Motherson views on trends in the global automotive industry.

12th September 2020
01 An introduction to Motherson.
Motherson.

• Motherson started in 1975 in Delhi as a partnership between my mother the Late Shrimati Swaran Lata Sehgal and me.

• Our name signifies a relationship of trust with all stakeholders.
We have come a long way.

From making a humble t-coupler for the Maruti 800.
Today.

Motherson is one of the world’s leading specialised manufacturing companies for OEMs.

Working with 33 joint venture partners.

Over 135,000 people worldwide.

Operating over 270 facilities in 41 countries.

US$ 11.2 bln. in yearly revenues.

< 2010-19 CAGR = 22.3%

Engineering focused company, strong Tier 1 OEM supplier.

Photo by David Edelstein.
Increased content per vehicle.
Transformation from a wiring harness manufacturer to a diversified group.
Covid-lesson: Our long-held globally local strategy works.

Motherson does not follow an import and export model. We try to set up a plant and manufacture for our customers in a country for that country.

We invest in local plants and employment across the world, where our customers need us.
Demand is returning.

Mercedes-Benz sees demand revival during festive season driving production ramp-up

Luxury car market more affected than others as consumers reassess their priorities. Despite the ongoing pandemic, the luxury car market has been relatively resilient compared to other segments. According to recent reports, Mercedes-Benz is among the brands that have seen a revival in demand during the festive season, with production ramp-up in place to meet the increased demand.

Suzuki to make efforts to reach pre-Covid-level output, sales

PRESSTREASON

A Suzuki official has expressed optimism about the future of the company in India, with efforts underway to reach pre-Covid-level output and sales. The official said that the company is focusing on improving its manufacturing capabilities and increasing its market presence to achieve these targets.

Virus Won’t Affect Kia Motors’ India Plans, says Global Prez

Kia Motors, a leader in the automotive industry, has reaffirmed its commitment to India, stating that the virus outbreak will not affect its plans for expansion and growth in the country. The company has been planning to launch new models and increase its manufacturing capacity to meet the growing demand for its products.

Skoda Auto India witnesses ‘Rapid’ growth

The COVID-19 pandemic has had a significant impact on the automotive industry, with sales and production figures taking a hit. However, Skoda Auto India has reported a ‘Rapid’ growth in its sales, reflecting the resilience of the market and the company’s strategic approach to navigating the challenging times.

Volkswagen launches new T-Roc R

The German car manufacturer, Volkswagen, has launched a new model, the T-Roc R, in the Indian market. The T-Roc R is a performance-oriented SUV with a powerful engine and advanced features, aimed at catering to the growing demand for high-performance vehicles in the country.
84% of our plants are running at more than 50% capacity.

In Europe and the US, markets have rebounded well. India is a bit weaker. We expect things to normalise towards the end of the year.
Vision

The sixth 5-year plan.

No. 1
USD 36 billion revenues in 2024-25 with 40% ROCE (consolidated)

No. 2
3CX10 No country, customer or component should contribute more than 10% of our revenues

No. 3
75% of revenues from automotive industries, 25% from new divisions

No. 3
40% of consolidated profit as dividend
Four major trends.

C  A  S  E

c-connected
a-autonomous
s-shared
e-electric
Rural and urban transportation solutions.

With 45% of global population in rural areas, a diverse range of transportation solutions is required.
Mobility is changing but remains a fundamental human need.

In 2008/9, people thought the automotive sector had peaked in 2007. It had not.
Our parts fit all future trends.

The changes underway do not affect our products and provide opportunities to increase content and value per car.
A total transportation solutions provider.
02 Motherson approach to acquisitions.
Acquisition opportunities are increasing.

Global car sales have been under pressure. In combination with the covid-19 impact, this means there could be requests from carmakers to us to acquire companies.

Source: IHS, LMC Automotive.
Motherson Group has integrated 23 acquisitions since 2002 bringing a wide range of solutions to customers.
And we have grown large acquisitions profitably.

Doubled the size of the Group and brought leadership in mirrors and vision systems.

Doubled the size of the Group and brought growth to the polymer division.

Globalisation of the wiring division and leadership in the commercial vehicle segment.
Some keys to our acquisition success.

Each acquisition is different, hence needs a different solution.
Acquisitions must meet our own criteria. We exercise restraint, so we deliver our shareholders what we promise.

Not with any price tag.
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