

## Mahindra CIE Automotive Ltd.

### Recording of Investor Meetings

Date of meet	08-September-2015
Type of meeting	Group Meetings in Mumbai
Investor/ Fund / Firm	Highclere International, MaxLife Insurance, Indus Capital Advisors, UBS Global Asset Management, Sundaram Asset Management, Birla SunLife Asset Management, Polar Capital
Company Representatives	Sanjay Joglekar, Chief Financial Officer, Mahindra CIE Vikas Sinha, VP Strategy, Mahindra CIE
Did discussions involve UPSI	No
Gist of discussions	<p>The discussions revolved around the Industry, company information already in public domain. The main points of the discussion are as follows:</p> <ul style="list-style-type: none"> <li>• <b>Overview of Mahindra CIE alliance</b> <ul style="list-style-type: none"> <li>➤ Merger process completed in Dec'14</li> <li>➤ CIE is now the majority owner of Mahindra CIE (MCIE) and has management control</li> <li>➤ Integration with CIE is proceeding satisfactorily. CIE has a results oriented culture which MCIE is imbibing. To ensure integration, the different verticals of MCIE work closely with similar verticals of CIE under the guidance of the CIE global heads of each of these verticals.</li> <li>➤ CIE does not charge any royalty to MCIE</li> </ul> </li> <li>• <b>Europe Market Overview</b> <ul style="list-style-type: none"> <li>➤ CIE Forge primarily supplies to passenger car market which has been growing steadily and grew by 8% in H1C15. ACEA forecasts a growth rate for 5% for the full calendar year 2015</li> <li>➤ MFE supplies mainly to trucks which too has grown at 8% in H1C15 but where the trends have been fluctuating</li> <li>➤ MC supplies to off road market which has seen declining sales</li> <li>➤ At MCIE Europe, capacity augmentation is not required for the above growth</li> </ul> </li> <li>• <b>Mahindra Forgings Europe turnaround plan</b> <ul style="list-style-type: none"> <li>➤ Phase I : Short term focus on cost reduction – completed</li> <li>➤ Phase II : Explore synergies with CIE Forgings; Profitability improvement via optimizing product- process-location combination. Jeco in process of being closed down. New products to be evaluated in the medium term</li> </ul> </li> <li>• <b>MCIE India Strategy</b> <ul style="list-style-type: none"> <li>➤ Waiting for volumes to return at key customers and benefit from existing operating leverage.</li> <li>➤ Focused on parts on new models introduced and to be introduced by our existing customers - 'Indian OEMs'. Exploring participation on new models of new customers – 'Western OEMs'</li> </ul> </li> <li>• <b>Overall goals of MCIE:</b> In the 1st phase, MCIE will focus on financial consolidation and meeting the five parameters that CIE uses to evaluate businesses viz. RONA%, EBIT%, Free Cash Flow/ EBITDA, Net Operating Assets/ EBITDA, Debt/ EBITDA. In the 2nd phase, MCIE will focus on growth including via acquisitions both in India &amp; ASEAN. Acquisitions will be subject prudent financial norms listed above</li> </ul>
Any other comments	All the above points have been covered in detail in earnings updates released earlier and in earnings conference calls