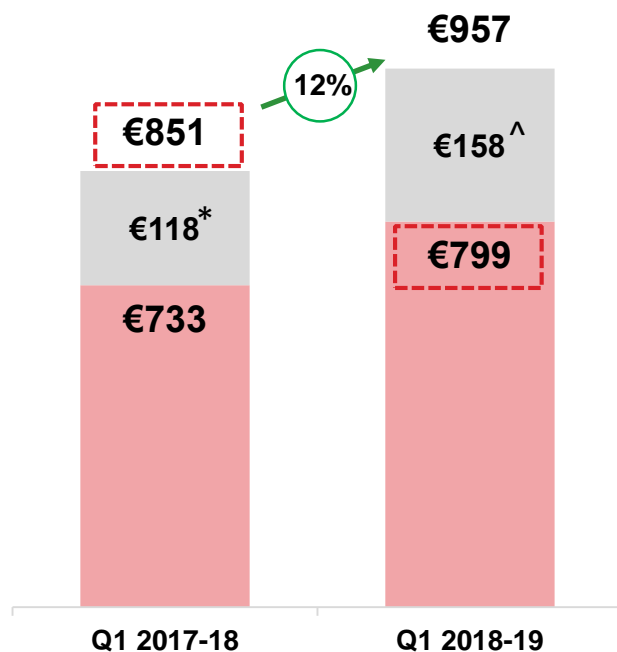
Adjustment is for Start-up cost incurred for new plants & facilities under construction



# SMP : Q1 2018-19

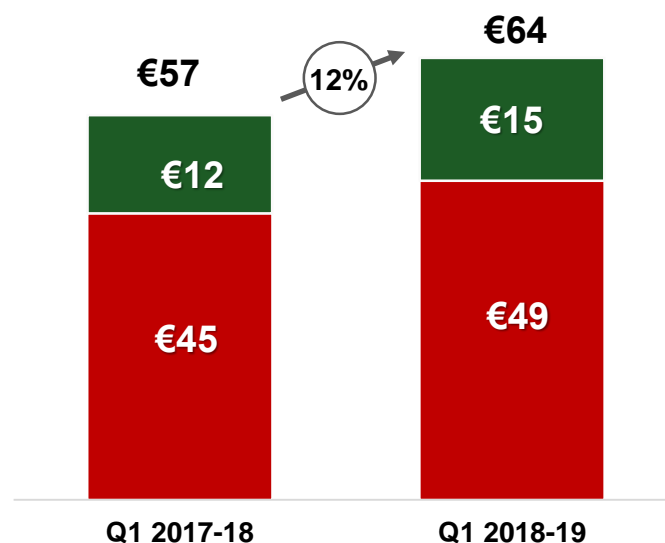
## Revenues

## Adjusted EBITDA



\* Included in reported revenue  
^ Netted in reported revenue

Reported Revenues



■ Reported EBITDA ■ Startup Cost

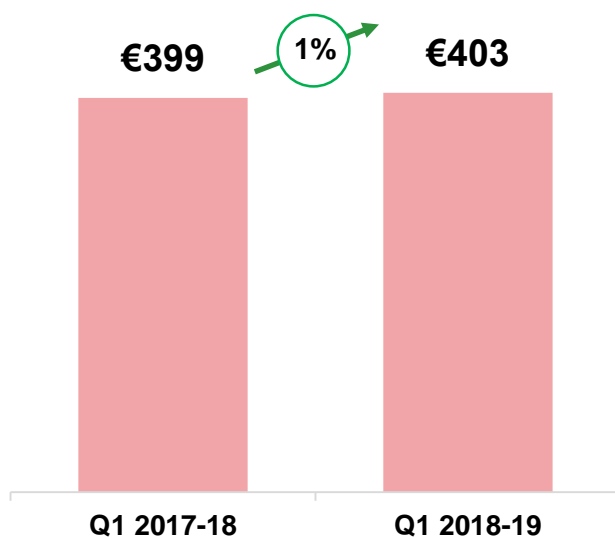
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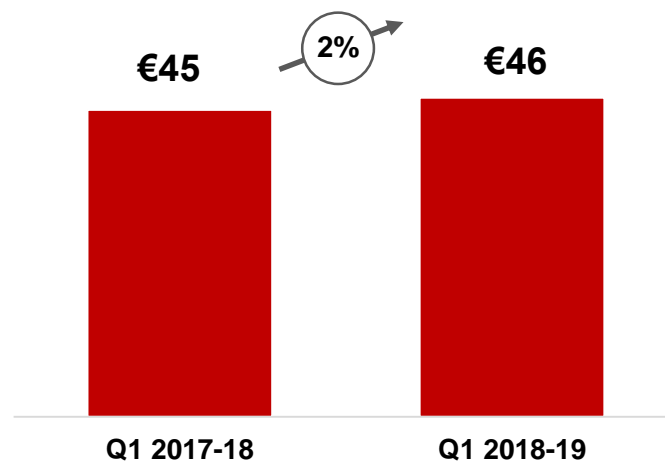


# SMR : Q1 2018-19

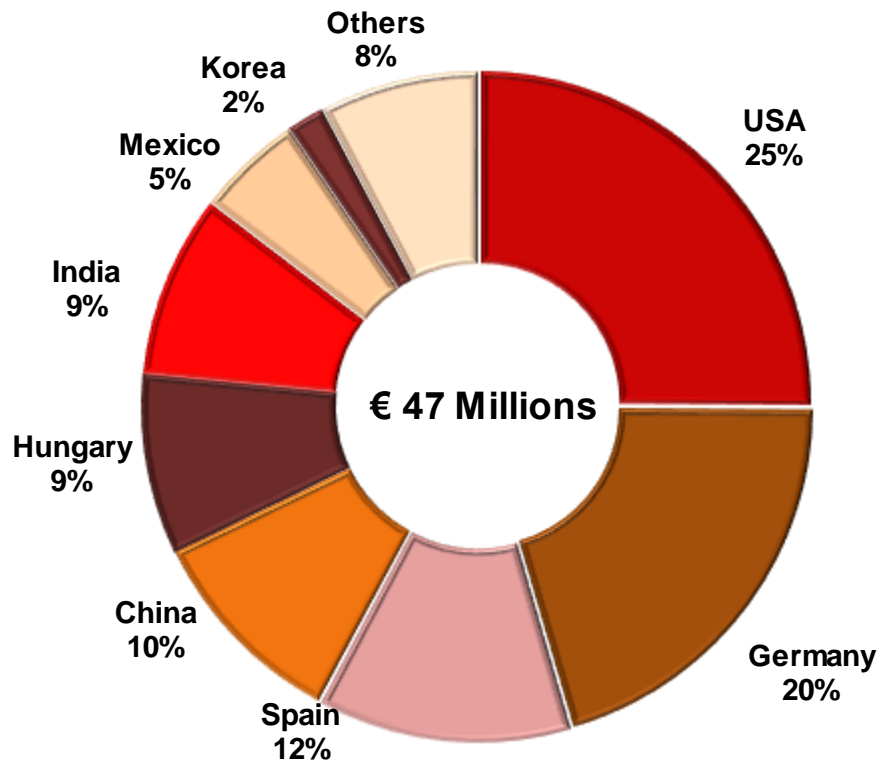
## Revenues



## EBITDA



# Capital Expenditure For the quarter ended June 30, 2018



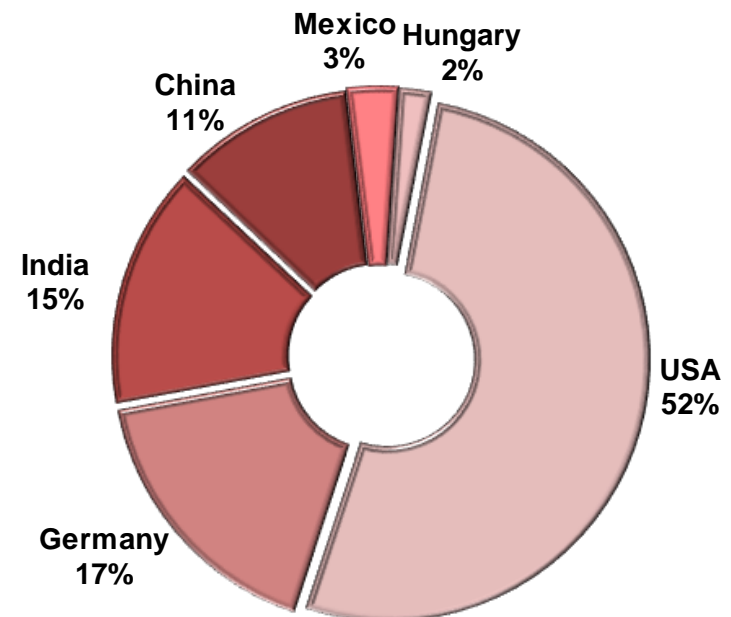
**SMP**  
Samvardhana Motherson Peguform

**€ 32 Million**

**SMI**  
Samvardhana Motherson Refractories

**€ 15 Million**

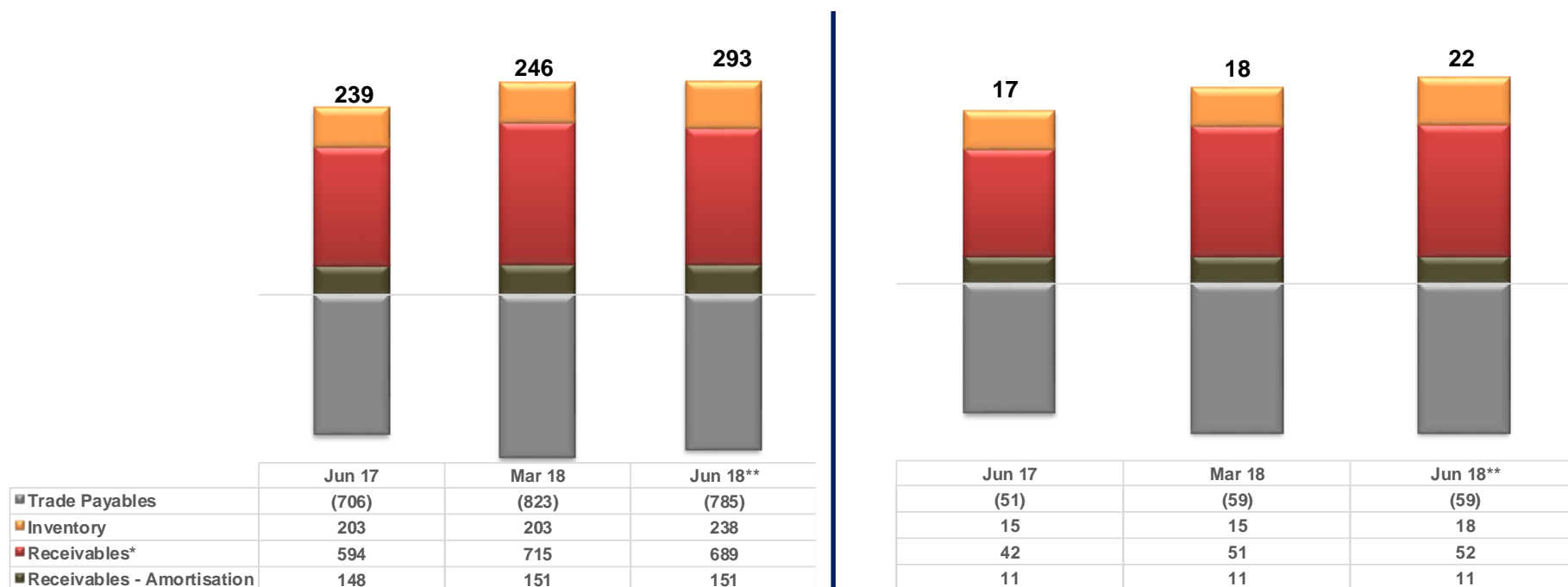
## Expansion capex - € 20 Million Approx. 43%



# Working Capital

€ Millions.

No of Days.



\* Receivables includes unbilled receivables in respect of in-progress engineering inventory recognized as receivables under percentage of completion method

\*\* Working capital days has been computed on reported revenue.



# Summary of Cash Flow

## For the quarter ended June 30, 2018

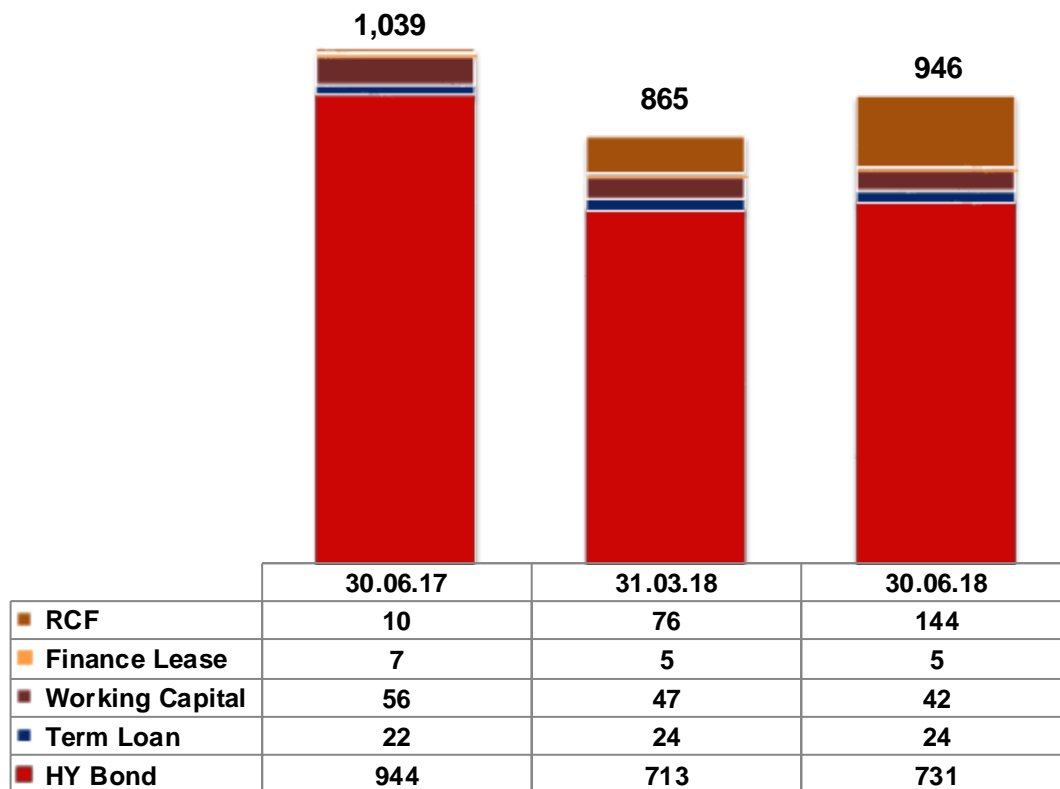
Statement of Cash Flows (€ millions)	April 1, 2017 to June 30, 2017	April 1, 2018 to June 30, 2018
Cash flow from operating activities before changes in working capital and income tax	88	87
Changes in working capital	(105)	(93)
Income tax paid	(24)	(19)
<b>Cash flow from operating activities</b>	<b>(41)</b>	<b>(25)</b>
Purchase of property, plant and equipment (including Pre-Payments)	(81)	(46)
Others	1	1
<b>Cash flow from investing activities</b>	<b>(81)</b>	<b>(46)</b>
Net Proceeds from borrowings (including finance leases)	35	59
Interest Paid	(14)	(14)
Others	(10)	(9)
<b>Cash flow from financing activities</b>	<b>11</b>	<b>36</b>
<b>Net increase in cash and cash equivalents</b>	<b>(111)</b>	<b>(35)</b>
Cash and cash equivalents at the beginning of the period	506	216
Variation in cash and cash equivalents from translation in foreign currencies	(3)	1
<b>Cash and cash equivalents at the end of the period</b>	<b>392</b>	<b>182</b>

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# Cash & Debt Status

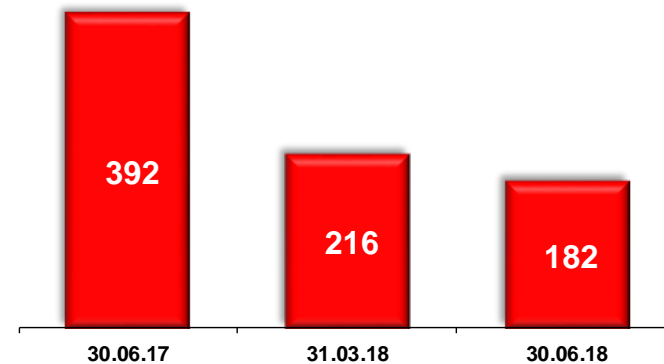
## Gross debt.

€ Mio.



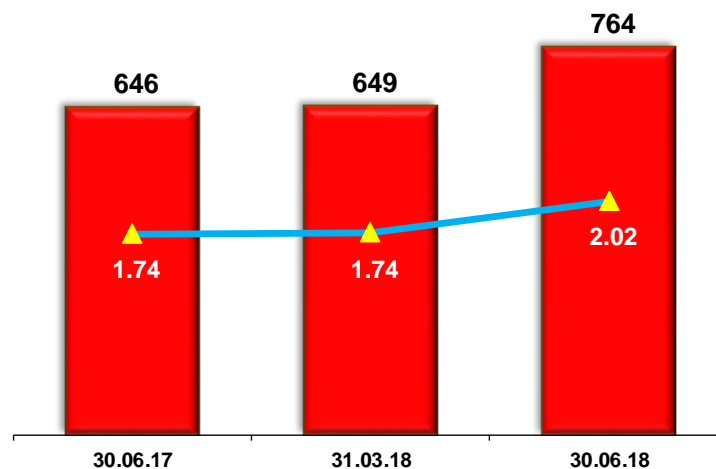
## Cash.

€ Mio.



## Net debt & Net leverage.

€ Mio.



# Liquidity Status As at June 30, 2018

## Available Liquidity\*.

€ in Millions	Sanctioned Limit	Utilised as at June 30, 2018	Liquidity Available
RCF (including Ancillary facility) *	500	144	356
Cash and Cash Equivalents			182
<b>Total Liquidity Available</b>			<b>538</b>

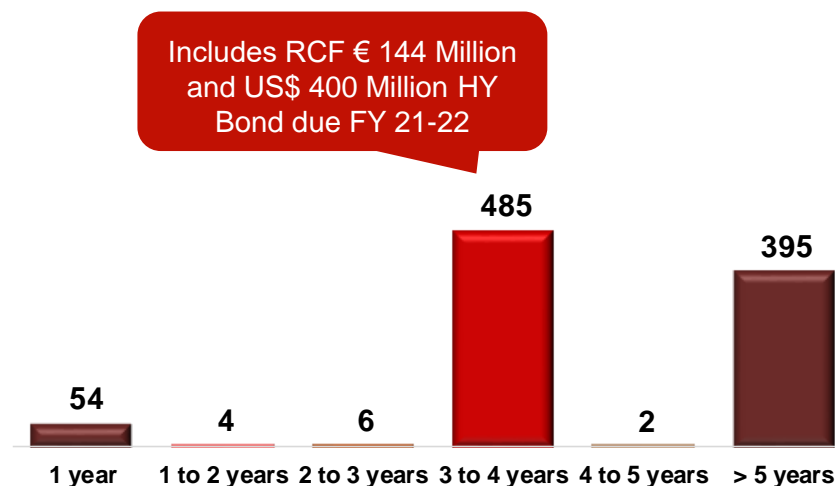
\* Available liquidity subject to headroom under leverage ratios

## Maturity profile.

## Leverage Ratio .

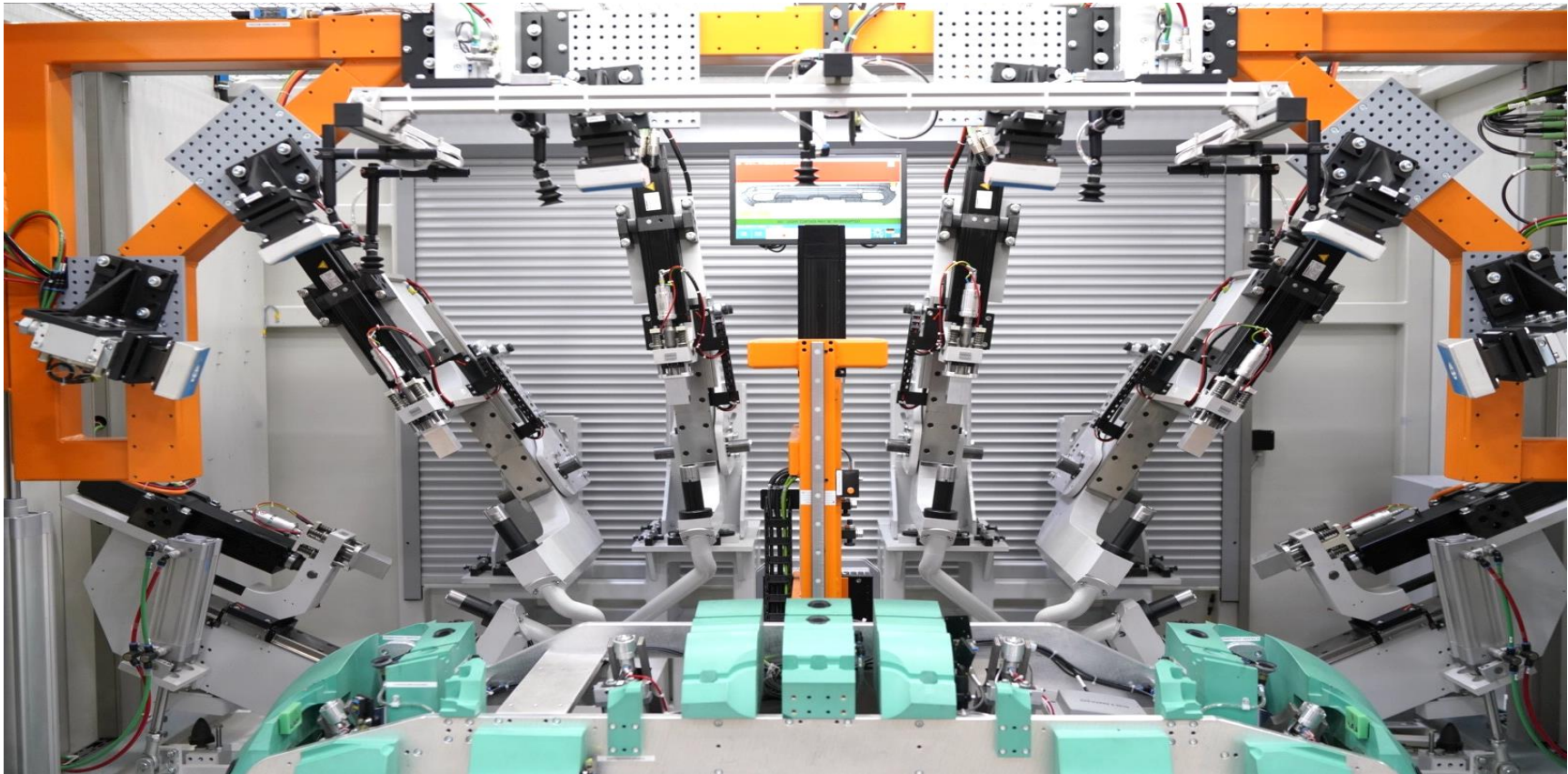
Key Ratios <sup>#</sup>	Allowed	June 30, 2018
Gross Leverage Ratio: Indenture	3.50x	2.50x
Net Leverage Ratio : RCF	3.25x	2.02x

# Computed as per definitions given in Indenture & RCF agreements



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# Status of upcoming facilities – Americas.



**Company : SMP**

**Location: Tuscaloosa, AL (USA)**

**Type: Greenfield Plant**

**Product: Bumpers, Door panels,  
spoilers and other exterior parts**

**Operational : Q3 FY18-19**

Q3 FY15-16



Q1 FY16-17



Q3 FY16-17



Q1 FY17-18



Q3 FY17-18

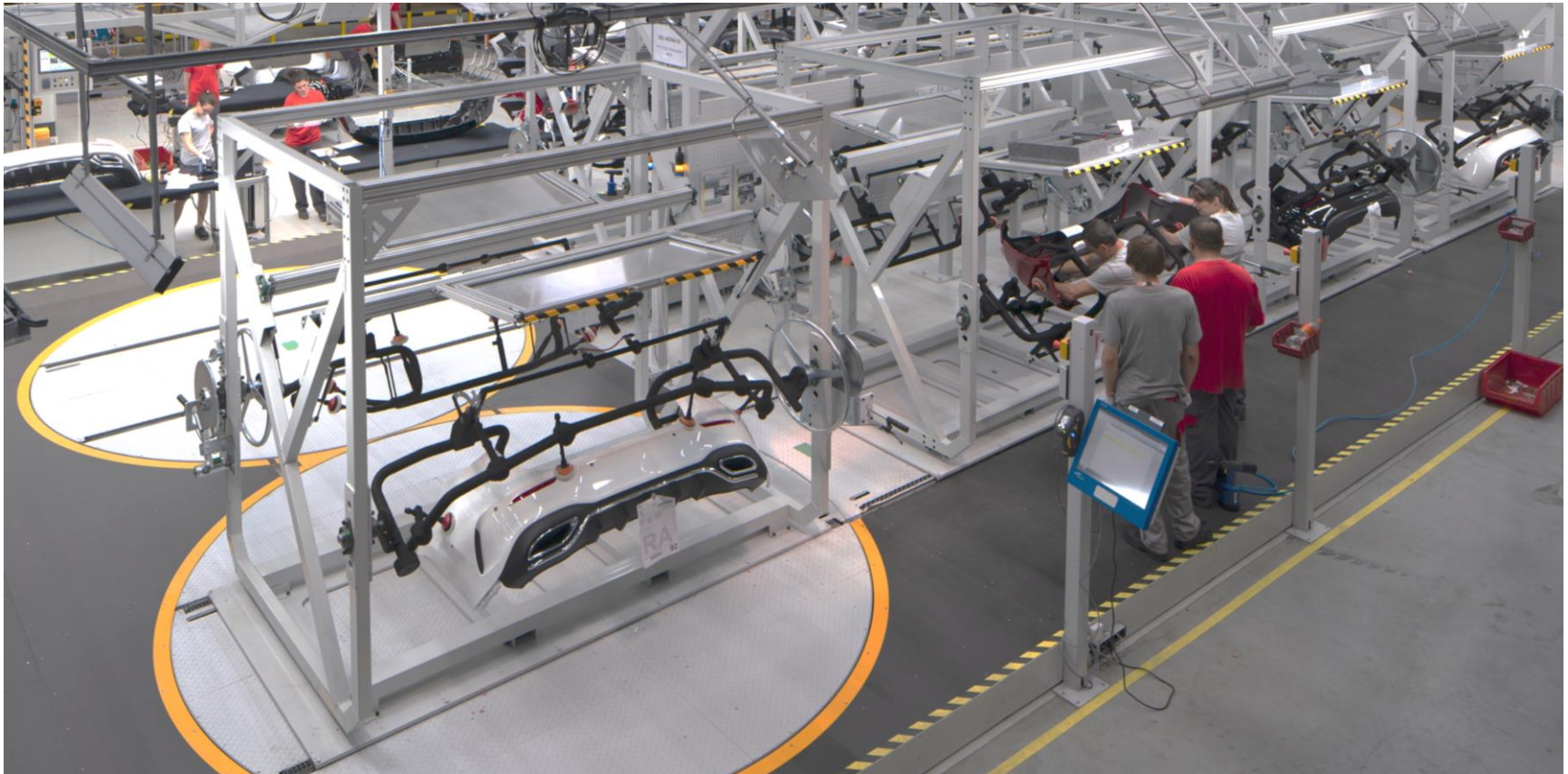


# Inauguration Ceremony of SMP Tuscaloosa, USA plant



**Inauguration Ceremony of the SMP Tuscaloosa Plant,  
26<sup>th</sup> of April 2018**

# Status of upcoming facilities – Europe.



**Company : SMP**

**Location: Kecskemet\*, Hungary**

**Type: Greenfield plant,**

**Product: Bumpers & Door Panels**

**Operational : Q1 FY 18-19**

Q3 FY15-16



Q1 FY16-17



Q3 FY16-17



Q1 FY17-18



Q3 FY17-18



# Status of upcoming facilities – Europe.



**Company : SMP**

**Location: Neustadt, Germany**

**Type: Expansion**

**Product: Dashboard, Bumpers, Door Panels**

**Operational : Q3 FY 18-19**

Q1 FY17-18



Q3 FY17-18



# Status of upcoming facilities – Europe.



**Company : SMR**

**Location: Mosonszolnok\*, Hungary**

**Type: Expansion / New Paint Shop**

**Product: Exterior Rear View Mirrors**

**Operational : Q4 FY 17-18**

Q1 FY16-17



Q3 FY16-17



Q1 FY17-18



Q3 FY17-18



# Status of upcoming facilities – Asia.



**Company : SMR**

**Location: Incheon\*, South Korea**

**Type: Relocation of Plant**

**Product: Mirror parts, Powerfold,**

**Operational : Q4 FY 17-18**

Q1 FY16-17



Q3 FY16-17



Q1 FY17-18



Q3 FY17-18



# Status of upcoming facilities – India.



**Company : SMR**

**Location: Chennai, India**

**Type: Relocation & New Facilities**

**Product: Exterior & Interior Mirror,  
Mirror parts (Actuators)**

**Operational : Q1 FY 19-20**

Q3 FY17-18



# Safe harbour

## Safe harbour

This presentation contains forward-looking statements based on the currently held beliefs and assumptions of the management of the Company, which are expressed in good faith and, in their opinion, reasonable. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of the Company or industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Given these risks, uncertainties and other factors, recipients of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.

# Thank you.

