

April 29, 2014

National Stock Exchange of India Ltd.
Listing Department, Exchange Plaza
Plot no. C/1, G-Block
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051.

Dear Sir/ Madam

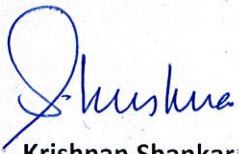
Sub: Press Release of the Standalone and Consolidated Audited Financial Results of the Company for the quarter and year ended 31st March, 2014

Scrip ID: MAHINDCIE

We are enclosing a copy of the Press Release in respect of the Standalone and Consolidated Audited Financial Results of the Company for the quarter and year ended 31st March, 2014.

Kindly acknowledge receipt of the same.

Yours faithfully,
For Mahindra CIE Automotive Limited



Krishnan Shankar
Company Secretary & Head – Legal
Encl. as above.



For immediate release

MAHINDRA CIE AUTOMOTIVE LIMITED (Formerly known as MAHINDRA FORGINGS LIMITED) ANNOUNCES AUDITED FINANCIAL RESULTS

Mumbai, April 29, 2014: The Board of Directors of Mahindra CIE Automotive Limited (MCIE) today announced the audited financial results for the Quarter ended 31st March, 2014 of the company and the audited results for the year ended 31st March, 2014 and the Consolidated MCIE Group.

MCIE Consolidated Highlights

Particulars (Rs Mio)	Q4 (2013-14)	Q4 (2012-13)	F2014 (2013-14)	F2013 (2012-13)
Revenue	7,149	5,628	25,908	22,164
EBIDTA	582	-268	1,087	429
PAT	90	-691	-815	-1,139

MCIE Standalone Highlights

Particulars (Rs Mio)	Q4 (2013-14)	Q4 (2012-13)	F2014 (2013-14)	F2013 (2012-13)
Revenue	982	1,094	3,865	4,404
EBIDTA	175	199	523	665
PAT	65	156	180	409

Highlights : January - March '14

India

Revenue in Q4 F14 is Rs 982 Mio, 10% lower than in Q4 F13 mainly due to slow down in auto market in India.

EBITDA Margin is 18% in Q4 F14.

Europe

Revenue in Q4 F14 is Euro 75 Mio as against Q4 F 13 Euro 66 Mio, higher by 14%,. EBITDA margin has improved to 6% compared to -3% in Q4 of last year.

After a prolonged and significant decline in demand due to economic downturn in Europe, the market demand showed a gradual recovery in current year. Action initiated by management in improving operational efficiencies, leveraging synergies between different entities in improving price realization.

The additional expertise available from parent CIE's European management and technical team has started yielding results which are apparent in Q4, FY 14 results. Market demand picked in Q4 FY14 and with the above initiatives has resulted in MCIE returning to Net profits after successive losses.

The company will continue to closely monitor the progress of those initiatives that have yielded the improvement in profitability and will endeavor to maintain that momentum.

Consolidated

The revenue numbers for the current quarter include a currency translation gain of Rs 886 mio due to fluctuation in Euro-Rupee Exchange Rate between Q4 F13 and Q4 F 14 .

Revenue has increased by 27 % in Q4 F14 as compared to Q4 F13, without considering Currency Translation Gain, Revenue is higher by 11 % compared to Q4 F13.

Highlights: April 13 – March 14

India

- Revenue reduced by 12% in F2014 as compared to F 2013 mainly due to slow down in auto market in India.
- EBITDA margin is 13.5% in F2014 lower by 15% compared to F2013 mainly due to lower revenue.

Europe

- Revenue has increased by Euro 18 Mio to Euro 278 Mio in F2014 as compared to Euro 260 Mio in F 2013. EBITDA improved to 2.8% compared to(-ve) 0.3% in last year.

Consolidated

- In F 2014, currency translation gain of Rs 2,937 Mio is included in revenue due to appreciation of Euro compared to Rupee between F 2013 to F 2014.
 - Revenue increased by 17% in F 2014 as compared to F 2013. Without considering the currency translation gain consolidated revenue in F 2014 is higher by 4% as compared to F 2013.
 - EBITDA Margin in F 2014 is 4% as compared to 2% in F 2013.
 - EBITDA of European subsidiaries has improved in Current period to Euro 7.8 mio compared to Euro (-ve) 1 mio in F 2013.
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OUTLOOK

India

MFL target segments in India are the passenger car, utility vehicles (UV) & tractor markets.

- In the current financial year, the production of UVs has grown by 6% in Q1F14 and then has shown three quarters of decline by 8.6% in Q2F14, 2.3% in Q3F14, and 1% in Q4F14 as compared to the corresponding quarters previous year. This has translated into a decline of 1.8% in H1FY14 and 1.6% in H2FY14 compared to the corresponding periods of the previous year. Overall the cumulative UV production has declined marginally by ~2% compared to the previous year.
- Similarly, the production of cars has declined by 13.3% in Q1F14 but grown in the next quarter (Q2F14) by 12.3%, but declined again by 7.3% in Q3F14, and 7.2% in Q4F14 as compared to the corresponding quarters previous year. This has translated into a decline by ~2% in H1F14 and 7.4% in H2F14 compared to the corresponding periods of the previous year. Overall the cumulative passenger cars production has declined by 7.4% compared to the previous year.
- Overall, passenger vehicle (cars + UVs) production shrank by 10% in Q1F14, grew by 8% in Q2F14 and shrank again in consecutive quarters by ~7% in Q3F14 and 6% in Q4F14 compared respectively to the corresponding quarters of the previous year. Thus, the cumulative Passenger vehicle production has declined marginally by ~4% compared to the corresponding period in the previous year. Production at Indian OEMs, which constitutes the largest part of our sales, has fallen more sharply (approximately 28%) as compared to the market (approximately 4%) in F14.
- The cumulative Tractor industry production has shown a healthy 20% growth compared to the corresponding period in the previous year.
- Leading auto industry analyst CRISIL, expects the Auto industry to return on to the growth trajectory in 2014-15. But this return to growth is expected to be gradual. In line with this we expect a slight growth in next quarter. The domestic tractor market is expected to retain its growth momentum, even though CRISIL expects the growth to slow down

Europe

- MFL target segment in Europe is heavy trucks. Data on heavy truck (>6T) registrations in Germany cumulative for F14 indicates an uptick of ~9% over the same period previous year. Heavy truck registrations declined by 8% in Q1F14 (Apr-Jun'13), but after seven consecutive quarters of decline show a marginal positive growth of 1% in Q2F14 (July-Sept'13) and has picked up sharply in Q3F14 by 29% followed by 17% in Q4F14 over the same period previous year. The market conditions in the next year are expected to maintain slight growth, thus we see a cautious recovery with a few key customers.

ABOUT MAHINDRA CIE AUTOMOTIVE LIMITED (MCIE)

- We are one of the leading automotive forging companies in the world. We manufacture and supply engine and chassis forged components for commercial and passenger vehicles and other non-automotive products.
- We have a diversified and complementary product portfolio across geographies. In India, our Company is focused on design, development and machining of crankshafts and steering knuckles for cars and multi-utility vehicles. Schöneweiss, our German subsidiary, is one of the leading axle beam manufacturers in the world. Jeco-Jellinghaus GmbH ("Jeco"), Gesenkschmiede Schneider GmbH ("GSA") and Falkenroth Umformtechnik GmbH ("Falkenroth"), our other German subsidiaries, are providers of a diverse range of forging products, primarily for heavy commercial vehicles, and collectively manufacture more than 250 products. Stokes Group Limited, our subsidiary in UK, has an expertise in flashless forgings for passenger car applications.
- We are also now a part of CIE Automotive Group.
- As of 28th November 2013 Mahindra Forgings Limited has been renamed to Mahindra CIE Automotive Limited and continues to be listed under a new name (Ticker: BSE: 532756, NSE: MAHINDCIE)
- We continue to be optimistic about the benefit that MCIE can derive from technical and commercial synergies out of this global alliance which is subject to approval for proposed merger schemes.

ABOUT CIE AUTOMOTIVE

CIE Automotive; headquartered in Bilbao – Spain, is one of the main suppliers of components and sub-components for the automobile sector operating in Europe, Brazil, NAFTA and China with sales of EUR 1.65 Billion / USD 2.2 Billion. CIE develops its entire line of products through seven processes or technologies (forging, machining, aluminum, stamping, plastic, iron casting and painting). CIE's operations in Brazil, Mexico, USA and China are constituted under its subsidiary, Autometal, listed on the Sao Paulo stock exchange (Ticker: AUTM3).

CIE Automotive (Listed; Madrid, Bilbao: CIE.SM)

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